



CHAIRMAN

OFFICE OF THE SECRETARY OF DEFENSE  
RESERVE FORCES POLICY BOARD

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JUL 16 2013

INFO MEMO

FOR: SECRETARY OF DEFENSE

FROM: MajGen Arnold L. Punaro, USMCR (Ret), Chairman, Reserve Forces Policy Board

SUBJECT: Report of the Reserve Forces Policy Board on Reserve Component (RC)  
Duty Status Reform

- The Reserve Forces Policy Board (RFPB) is a federal advisory committee established to provide you with independent advice and recommendations on strategies, policies and practices designed to improve and enhance the capabilities, efficiency, and effectiveness of the reserve components.
- The RFPB met on June 5, 2013 and voted to recommend that you direct the Under Secretary of Defense for Personnel and Readiness (USD (P&R)) and the Secretaries of the Military Departments to jointly develop a plan that revises and reduces the total number of duty statuses driven by policies and authorities which fall under their purview. Further, USD (P&R) should propose necessary statutory modifications needed to implement duty status reduction to the Congress. All actions should be completed within one year. The recommendation and supporting slides considered by the Board are located at TAB A.
- Disruption in compensation and benefits for Reserve Component (RC) members exists today in large part because members are often required to change their duty status, which adversely affects readiness and mission accomplishment. For this reason, all recent reviews of the reserve components have recommended major reform of reserve component duty statuses.
- Much of the complexity of the current system is derived from the duty authority, purpose, funding, and restrictions embedded within each duty status. By separating these management functions from the actual authority, the number of duty statuses could be reduced from 32 to as few as 6. The purpose of the duty, funding for the duty, and compliance with limitations and restrictions could be managed/tracked separately.
- The 2001 Quadrennial Defense Review directed a Review of Reserve Component Contributions to National Defense which was published in December 20, 2002. It plainly acknowledged the need for reform, stating the current Reserve Component duty status "system is complex, aligns poorly to current training and mission support requirements, fosters inconsistencies in compensation, and complicates rather than supports effective budgeting." (TAB B)

- The 2008 Commission on the National Guard and Reserve (CNGR) also found that “there are 32 different duty statuses and each Service has variations of those 32 duty statuses, which only adds to the confusion.” Active component members have a single duty status, “active duty”, while reservists serve in an array of statuses that are driven by a wide range of policies, laws, and types of duty. The CNGR recommended significantly reducing the duty statuses and DoD concurred. (TAB C)
- The 2011 report of the 11th Quadrennial Review of Military Compensation (QRMC) stated that “the reserve duty system consists of a plethora of authorities to order a reserve component member to duty and a variety of purposes of duty—all of which need to be tracked in order to justify the budget request, remain within authorized strength limits, and comply with utilization restrictions. The QRMC found that without first addressing the convoluted and complex system of reserve duty, it would be difficult to bring meaningful change to compensation and benefits.” (TAB D) Of note, the 11<sup>th</sup> QRMC developed draft legislation that reduces the number of authorities under which a Reserve Component member can be ordered to perform duty, while retaining the ability of the Services and Congress to track and account for the purpose and funding of the duty. The draft legislation was delivered to the Department as a separate package.
- Many of the duty statuses can be streamlined and reduced simply through changes in DoD internal policies. Others will require the Department to request congressional changes in legislative authority.
- While DoD has concurred with numerous recommendations from previous studies and reviews over the past decade to reduce the number of reserve duty statuses, there has been no movement to actually reduce the number of duty statuses. In fact, the number of duty statuses has actually increased.
- As required by the Federal Advisory Committee Act, this recommendation was deliberated and approved in an open, public session. The minutes presented to and approved by the Board have been posted to the RFPB public website. The basic overview of the RFPB is submitted as TAB E.

COORDINATION: NONE

Prepared by: Maj Gen James N. Stewart, 703-681-0600

**TAB A**

**Reserve Forces Policy Board  
Approved Recommendation**



## ***Subcommittee on Creating a Continuum of Service***

***Major General Marcia M. Anderson***  
***Subcommittee Chair***





# Agenda

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- Implementation of RFPB April 2012 report on ***“Avoiding Past Drawdown Mistakes to Enhance Future Total Force Capabilities”***
  - Status of Recommendations
- ***Duty Status Reforms***
  - Observations
  - Considerations
- ***DD Form 214***
  - Observations
  - Considerations



# Status of Recommendations

*Avoiding Past Drawdown Mistakes*

*April 2012*



## CoS Sub-Committee reports as follows:

1. Determine the “fully burdened” cost of AC and RC Member  
[Working-RFPB Cost Methodology](#)
2. Direct Service Chiefs to fully examine their AC/RC mix  
[Working - RFPB Task Group/RC Chiefs](#)
3. Develop long term “one-stop-shop” transition centers  
[Additional Information Needed from P&R](#)
4. Refine/Develop programs for ease in transition between AC/RC  
[Addressing Duty Status Reform/214](#)
5. Strategic message: Nation must retain Military Capacity in the RC  
[Working - RFPB - Force Mix & RC Chiefs](#)
6. Programmatics to reduce new RC recruits & capture capabilities of veteran warriors  
[Additional Information Needed from Recruiting Commands](#)
7. Evaluate Bottlenecks caused by end-strength growth in support of conflicts  
[Additional Information Needed from Training](#)
8. Tricare funding for targeted career fields for AC members who immediately affiliate with RC [Closed: TAMP - 10 USC 1145\(a\)\(2\)\(F\)](#)



# Duty Status Reform Observations



## The Reserve Components can and should be employed :

- As a source to meet emerging capability requirements, particularly when civilian acquired skills would facilitate rapid establishment.
- As a source used to preserve, in an era of fiscal constraint, the Nation's capability and overall capacity to deter and defeat aggression while simultaneously strengthening the Department's capacity to Defend the Homeland and Provide Support to Civil Authorities.



# Duty Status Reform Observations



- The reserve is essential to support both steady state peacetime engagement and contingency requirements of the Combatant Commanders – both at home and abroad.
- The Reserve Component structure is currently ready and available to operate across the continuum of military missions, performing strategic and operational roles, in peacetime, in wartime, and in support of civil authorities.
- Reserve capability and capacity serves to reduce national military risk associated with support to major theater war, long-term stability operations, or combinations of significant or protracted force requirements.





# Duty Status Reform Strategic Context

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- Strategic and operational capability and capacity to the nation when required
  
- New Defense Strategic Guidance
  - Drawdown in Iraq and Afghanistan; Enduring instability in the Middle East; Security challenges in the Pacific; etc.
  
- Persistent Fiscal Constraints



# Duty Status Reform

## Observations-Analysis-Findings

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- **Commission on the National Guard & Reserves (2008)**
  - Creating a Continuum of Service: Personnel Management for an Integrated Total Force
    - Duty Status Reform
- **Vice Chief of the JCS and ASD/RA's Comprehensive Review of the Future Role of the RC (2011)**
  - Necessary Revisions to Law Policy and Doctrine
  - Accessibility of RC Units and Individual Service Members
  - Role of the RC across the Range of Military Operations
    - Strategic Depth
    - Operational Forces
    - Institutional Support
- **11<sup>th</sup> Quadrennial Review of Military Compensation (2012)**
  - Part III: Compensation & Benefits for RC Members



# Duty Status Reform



## Consultations

- Manpower and Personnel from each Service
- Recruiting and Retention Directorates from each Service
- **Scope of Inquiry**
  - Members of the CNGR
  - Members of the 11<sup>th</sup> QRMC
  - Members of the Comprehensive Review
  - ASD-RA
  - Office of the General Counsel (OGC) FOUO – Deliberative Process Documents



# Duty Status Reform Recommendation

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**The Secretary of Defense should direct the Under Secretary (Personnel & Readiness), in concert with the Service Secretaries, to jointly develop a plan to revise and reduce duty status policies and authorities which fall under their purview, and further propose necessary statutory modifications to Congress within one year.**

**As Approved by the RFPB 5 June 2013**

**Per Minutes Verbatim**



# Duty Status Reform



# DISCUSSION





# DD FORM 214



## Certificate of Release or Discharge from Active Duty (DD Form 214/5 Series)



# DD FORM 214

## Observations



### DoD is driving towards a common reporting system:

- Defense Manpower Data Center (DMDC) Data
- DoDI 1336.01, Certificate of Release or Discharge from Active Duty (DD Form 214/5 Series)
- DoDI 7730.54, DODM 7730.54 v1 and v2, Reserve Components Common Personnel Data System (RCCPDS)
- DoD/VA Data Sharing Summit is incorporating elements of DD 214



# ***DD FORM 214*** **Observations**



- **Policy rather than Law – Breaking the “Thermal Layers”**
  - Report to the Office of the Under Secretary of Defense for Military Personnel Policy (OUSD MPP)
    - **DD Form 214 Business Process Improvement Study**
- **Navy, Marine and Air Force are championing on-going DD Form 214 Improvement Initiatives**
  - Navy/Marine: Assistant Secretary of the Navy (Manpower and RA)
  - Air Force: Exception to Policy (ETP) to DoDI 1336.01
  - Navy/Marine/AF Policy Boards are Championing
- **Interface with Veterans Affairs**



# ***DD FORM 214*** **Observations**

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- DD Form 214 was updated in 2009 to accommodate post 9/11 G.I. Bill
- Can again be modified to “Expand the Scope” in order to meet the intent of the DoDI which states “the DD Form 214 will provide an accurate and complete summation of active military personnel service”
- DD Form 214C, Certificate of Release or Discharge from Active Duty (Continuation Sheet), is used to document data Blocks on the 214 which require additional space



# ***DD FORM 214*** **Considerations**

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- **DoD/VA = Virtual Lifetime Electronic Record**
- Produce a Composite DD Form 214 that encompasses the RC Military Member's entire Military Career
- Streamline the 214 production process by modifying the DoD administrative process
  - Consolidation of periods of service onto a "living" DD Form 214C item 12 continuation
- Provide an "imaged" vs. "data" 214 to member through MilConnect/eBenefits for data fed fields and from the Service through links to established operating systems (i.e., ARMS, AMPIS, etc.)





# Questions?

*Major General Marcia M. Anderson*  
*Subcommittee Chair*



# Department of Defense Reserve Forces Policy Board

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## **COS Back-Up Slides**



# Duty Status Reform

## Purpose of RC



- “The purpose of the Reserve Component is to provide trained units and qualified persons available for active duty in the armed forces, in time of war or national emergency, and at such other times as the national security may require, to fill the needs of the armed forces whenever more units and persons are needed than are in the regular components.” - 10 USC 10102
- “Whenever Congress determines that more units and organizations are needed for the national security than are in the regular components of the ground and air forces, the Army National Guard of the United States and the Air National Guard of the United States, or such parts of them as are needed, together with such units of other Reserve Components as are necessary for a balanced force, shall be ordered to active Federal duty and retained as long as so needed.” - 32 USC 102
- The National Guard, as the militia, exists to “execute the Laws of the Union, suppress Insurrections and repel Invasions.”



# Duty Status Reform Observations

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- NDAA 2013 authorized selected reserve end strength is 841,880
- Since 9/11, more than 850,000 Guardsmen and Reservists have been mobilized to serve on active duty
- There are currently 53,642 activated in support of operations around the world with more than 13,000 in Afghanistan
- The Services plan or have expressed the intent to continue using their Reserve Components to meet operational demands albeit on a smaller scale

# **TAB B**

**2001 Quadrennial Defense Review**

**Directed**

**Review of the Reserve Component  
Contributions to National Defense**



Given a potential range of Reserve component participation that runs from zero to 365 days, current constraints on reserve utilization need to be reviewed. *A new management paradigm is needed—one that encourages participation along a continuum and one that minimizes barriers which unnecessarily inhibit movement along that continuum.*

Revitalization of the Department's policies is needed in several areas:

- Simplify access rules, duty statuses, and end strength accounting
- Revise personnel policies
- Overhaul the compensation system to support a continuum of benefits
- Streamline funding of pay
- Accelerate development and implementation of a single personnel and financial system

Each of these areas will be described in the remainder of this chapter.

#### **ACCESS RULES, DUTY STATUS, AND END STRENGTH ACCOUNTING**

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To manage using a continuum of service, the Department needs to reevaluate the purpose and structure of the Reserve components. As prescribed in section 10102 of title 10, United States Code, the purpose of the Reserve components is tied directly to mobilization. This stated purpose, however, does not readily recognize the potential for greater participation or necessarily provide for peacetime (non-mobilization) use of the reserves along the continuum of service. Thus, recognizing the expanded role played by the reserves in accomplishing a full spectrum of military requirements—most often in a voluntary role—is an important first step in achieving a transformation in management.

Even with a change in the purpose of the Reserve components, a new manpower structure with new personnel categories would facilitate the more effective employment of the Reserve force. Today's structure is tied to the historic purpose of preparing Guard and Reserve members

for mobilization. Instead, a fundamental change, as defined in Table 1, would enable a more fluid employment of military members, as needed to meet the Department’s requirements.

To support the continuum of service, it will be necessary to simplify access rules and streamline the complex duty status system to facilitate participation of varying lengths. In addition, a better method of accounting for Reserve component members while they are on duty is needed.

**Table 1. Manpower Structure for the 21<sup>st</sup> Century**

Category	Availability	Type
Full-Time	365 duty days/year	Active, Guard and Reserve
Variable Pool	39 – 365 duty days/year	Selected units and individuals with commitment to specific missions for specified periods.
Traditional Reserve	39 duty days/year	Units and individuals who train primarily for mobilization.
Standby Manpower	0 – 38 duty days/year	Individuals with skills needed intermittently, who have little or no participation in ongoing training.

### Access Rules and Duty Status

The Reserve components bring individuals onto duty using a system of “duty statuses” dating in some aspects to colonial times and a training regimen that was established in the National Defense Act of 1916. Unlike the Active components, in which a member is simply on “active duty,” Reserve component members serve in a wide array of statuses that vary with respect to a number of factors: authority in U.S. Code, funding appropriation, commitment (voluntary or involuntary), mission, duty category (active or inactive), end strength accountability, time constraints, or number constraints.

There are more than 30 different duty statuses—a complex array that despite their number fail to meet the changing requirements of the Department. Participation patterns have changed, with Reservists

increasingly serving in a part-time status, not just the traditional 39 days of reserve participation comprised of monthly drills and two weeks of annual training each year. Training and support—traditionally viewed as distinct activities—are more often blended.

### *Problems With the Current System*

To deal with these changing requirements, personnel managers have created ways to work around the system, and duty statuses are being used in ways not originally intended. In some cases a duty status is used improperly to accomplish a mission or complete a requirement. In other cases, personnel managers have been unable to access the reserve personnel they need because of constraints on the various duty statuses. The multiplicity of statuses and their adaptive use creates problems for personnel managers and leads to difficulty in budgeting and execution. This system makes it difficult to gain a real understanding of requirements for and use of Reserve component members.

The current duty status system does not fit today's needs nor does it support the continuum of service concept. The system is complex, aligns poorly to current training and mission support requirements, fosters inconsistencies in compensation, and complicates rather than supports effective budgeting. While the current system can be adjusted, many of these same problems would persist.

### *A Duty Status System for the Future*

Instead of modifying the current system, what is needed is a radically different system that encourages greater participation by members and provides for a seamless flow along the continuum of service.

The salient features of a “duty status system for the future” could more appropriately consist of

- A system that focuses on the concept of “a day of duty is a day of duty”
- Elimination of varying statuses, with duty predominantly performed on active duty, and inactive duty reserved for “virtual”-type duty

- Management of Reserve forces to accommodate both required training and mission support
- Legal authorities, funding appropriations, end strength accountability, time and number constraints, and benefits and entitlements consistent with duty performed

This approach offers simplicity and consistency. It is based on “a day of duty” as the standard for utilizing both the Active and Reserve components. It incorporates current training and support requirements, provides flexibility to meet emerging requirements, provides benefits and entitlements consistent with the work performed, and simplifies budgeting practices.

### **End Strength Accounting**

The current methods by which the Services account for end strength have also required administrators to work around regulations to avoid accounting for Reserve component members performing active duty. This strategy is frequently used when it is desirable to continuously (or near-continuously) employ a given individual. Some reservists serve on repetitive or consecutive active-duty tours, each of 179 days or less, thus masking the Department’s full-time equivalent military manpower requirements. Changes in strength accounting practices are necessary to ease the constraints that are hampering the ability of the Services to employ those members who are available to perform longer periods of duty. While the Services have been somewhat successful at allowing for greater participation, new methods of strength accounting must be instituted to make the continuum of service function effectively.

### **PERSONNEL POLICIES**

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DoD’s current personnel policies do not provide the tools and flexibility needed to attract, develop, employ, and separate military personnel across a continuum of service. For the Reserve components, a more efficient system is needed that aligns the active and reserve personnel systems—perhaps ultimately merges the two systems—so they are less complex and provide greater efficiency. Changes are needed in recruiting, career development, promotion, separation, and retirement.

## **Recruiting**

One of the strengths of the Reserve components is the experience of their members. This experience comes from accessing service members who have elected to leave active duty and continue their career in the Guard or Reserve. Unlike the Active components, which primarily recruit individuals with no prior military experience, the Reserve force recruits from both the prior-service and non-prior-service markets.

The cornerstone of the continuum of service is the seamless flow between active and reserve service. But to support the continuum, better systems need to be established that encourage active-duty members to serve in the Guard or Reserve when they no longer want to pursue a full-time military career or simply need a break from full-time service. The ability to attract and transition prior service members from an Active component to a Reserve component will be a critical pillar in future recruiting programs.

## **Career Development**

Career development programs, education, and assignments differ between the Active and Reserve components. It is important to recognize that reservists have commitments to a civilian employer and other constraints that control the time they are available for military service.

Artificial constraints imposed by the Department should be minimized in order to allow reservists to prepare for and perform duty along the continuum that best fits their circumstances. Maximizing the use of technology will enhance the ability of reservists to obtain the training and education that will enable them to succeed. Common education and training programs that take advantage of advanced distributed learning technology is but one approach to enhancing current capabilities. Moreover, a duty status system—as just described—that fosters greater participation will enable Guard or Reserve members to gain valuable experience and better prepare them for a broader range of assignments.

## Promotion

The current officer promotion system may create a disincentive for reservists to participate at the higher end of the continuum of service—a condition that imposes a barrier to effective implementation. Today’s promotion system for Reserve component members works adequately while Guard or Reserve officers remain under their respective systems. Yet when reservists serve on active duty for other than short-term requirements, they may be required to compete for promotions in the active-duty system—competing for promotion with officers who have a more robust history of assignments and experience. In some cases, ways are found to allow reserve officers to continue to compete with fellow reserve officers. But in general, the current approach disadvantages the reserve officer and can be a barrier to increased participation. Thus, a review of the promotion systems is warranted to ensure these systems support the continuum of service.

## Separation and Retirement

The current “up or out” system is based on time-in-grade limits, high-year tenure restrictions, and maximum years of commissioned service ceilings. This system may unnecessarily limit career lengths and deprive the Department of trained and experienced individuals who are willing to serve and can make a valuable contribution to military requirements.

Greater flexibility in selective retention programs is needed. The policies and laws governing separation should be reviewed to ensure that the Services have the authorities to achieve the right mix of experience, training, and education and to reduce excessive, burdensome administration.

While the current active and reserve retirement systems are complementary, there may be adjustments that could better support the continuum of service. An integrated active and reserve military retirement system that has a portability feature could greatly enhance access to many individuals, such as those with technical skills who might serve under a new affiliation program. A more compatible retirement system could also encourage increased participation under the continuum of service concept. But caution must be exercised in designing an integrated system to ensure it supports the retention goals of both the Active and Reserve components.

## COMPENSATION

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Adjustments to the current compensation system are likely to be needed to ensure effective personnel management within a continuum of service. These adjustments must be made within the accepted principles of compensation, which call for a system that is compatible with technology and tactics, fair in its treatment of service members, effective in peacetime and wartime, flexible enough to adjust quickly to changing conditions, and designed to motivate or encourage performance. These principles can best be achieved by ensuring compatibility between the reserve personnel management and compensation system and that of the Active force.

### Regular Military Compensation

Regular military compensation, in general, applies equally to active and reserve members serving on active duty.<sup>22</sup> Yet there are differences based on type or duration of duty that, in some cases, may require reservists to incur out-of-pocket expenses when performing military duty. Some of these differences relate to compensation paid when reserve members perform inactive duty training and can be resolved by implementing changes to the duty status system described earlier.

However, there are certain thresholds imposed at particular points in service before a reservist is eligible to receive the same pay as a member serving full-time. The most notable is the 140-day threshold to receive the basic allowance for housing at the rate prescribed for a geographic region. Review of such thresholds will be essential to ensure the compensation system supports both changes in personnel policies (such as in the duty status system) as well as the continuum of service approach overall.

### Bonuses

Bonus programs enhance readiness by inducing individuals to join or remain a member of the Military Services, and are primarily targeted to those individuals who enter a critical skill area or possess a critical skill. Recently, two new bonuses were authorized for the Active

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<sup>22</sup> Regular military compensation consists of basic pay, allowances for housing and subsistence, and the federal tax advantage derived from the tax-exempt status of both the housing and food allowances.

component. A critical skills retention bonus authorizes payment of up to \$200,000 over a career to an officer or enlisted member with a designated “critical skill,” provided the member agrees to serve a minimum of one year on active duty. A second bonus authority allows the payment of up to \$60,000 to an individual who agrees to accept a commission and serve on active duty in a critical officer skill.

No parallel bonus authorities exist for those who serve part-time. While small increases in the maximum bonus amount have recently been enacted for the reserve enlistment and reenlistment bonuses, more flexible bonus authorities may be required in order to meet skill requirements that are in high demand and to support the varying participation levels associated with managing individuals through a continuum of service.

Just as the Department enters into bonus agreements in exchange for a commitment to serve on active duty or in the Selected Reserve, this same concept can be applied to the variable pool. One option may be to enter into a bonus contract with those individuals who agree to perform military duty at a higher level than the traditional 39 days. While not everyone who might be available for service beyond 39 days would be needed or be eligible for a bonus, a bonus authority targeted to guarantee higher levels of service duty on a more frequent basis would address availability concerns expressed by the combatant commanders and could mitigate the need for frequent involuntary call-ups.

### **Special and Incentive Pays**

Special and incentive pays provide compensation for specific types of career occupations requiring unusual degrees of responsibility, for specific skills that are considered hard to fill, or for skills that are inherently dangerous, hazardous, or unattractive. Both active and reserve members who qualify for one or more of these pays are compensated for every day or period they are in a duty status. For reservists, this means the pay is prorated at 1/30<sup>th</sup> of the monthly rate for each day of active duty or each period of inactive duty training. While this method of compensation appears consistent with the principles of compensation on the surface, there are skill sets—most notably foreign language skills that are in short supply—where the member must maintain that skill during non-duty time. With this in



mind, some increased flexibility in paying monthly special and incentive compensation may be needed when it can be clearly demonstrated that training for and maintaining a skill set is accomplished predominately during non-duty time.

### **Changes in Compensation Policy**

The compensation system must be looked at in a new light—one that is consistent with the principles of compensation and supports, rather than hinders, performance of duty along the continuum of service. To be effective, the compensation system should be changed as follows:

- To the maximum extent possible, the reserve personnel management and compensation system should be based on reservists performing a “day of duty” which entitles the reservist to basic pay, housing and subsistence allowances, and any special pays or duty-related pay for each *day* of duty.
- Greater flexibility is needed in the bonus program, to allow the Services to quickly respond to pending or growing shortfalls in critical, hard-to-fill occupations—much like the purpose of the recently enacted retention bonuses for the Active force.
- Identify those special and incentive pays that require a member to maintain a skill during off-duty hours (such as a foreign language) and consider paying those incentives at the full monthly rate.
- Ensure consistency in payment of allowances when reservists perform duty. This is readily accomplished with changes to the duty status system under which all duty except for virtual duty is performed as active duty.
- Provide additional flexibility to compensate members who agree to participate at a level greater than the traditional reservist but less than the full-time active-duty member; a participation bonus is one example. This type of bonus could be authorized for specified periods of reserve service or a commitment to a combination of active duty and reserve service.

- Targeted incentive packages, consisting of benefits such as retirement or health care, can be used instead of traditional forms of pay as incentives to individuals with skills in particular need by the Services.

## FUNDING OF PAY

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Similar to the vast array of duty statuses, there are a number of different pay categories that are used to compensate Guard and Reserve members, with corresponding limitations and rules for their use.

Each Reserve component has a separate military pay appropriation consisting of two budget activities. Annual training, weekend drills, and some types of additional training assemblies are paid from Budget Activity 1. School attendance and “active duty for special work,” as well as pay for full-time support personnel (Active Guard and Reserve), is paid from Budget Activity 2. Once the Congress has appropriated these funds, the Reserve components have the flexibility to move only \$10 million between budget activity accounts. When Guard and Reserve members are brought on active duty to perform operational missions—either in a voluntary or involuntary status—the Services can pay them from their Active component military pay appropriations.

The restrictions in the use of these accounts and the barriers limiting the movement of funds between accounts require the Services to sometimes devise creative ways to access needed reserve personnel. In some cases, for example, Reserve component members are consecutively placed on orders for different duty statuses that relate to the type of money that is available. Along with the simplification in the duty status system proposed earlier in this chapter, this review recommends that the Department conduct an in-depth review to correspondingly simplify the funding accounts to better support the continuum of service, particularly the variable pool.

## A SINGLE PERSONNEL AND FINANCIAL SYSTEM

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In 1995, the Defense Science Board Task Force on Military Personnel Information Management recommended to the Secretary of Defense that the Department move to a single all-Service and all-component, fully-integrated personnel and pay system. This system,

called the Defense Integrated Military Human Resource System (DIMHRS) is under development today. When implemented, it will help to address a number of problem areas that impede effective personnel management:

- The combatant commanders' need for accurate, timely personnel data to assess operational capabilities
- The ability to track personnel when they enter or are in a theater of operation
- The lack of standard data definitions for making comparisons of personnel capabilities across the Services
- The occasion when reservists who are called to duty are sometimes "lost" in the system, with negative impact on pay, benefits, and credit for service

DIMHRS will collect data on every aspect of a service member's career across the full operational spectrum—peacetime, mobilization, war, demobilization, deployment, and redeployment both in theaters of operation and at home bases. The data will maintain a single comprehensive record of service that is consistent for all members, regardless of status. This system will be essential to managing according to a continuum of service, ensuring service members receive correct pay, accurate credit for service, and appropriate benefits regardless of component, status, or type of duty.

## IN SUMMARY

The demands on the Department of Defense have evolved since the end of the Cold War, which in turn has placed different and in some cases more complex demands on its military forces. Both the Active and Reserve components are being used more frequently and in a wider variety of missions. Demands on the military are evolving, and the uncertainty and change in today's security environment are likely to continue.

A capabilities-based force, which can quickly respond to unknown requirements in the future, requires a new approach to force

management and organization. To accomplish this transformation, the DoD should

- ***Adopt a new availability and service paradigm—a continuum of service—as the basis for managing its Active and Reserve forces.*** This continuum will allow for participation from 0 to 365 days and allow for a “variable pool” of reservists who might serve beyond the traditional 39 days of service in selected missions or functional areas. It also provides the opportunity to develop innovative forms of affiliation to enhance the Department’s ability to attract and retain cutting-edge skills. Such a continuum provides the Department with greater flexibility in accessing and managing its Total Force—active and reserve. By allowing individuals to change levels of participation with greater ease, the Department can better leverage its investment in training and education to meet operational requirements.
- ***To be most effective, the continuum of service must be supported by a new management paradigm that simplifies access to the reserves and streamlines personnel management practices.*** Key elements include:
  - Simplifying the duty status system to include fewer duty statuses.
  - Incorporating more flexibility in personnel policies to provide the tools needed for recruiting, career development, promotion, and separation and retirement. It is essential that the system enable service at any point along the continuum of service by eliminating complexity, which will yield greater efficiency.
  - Ensuring benefits and entitlements are consistent for all members, with the goal of equitable compensation and benefits for a day’s work.
  - Developing an approach to medical benefits that ensures continuity of health care for reservists and their families.

- Continuing with the development and deployment of a single personnel and financial system.

These elements are the keys to a transformation in managing the Total Force. Some can be adopted easily; others will require a sustained commitment on the part of the Department. Some can be implemented with changes in internal departmental directives, but others will require legislative changes—revisions to titles 10, 32 and 37 of the United States Code are among the most significant. For example, changes to title 10 might include: (1) revision of the purpose of Reserve components, (2) revision of Reserve component categories based on level of participation, (3) a change in mandatory active-duty training and inactive duty training requirements to minimum days of annual active-duty participation, and (4) adjustment to the promotion system for greater flexibility. In title 37, changes might include greater consistency in pay and allowances, and greater flexibility in bonus authorities.

This is the path on which the Department should embark if it is to achieve the needed flexibility in force management.

**TAB C**

**2008**

**Commission on the  
National Guard and Reserve**

CREATING A CONTINUUM OF SERVICE:  
PERSONNEL MANAGEMENT FOR AN INTEGRATED TOTAL FORCE

Many entities and Defense agencies will be affected by the adoption of the DIMHRS system. The Defense Manpower Data Center (DMDC) has been a key player at every step of the development of DIMHRS and will automatically coordinate with the system once it is operational. Today DMDC is the repository for personnel information—including on benefits and health care—for members of all services. DMDC will continue to maintain data and information on service personnel because of its multiple interfaces with outside agencies, notably the Department of Veterans Affairs, TRICARE (benefits determination), and the Defense Finance and Accounting Service. DFAS is another critical agency that will be utilizing DIMHRS information and will keep playing an essential role in the timely and accurate payment of service personnel.

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Simplifying duty statuses would reduce the risk of system and input errors and lessen the complexity of DIMHRS.

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The multiplicity and complexity of duty statuses and duty categories are causing significant challenges for DIMHRS,<sup>186</sup> as they necessitate a very complicated set of requirements and create a major hurdle that the DIMHRS programming team must overcome. Because the software being utilized is a commercial, off-the-shelf product, built by and intended for the civilian community, which generally is accustomed to just two duty statuses—part-time and full-time—the military’s reliance on multiple duty statuses considerably complicates the system’s design. The Office of the Under Secretary of Defense for Personnel and Readiness is working through a spreadsheet to document the thousands of status and category combinations.<sup>187</sup> Such intricacies have hampered the development of DIMHRS and put the implementation schedule in jeopardy, though OUSD(P&R) staff expect to finalize the system on time. Simplifying duty statuses would reduce the risk of system and input errors and lessen the complexity of DIMHRS.

**Finding:** DIMHRS relies on a service member’s duty status to take important pay and personnel action. Reducing and simplifying duty statuses would improve DIMHRS’s ability to handle pay and personnel processing.

**Recommendation:**

21. DOD should implement a combined pay and personnel system as soon as possible to rectify the inadequacies in today’s legacy systems. Further, this implementation, together with the reduction and simplification of duty statuses and duty categories (see Recommendation #22), should receive immediate attention at the highest levels of DOD leadership. Whether DOD implements a single system or multiple systems as part of a larger enterprise architecture, the military personnel and pay system must be streamlined and made more efficient. It must provide better service to military personnel and their families, including accurate records of service and timely and error-free delivery of compensation, benefits, and entitlements.

## F. DUTY STATUS REFORM

Effective personnel management requires systems and tools that allow commanders to gain access to reservists when needed. One area in need of reform is the use of the reserve duty status. Personnel managers have long created ways to work around duty statuses and manipulate reserve systems to

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186 MFR, DIMHRS Program Briefing, May 3, 2007.

187 MFR, DIMHRS Program Briefing, May 3, 2007.

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bring a reservist on duty to accomplish a mission or fulfill a requirement. In other cases, personnel managers have been unable to access the reserve personnel they need because of constraints on the various duty statuses. The current duty status system makes it difficult to gain a real understanding of requirements for and use of reserve component members. It is complex, aligns poorly to training and mission support requirements, fosters inconsistencies in compensation, and complicates rather than supports effective budgeting and execution.

Since the first militia was established in the Colonies, a military status has been assigned to all physically fit males eligible for military service. In 1792, the Second Congress of the United States passed an act that differentiated between men being called out for “service” and called out for “exercise”—the latter did not require them to bring knapsacks.<sup>188</sup> The Militia Act of 1903, often called the Dick Act, established two classes of militia—“the organized militia, thenceforth to be known as the National Guard[,] . . . and the reserve military, composed of all other similar forces that were not a part of the National Guard.” The Dick Act also required members of the National Guard to attend 24 drills and five days of annual training yearly. The National Defense Act of 1916 increased the number of annual training days to 15, and the number of yearly drills to 48. In 1920, National Guardsmen became entitled to “drill pay”—at a rate of one-thirtieth of the base pay for their grade for each regular drill or assembly attended. In 1952, Congress divided the reserves into a Ready Reserve, Standby Reserve, and Retired Reserve, making further distinctions among reservists.<sup>189</sup>

Subsequently, many additional statuses have been created by Congress—as well as the services—with implementing guidance by the Department of Defense and the reserve components. Some of the statuses (now called “duty statuses”) are established in statute, as Congress has spelled out the purpose of and constraints on the use of the reserves; others have been created by DOD as new roles and missions for the reserves developed. According to an 18-month study commissioned by the Office of the Assistant Secretary of Defense for Reserve Affairs, there are a total of 29 duty statuses set forth either in DOD directives or by law, only slightly more than half of which are named by statute.<sup>190</sup> In a 2004 report, DOD noted that “there are 32 different duty statuses and each Service has variations of those 32 duty statuses, which only adds to the confusion.”<sup>191</sup>

Active component members have a single duty status—“active duty”—while reservists serve in an array of statuses that are driven by a wide range of policies, laws, and types of duty. More specifically, the statuses vary with respect to

- Authority in United States Code (Titles 10, 14, or 32).
- Funding appropriation (military personnel appropriations or reserve personnel appropriations).
- Commitment (voluntary or involuntary).
- Mission (training, support, or operational).
- Duty (active duty or inactive duty).

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188 Wexford Group International, *Reserve Component Military Duty Status Study: Considerations on Changing the Reserve Component Duty Status System (Phase II, Task 3)*, October 31, 2002, p. 4.

189 These laws are discussed in the *Military Compensation Background Papers*, 6th ed. (published under the auspices of the Under Secretary of Defense (Personnel and Readiness), May 2005), pp. 229, 230, 232, 234–35, 242.

190 Wexford Group International, *Reserve Component Military Duty Status Study (Phase II, Task 3b)*, pp. 4, 5.

191 *Department of Defense Report to Congress: Reserve Personnel Compensation Program Review* ([Washington, DC]: Office of the Under Secretary of Defense for Personnel and Readiness, 2004), p. 25, hereafter cited as *Reserve Personnel Compensation Program Review*.



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- End strength accounting (active component, reserve component, or Active Guard and Reserve [AGR]).<sup>192</sup>

These factors help explain the proliferation of duty statuses. As military strategy and reserve roles and missions changed, new duty statuses were created to solve problems that arose or to codify an existing practice, guaranteeing that all reserve activity would fall within the definition of at least one status.

The Total Force Policy and the drive for a more cost-effective military have significantly changed how the reserve components are used, thereby affecting reserve statuses. The reserves are no longer the force held back, to be mobilized during war only to augment the active component or provide casualty replacements. Today they are an integrated partner on the battlefield and often among the first called to duty. The increased reliance on and use of the reserves has brought to wider attention the labyrinthine system of reserve duty statuses. These complexities, embedded in law, regulation, and policy, have created a system unable to support either the member or the commander leading a joint and total force of active and reserve personnel. The system of duty statuses simply does not foster the effective use of our military today.

U.S. military leadership has known for many years that the reserve component duty statuses are problematic. A review, directed by the 2001 Quadrennial Defense Review, plainly acknowledged the need for reform: the current duty status “system is complex, aligns poorly to current training and mission support requirements, fosters inconsistencies in compensation, and complicates rather than supports effective budgeting.”<sup>193</sup>

### **Analysis of Duty Status Issues**

Reforming the duty status system involves issues of the ease of employment and administration of reservists as well as fairness in their compensation. This section examines (1) concerns of accounting and financial stakeholders, (2) identified problems with the current duty status construct, and (3) the characteristics of an optimal duty status system.

#### *Accounting and Financial Stakeholders*

Those who have a stake in duty status classifications need a system that satisfies many different requirements. The high number of different requirements that they have identified and mandated helps explain why so many duty statuses exist today. Any future system will need to satisfy those who use and benefit from the current duty statuses. Stakeholders fall into two major categories: those who account for reservists and those who have an interest in reservists’ pay and compensation.

Accounting stakeholders are the individuals responsible for recording the purpose of, type of, and reason for each reservist’s duty. The process is often driven by managers of the military and reserve components, who rely on established laws and policies to count reservists. These stakeholders include personnel administrators, who are responsible to their commanders for an accurate accounting of personnel assigned to the unit; judge advocates, who are concerned with the legal constraints placed on reservists; the services, which must account for end strength; and Congress, which oversees the nation’s use of the reserve component and often establishes the accounting requirements. Lacking a single point or office at the headquarters level “where both the fiscal management and the personnel management come together for management or analysis” complicates the reserve components’ ability to “identify and track between the budgeted level of duty status participation and the amount

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192 Wexford Group International, *Reserve Component Military Duty Status Study (Vol. 1, Recommendations)*, p. 2.

193 *Review of Reserve Component Contributions to National Defense*, directed by the 2001 Quadrennial Defense Review ([Washington, DC: Office of the Assistant Secretary of Defense for Reserve Affairs], 2002), p. 77.

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of funds actually allocated and expended.”<sup>194</sup> Accounting for the number of reserve personnel on active duty is required by law and policy. Certain categories, such as mobilization and the Active Guard and Reserve (AGR) programs, may continue to require a separate accounting, whatever system of duty statuses is employed.

**Finding:** A complicated framework of laws, policies, and rules developed through the decades since 1916 has resulted in the current byzantine duty status structure.

Financial stakeholders are concerned with the expenditure of money. Today’s duty statuses constitute a complex network of different pays, allowances, and benefits—all linked to a budget’s bottom line. Financial stakeholders include military commanders, who often pay for a reservist’s service out of unit budgets; the individual reservist on duty, who depends on various entitlements; comptrollers and financial managers, who must budget for and pay reservists; and Congress, which funds national defense.<sup>195</sup>

Financial stakeholders must pay close attention to the total compensation a reservist receives. When a reservist enters active duty and is placed in a duty status, two types of compensation are triggered: pay and benefits. Pay includes base pay, incentive pays, housing and subsistence allowances, and travel pay. Benefits include medical, dental, death, and educational assistance, as well as protections such as reemployment rights. All pay and benefits are tied to duty status and depend on the length and location of duty.

Such variables as the length of duty, which affects certain benefits, complicate the financial details. For example, if a reservist’s duty is longer than 30 days, the reservist and the reservist’s family become eligible for medical care.<sup>196</sup> The reservist will also be eligible for a higher basic allowance for housing (BAH) once active duty spans more than 30 days (a cutoff lowered from 140 days in 2006).<sup>197</sup> And, depending on the type, duty lasting more than 140 days that is served away from the reservist’s home of record will make him or her eligible for a permanent change of station (PCS).<sup>198</sup> The location of duty can also trigger special pay and allowances such as hardship duty pay, career sea pay, and hostile fire and imminent danger pay.<sup>199</sup>

**Finding:** Today’s duty statuses are confusing and frustrating to both the reserve component members and their operational commanders. The current operational environment demands simplicity, compatibility, and administrative clarity to meet training and mission requirements.

In the current Planning, Programming, and Budgeting System (PPBS), financial stakeholders are required to track programmed dollars for many of the duty statuses and tie the use of reservists to the expenditure of the funds. Multiple duty statuses create obstacles to tracking reserve expenditures. Not all of the 29 identified duty statuses are tied to an appropriation or are sub-items within the overall RC budget,<sup>200</sup> and financial stakeholders find it difficult if not impossible to accurately calculate the compensation for reservists in various statuses. According to GAO, DOD’s “military compensation system has become an increasingly complex and piecemeal accretion of pays, allowances, benefits, and special tax preferences,” and “decision makers do not have a true picture of

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194 Wexford Group International, *Reserve Component Military Duty Status Study (Vol. 1, Recommendations)*, p. 27.

195 Wexford Group International, *Reserve Component Military Duty Status Study (Vol. 1, Recommendations)*, p. 20.

196 10 U.S.C. §§1074, 1074a, 1076, 1079.

197 Public Law 109-163, *NDAA for FY 2006*, §610. BAH is discussed in Chapter V.

198 OASD-RA, “Pay and Benefits” ([www.defenselink.mil/ra/mobil/pdf/benefits.pdf](http://www.defenselink.mil/ra/mobil/pdf/benefits.pdf)).

199 “Understanding Special Pay,” Military.com: Benefits, 2007 ([www.military.com/benefits/military-special-pay/index](http://www.military.com/benefits/military-special-pay/index)).

200 Wexford Group International, *Reserve Component Military Duty Status Study (Vol. 1, Recommendations)*, p. 27.

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what it costs to compensate service members.”<sup>201</sup> Budgeting processes are based on artificial distinctions in duty status that complicate the allocation of resources and obscure the understanding of the actual work and training being performed. Reducing duty statuses will simplify the budgeting process and improve the visibility and tracking of funds expended for reserve use.

**Finding:** The current multilayered management system fails to guarantee protections for the reserve component members, to encourage participation, or to promote a continuum of service.

*Identified Problems with the Current Duty Status Construct*

*Complexity.* Multiple duty statuses produce complex rules and procedures that are highly inefficient, inhibit volunteerism, and increase the difficulty of accessing reservists to perform operational missions. The complexity of dealing with 29 duty statuses has frustrated combatant commanders, unit leaders, and reservists alike, as they often must resort to tortuous strategies to ensure that reservists receive the proper form of associated pay and benefits.<sup>202</sup>

*Inactive Duty Training.* IDT, established more than 90 years ago, was premised on reservists’ serving in local units and being obligated to attend weekly drills, in order to maintain a strategic reserve;<sup>203</sup> over the years, a patchwork of inconsistent laws and policies was created around it. But changes in reserve missions and force structure, advances in technology that make possible distance learning, the requirements of an operational reserve, and the development of new and advanced warfighting equipment have made the original design of IDT obsolete: it does not support today’s military.

*Appropriation and Budgeting.* The budgeting process today is based on artificial duty status distinctions that complicate the allocation of resources and obscure the understanding of the work and training actually being performed. The current Planning, Programming, and Budgeting System does not link programmed dollars to duty statuses and thus lacks the ability to track the funds expended on reservists used in particular duty statuses. Optimally, every duty status would be tied to an appropriation or sub-item in the overall RC budget.<sup>204</sup>

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*Inconsistencies in Compensation.* One sticking point in previous attempts to simplify duty status categories has been the difference between the pay and allowances received when the reserve component member is either activated or in an active duty training status and the pay received for two drills per day when the member is in an inactive duty training status, a pay structure dating to 1920.<sup>205</sup> The Commission notes that the controversy surrounding this issue is based on the different perspectives from which those involved view the same facts. For example, on a given weekend, a

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201 GAO, “Military Personnel: DOD Needs to Improve the Transparency and Reassess the Reasonableness, Appropriateness, Affordability, and Sustainability of Its Military Compensation System,” GAO-05-798 (Report to Congressional Committees), July 2005, Highlights (n.p.).

202 Reserve Forces Policy Board, *Annual Report* (2006), p. 15.

203 Wexford Group International Briefing, “A Duty Status System for the Future,” 2002, p. 26.

204 The Wexford Group International, *Reserve Component Military Duty Status Study (Vol. 1, Recommendations)*, p. 52.

205 *Military Compensation Background Papers* observes that the current drill pay structure of one-thirtieth of base pay of reservists’ grade for each regular drill attendance, enacted by Public Law 242, 66th Congress, dated June 4, 1920, continues basically unchanged in existing law today (p. 235).

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reservist on drill duty could be working side by side with an active component member. The active component member could feel resentment at receiving only one day's pay for the same activity that for the reservist counts as two paid drills. The same two service members could be enjoying an off-duty activity the following weekend, and the reservist, not on duty that weekend, could resent that the active component member is being paid for a day off.

As DOD's 2004 report on reserve compensation noted, "Transitioning to a system in which—like active duty members—a day of duty is a day of duty would make it much easier to employ Guard and Reserve members. It would also help to reduce the frustration experienced by combatant commanders when they want to employ reserve component members."<sup>206</sup>

Glenn Gotz of the Institute for Defense Analysis observed that the current compensation structure encourages reservists to prefer an inactive duty training day to a day of active duty, whether for active duty training or for providing operational support to meet active component requirements. His solution is to move to one day's active duty pay per duty day, and to include allowances, in lieu of the current two drills per day for inactive duty training.<sup>207</sup> The problem with this approach is that individual service members would lose money in the changeover: the amount paid for two drills per duty day is greater than a day's pay for an active duty member, even after the subsistence and housing allowances are added to the latter.

Gotz cited analysis by the Assistant Secretary of Defense for Reserve Affairs of possible methodologies to create a variable "participation pay" to prevent the reserve member from losing out-of-pocket income under this system. That analysis is detailed in DOD's 2004 report to Congress on reserve compensation,<sup>208</sup> which emphasized that changing to a new active duty status system should not cause the individual reservist to suffer a reduction in either the level of compensation received or retirement credit earned. The Commission shares this concern and considered several "participation pay" and "save pay" options to address it, as well as possible ways to handle current single drill periods, such as additional flight training periods or a single evening's duty. The Commission recognizes the continued salience of this issue, which would benefit from additional analysis. However these details are addressed, reserve pay should recognize the unique sacrifices made by reservists who take time off from their civilian careers to serve their country and should incentivize the increased commitments asked of those serving in the operational reserve. One approach to dealing with the problem is illustrated in Table III.1.

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206 *Reserve Personnel Compensation Program Review*, p. 26.

207 Glenn Gotz, "Restructuring Reserve Compensation," in *Filling the Ranks: Transforming the U.S. Military Personnel System*, ed. Cindy Williams (Cambridge, MA: MIT Press, 2004), pp. 183–85.

208 *Reserve Personnel Compensation Program Review*, pp. 26–31.

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Table III.1. Duty Status Reform: Training and Drill

Types of Duty	Current System	Proposed System
	The current system of reserve training is tied to the accrual of pay and benefits, including retirement, in the following manner. Reservists participate in the types of training listed below, with the associated pay and benefits.	The changes to the reserve training system proposed below support the reformed duty statuses; they may require legislation to implement.
<b>Annual Training</b>	14–15 days per year. With benefits. 1 retirement point per day.	No change. No change. No change.
<b>Drill Periods</b>	48 (4-hr) periods per year. Without benefits.	24 days per year. With benefits.
		Selected Reserve incentive pay that makes up the difference between active duty pay and multiple drill periods, paid monthly.
		“Save Pay” during 5-year implementation phase, followed by military compensation system adjustments (e.g., bonuses) as needed for retention.
	1 retirement point per period.	Retain retirement points calculation—2 per day. May be done in ½-day increments.
<b>Additional Periods:</b>		
<b>Additional Training Periods (ATPs)</b>		
<b>Additional Flying &amp; Flight Training Periods (AFTPs)</b>		
<b>Readiness Management Periods (RMPs)</b>		
	Earned: 4-hour minimum.	Earned: 4-hour minimum.
	Paid: 1 day’s base pay.	Paid: ½ day’s base pay.
	Without benefits.	With benefits.
	No retirement points awarded.	1 retirement point per period.

*Characteristics of an Optimal Duty Status System*

A new duty status system should foster the ideal of a continuum of service. Current laws and policy, which are geared to using the reserves in their traditional strategic role, do not promote smooth transitions between active and reserve statuses. Today’s duty status structure does not support today’s reality of total force utilization. To take full advantage of the capabilities of the reserve components, relieve stress on the total force, and use the total force most efficiently, laws and policies regulating access to the reserves must reflect their current operational use.<sup>209</sup> The duty status system as now

209 Reserve Forces Policy Board, *Annual Report* (2006), p. 15.



configured restricts access to reservists and does not promote a continuum of service, because of its complexity, the inconsistencies in compensation, and the lack of transparency in funding.<sup>210</sup> The future duty status system should simplify the process of bringing a reservist on active duty. Moreover, the operational reserve requires a structure that can engage reservists over a career in both an active duty and a reserve status, thereby promoting a continuum of service. A new duty status system should enable members and units to undertake duty periods varying from a few days per year up to a full year or more, in ways that meet the needs of DOD, the service member, and his or her family and employer.<sup>211</sup> Finally, a new duty status system should take advantage of a reservist's willingness to serve—building a more balanced force and providing a better value for the nation.

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Current laws and policy . . . do not promote smooth transitions between active and reserve statuses.

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**Recommendations:**

22. DOD should reduce the number of duty statuses from the current 29 to 2: on (active) duty and off (active) duty. All reserve duty will be considered active duty, with appropriate pay and other compensation. The 48 drills should be replaced with 24 days of active duty. A day's pay should be provided for a day's work without reducing compensation for current service members. The system should be sufficiently flexible to deal with service-specific training requirements.
23. During the transition to two duty statuses, DOD should uncouple existing statuses from pay and other compensation, substantially reduce the number of duty statuses, and standardize them across the services for ease of understanding and use.
24. DOD should develop a plan to implement these changes within two years of this report, and should complete their implementation within five years of the report's issuance.

## The Operational Support Manpower Accounting Category

Each year Title IV of the National Defense Authorization Act prescribes both active and reserve component end strengths: the maximum number of people that can be counted within each service and component.<sup>212</sup> Following September 11, 2001, and after the start of operations in Afghanistan and Iraq, the active duty force needed more assistance from reserve component members, yet leaders were concerned that those reservists would count against active duty end strength and active duty grade tables. In addition, reserve component members were concerned that they would have to compete for promotion against active duty members rather than other reservists.

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210 *Review of Reserve Component Contributions to National Defense*, pp. 77–78.

211 Reserve Forces Policy Board, *Annual Report* (2006), p. 15.

212 As codified in 10 U.S.C. §115.

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*Active Duty for Operational Support*

In 2004 Congress created, at DOD's request, a new category for counting reserve component strength called active duty for operational support (ADOS).<sup>213</sup> It is composed of reserve component members who volunteer for active duty for operational support missions, and it replaces "active duty for special work" and some smaller categories.

The change was designed to address two problems. First, under the previous system, reservists on active duty for 180 days or more counted against active duty end strength; and second, officers who became eligible to be considered for promotion had to compete on the active duty list (ADL) rather than on the reserve active status list (RASL), a requirement that placed many of them at a significant disadvantage. In response, the services undertook numerous work-arounds, moving reservists onto active duty and then taking them off just before the 180-day threshold would be crossed.

The new operational support category offers a new way to track reserve component personnel. Those who are on voluntary active duty providing operational support can remain on active duty for up to three years, or for three years cumulatively over a four-year period, without being counted against active duty end strength. The law also allows reserve personnel to be exempted from certain officer and enlisted grade limits found in 10 U.S.C. §§523 and 115. Once signed into law by the President, section 416 of P.L. 108-375 added section 115(b) to Title 10 of the United States Code, specifying which members of the reserve component fall into this new accounting category.<sup>214</sup>

As part of the language establishing the operational support accounting category, Congress asked DOD to define operational support and also to report on those duty statuses to be excluded from the new category.<sup>215</sup> On October 4, 2005, Under Secretary of Defense for Personnel and Readiness David S. C. Chu submitted DOD's report, which contained a definition of operational support, offered service implementation guidelines for the new category, and identified two categories of

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213 A provision was added to the House Armed Services Committee's fiscal year 2005 Defense authorization bill (H.R. 4200) creating a new reserve component category for end strength accounting. Its origin lay within the Department of Defense legislative package. Section 404 of the bill "established the requirement for an annual congressional authorization of the maximum number of reserve component personnel to be on active duty or full-time national guard duty providing operational support" (House Report 108-491, on the National Defense Authorization Act for Fiscal Year 2005, 108th Cong., 2nd sess., May 14, 2004, pp. 306-7). The conference agreement that year, the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375), included section 404 (now section 416) and the authorizing provision for the Commission on the National Guard and Reserves. Within that authorization, Congress asked the CNGR to "assess the Department of Defense plan for implementation of section 115(b) of title 10, United States Code, as added by section 416" (§513).

214 See 10 U.S.C. §115(b)(1):

- (A) active duty under section 12301(d) of this title for the purpose of providing operational support, as prescribed in regulation issued by the Secretary of Defense;
- (B) full-time National Guard duty under section 502(f)(2) of title 32 for the purpose of providing operational support when authorized by the Secretary of Defense;
- (C) active duty under section 12301(d) of this title or full-time National Guard duty under section 502(f)(2) of title 32 for the purpose of preparing for and performing funeral honors functions for funerals of veterans under section 1491 of this title;
- (D) active duty or retained on active duty under sections 12301(g) of this title while in a captive status; or
- (E) active duty or retained on active duty under 12301(h) or 12322 of this title for the purpose of medical evaluation or treatment.

215 "Secretary's recommendations regarding the exemptions provided in paragraphs (8) through (11) by section 115(i) of title 10, United States Code, as amended by this section. The recommendations shall address the manner in which personnel covered by those exemptions shall be accounted for in authorizations provided by section 115 of such title. The objective of the analysis should be to terminate the need for such exemptions after September 30, 2006" (Public Law 108-375, §416).

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reserve members to be excluded from the category: National Guard members serving in counter-drug billets and reserve component members performing active duty for training.<sup>216</sup>

In its report to Congress, DOD acknowledged that the FY 2006 budget request would contain an increase in the end strength numbers for the operational support category, admitting that the accounting of strength produced in FY 2005 relied on flawed data; the Government Accountability Office later confirmed that there were serious problems with the data.<sup>217</sup> Table III.2 shows the increase in the end strength for the operational support category from its inception in FY 2005 to the current fiscal year.

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216 DOD report to Congress as prescribed by Section 416(l) of the Ronald Reagan National Defense Authorization Act for Fiscal Year 2005, transmitted by Under Secretary David Chu, October 4, 2005. In this report, operational support is defined as follows: active duty, other than active Guard and Reserve duty, under 12301(d) of Title 10, United States Code; full-time National Guard duty, other than active Guard and Reserve duty, under section 502(f)(2) of Title 32, United States Code; and active duty for training performed at the request of an organizational or operational commander, or as a result of reimbursable funding. Guidelines as outlined by DOD further identify specific categories of reserve component members to be accounted for under operational support: all active duty for special work (ADSW), active duty and active duty for training performed as a result of reimbursable funding, funeral honors duty performed not in an inactive duty status, voluntary active duty performed by recall of reserve retirees not receiving regular retired pay, and active duty training performed as a result of a request of an operational commander to provide support. In its response to the tasking to evaluate four paragraphs of 10 U.S.C. §115(i), (8) through (11), the Department commented on paragraph (12) as well, though not specifically directed to do so. DOD found that incorporating the categories of reserve component members listed in paragraphs (9), (11), and (12) into the newly established operational support category was possible and desirable. However, it recommended against incorporating categories contained in paragraphs (8) and (10). Those reserve component members performing active duty for training, but not providing operational support while in the conduct of that training (paragraph 8), and National Guard members performing counter-drug activities under section 112 of Title 32, U.S.C. (paragraph 10), should remain exempt. DOD concluded that because both categories are properly managed and working well today, neither should be included in the new accounting category.

217 After authorizing this increase, Congress tasked the Comptroller General to investigate why it was needed and to examine the methods used by DOD to calculate proposed end strength in the fiscal year 2007 budget request. GAO attributed DOD's increase in strength numbers from fiscal year 2005 to 2006 to "two key factors: data used by DOD to prepare its fiscal year 2005 estimate did not accurately reflect all the reservists voluntarily serving in operational support capacities and DOD had not defined what constituted operational support prior to submitting the fiscal year 2005 estimate." GAO also concluded that there were "inaccuracies and inconsistencies in the data, based in part on definitional problems of categories of reservists to be included in reported numbers, generating data that we believe are not sufficiently reliable" (GAO, "Military Personnel: Reserve Components Need Guidance to Accurately and Consistently Account for Volunteers on Active Duty for Operational Support," GAO-07-93 [Report to Congressional Committees], October 2006, pp. 3, 4). This finding made it almost impossible for GAO to report back to Congress on "factors being used to develop the fiscal year 2007 budget request" (H.R. 1815, the National Defense Authorization Act for Fiscal Year 2006, 109th Congress, 1st sess., May 20, 2005, p. 310). GAO recommended that "DOD and the reserve components develop guidance that clarifies and defines the categories of operational support that should be included in the reported numbers so that accurate and consistent information is reported across the components" (GAO, "Military Personnel: Reserve Components Need Guidance," p. 5). DOD concurred with GAO's recommendation, and on January 29, 2007, Under Secretary Chu issued a memorandum that updated DOD's operational support duty definition, "further clarifying information and guidance on operational support accounting, clarifies the original definition of the term 'operational support,' and amplifies the duty that is covered under this definition" (DOD report to Congress as prescribed by Section 416(l) of the Ronald Reagan National Defense Authorization Act for Fiscal Year, 2005). The memo was followed by Department of Defense Instruction 1215.06, "Uniform Reserve, Training, and Retirement Categories," on February 7, 2007.



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Table III.2. Authorizations for Operational Support by Service, FY 2005–FY 2008

Service	FY 2005	FY 2006	FY 2007	FY 2008
Army National Guard	10,300	17,000	17,000	17,000
Army Reserve	5,000	13,000	13,000	13,000
Naval Reserve	6,200	6,200	6,200	6,200
Marine Corps Reserve	2,500	3,000	3,000	3,000
Air National Guard	10,100	16,000	16,000	16,000
Air Force Reserve	3,600	14,000	14,000	14,000
<b>DOD total</b>	<b>37,700</b>	<b>69,200</b>	<b>69,200</b>	<b>69,200</b>

Sources: P.L. 108-375, P.L. 109-163, P.L. 109-364, House Report 110-477 accompanying H.R. 1585.

Since the implementation of this new category, DOD has testified before Congress and the Commission on its advantages. To the Senate Armed Services Committee in 2005, Under Secretary Chu praised the operational support accounting category:

Under the old rules, constraints in end strength and grade accounting hindered the use of reserve volunteers. We are extremely grateful that last year Congress removed barriers to volunteerism with a new strength accounting category for reservists performing operational support. Because reservists were counted as active duty end strength and were required to compete for promotion against active duty personnel, reservists were reluctant to volunteer for extended periods of active duty. The new continuum of service construct maximizes the use of volunteers, provides greater opportunities for reservists who are able to contribute more to do so, and offers accession and affiliation programs to meet specialized skill requirements.<sup>218</sup>

Chu mentioned the operational support category again in testimony before Congress in 2006 and 2007,<sup>219</sup> and Assistant Secretary of Defense for Reserve Affairs Thomas Hall testified in front of the Commission to the significant advantage that it provides both for DOD in strength accounting and for reserve component members who are seeking greater opportunities to serve:

Similarly, the emphasis on volunteerism has been designed to allow service members who want to contribute more to defense missions to do so. Under the old rules, end strength and controlled grade accounting, and promotion requirements to compete against active duty personnel suppressed the number of volunteers and limited the length of their duty. Reservists were reluctant to volunteer for extended periods of active duty. However, we have implemented the new “operational support” accounting category (authorized in Sections 415 and 416 of the FY 2005 Authorization Act) which has significantly tempered these barriers and provided greater flexibility in Reserve usage. This is a significant supporting element of the continuum of service initiative.<sup>220</sup>

The statement submitted by Principal Deputy Under Secretary of Defense for Personnel and Readiness Michael L. Dominguez also lauded the operational support accounting category. “With the

218 The Honorable David S. C. Chu, prepared statement before the Senate Armed Services Personnel Subcommittee, Hearing on Active and Reserve Military and Civilian Personnel Programs, 109th Cong., 1st sess., April 5, 2005, pp. 5–6.

219 The Honorable David S. C. Chu, prepared statement before the Senate Armed Services Personnel Subcommittee, Hearing on Active and Reserve Military and Civilian Personnel Programs, 109th Cong., 2nd sess., March 1, 2006, p. 8; prepared statement before the Senate Armed Services Personnel Subcommittee, Hearing on Active and Reserve Military and Civilian Personnel Programs, 110th Cong. 1st sess., March 28, 2007, p. 9.

220 Assistant Secretary Hall, prepared witness statement before the CNGR, Hearing on Reserve Component Policy Reform, April 12, 2007 ([www.cngr.gov/hearing411-12/Hall%20CNGR%20testimony.pdf](http://www.cngr.gov/hearing411-12/Hall%20CNGR%20testimony.pdf)), p. 21.

new operational support duty,” he observed, “there should be much greater transparency to the member and command as to what duty status the member is performing duty [in].”<sup>221</sup>

DOD appears finally to be accounting for those personnel serving in the operational support category in the way that Congress intended. As noted above, GAO found significant accounting problems within the services and DOD; but after the February 2007 instruction was implemented, DOD and the services were following the same definitions and rules in dealing with the category. Therefore, the Commission concludes that DOD’s plan for dealing with the new reserve component strength accounting laws has been successful.

**Finding:** The Department of Defense has successfully implemented a plan to manage the Active Duty Operational Support category as directed by Congress.

### *Additional Congressional Action*

Section 416 of the National Defense Authorization Act for Fiscal Year 2008 requires DOD to review the long-term operational support missions and submit the results of that review to Congress.<sup>222</sup> The review is intended “to determine whether missions that require such long-term personnel commitments should continue to be manned under the authorizations of section 115(b), or under other manning authorizations.”<sup>223</sup> Section 416 also requires that “future budget justifications materials provided to Congress illuminate the use of the reserve components under section 115(b).”

### *Removing Time Restrictions on Service*

The Commission asked the reserve component Chiefs to respond to questions about the new operational support category. All responding services said they are currently working with it and view it as just another manpower tool; no service called for an increase in the current end strength for its operational support category.<sup>224</sup> Lieutenant General Craig McKinley, Director, Air National Guard, noted that the category allows “an increase in the accessibility of reserve component personnel in the short term” but later throws up a roadblock by imposing the three-year/three-out-of-four-years restrictions. He recommended that the “arbitrary barrier be removed while retaining the strength accounting provisions of the law.”<sup>225</sup>



**Commissioners Ball and Eckles  
at December 2006 hearing.**

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221 Under Secretary Dominguez, prepared witness statement before the CNGR, Hearing on Impact of Reserve Component Personnel, Compensation Policies, June 20, 2007 ([www.cngr.gov/June%2019-21/Dominguez%20Statement.pdf](http://www.cngr.gov/June%2019-21/Dominguez%20Statement.pdf)), p. 9.

222 House Report 110-477, accompanying H.R. 1585, NDAA for FY 2008, §416.

223 House Report 110-146, on the National Defense Authorization Act for Fiscal Year 2008, 110th Congress, 1st sess., May 11, 2007, p. 320.

224 See answers to Questions for the Record (QFRs) submitted to the CNGR: Lieutenant General Jack C. Stultz, USA, Chief, U.S. Army Reserve, December 4, 2006, pp. 14–15; Vice Admiral John G. Cotton, USN, Chief, U.S. Navy Reserve, September 26, 2006, pp. 12–13; Lieutenant General John A. Bradley, USAF, Chief, U.S. Air Force Reserve, December 7, 2006, pp. 18–19; Lieutenant General Craig McKinley, USAF, Director, Air National Guard, November 20, 2006, pp. 9–10; Lieutenant General J. W. Bergman, USMCR, Commander, Marine Forces Reserve, October 24, 2006, pp. 11–12.

225 Lieutenant General McKinley, answers to QFR on the San Antonio hearing, July 19, 2006, submitted to the CNGR November 20, 2006, p. 9.

## CREATING A CONTINUUM OF SERVICE: PERSONNEL MANAGEMENT FOR AN INTEGRATED TOTAL FORCE

Removing the time restrictions is an attractively simple solution, but it may have some unintended and unwanted consequences:

- While the reserve component members activated within this category (with the exception of general and flag officers) do not count against active component end strength ceilings, they do count against end strength authorizations for the Selected Reserve of each component. Keeping more than 69,000 reservists on active duty for lengthy tours supporting the active component may impair the ability of the reserve components to fill out their own units and meet other reserve structure requirements.
- Eliminating restrictions on length of tour could diminish the benefits that reserve component members should receive from such a program. A steady turnover of service members serving tours on active duty will spread the valuable experience they gain throughout the reserve force. Conversely, allowing a small number of reservists to serve on extended tours would concentrate that experience in a few individuals. Such an outcome is contrary to the aim of several recommendations by the Commission, here and in the March 1 report, to increase fruitful interchanges between the components.
- Allowing some individuals to serve on extended tours in the operational support category places the larger population of part-time reserve members at a disadvantage in the competition for promotion.

The service requirements now being met by having some reserve personnel serve in operational support capacities for more than 75 percent of the time might be better addressed by increasing active component end strength or by using civilian employees or contractors. Though the category has served a useful purpose by easing access to volunteers for operational missions at a time of great need, it will be phased out if duty status categories are streamlined (as discussed earlier in this chapter). Moreover, the use of the operational reserve regularly deployed as a part of a rotational force and the accompanying changes to mobilization authorities recommended by the Commission would make the ADOS category obsolete.

**Finding:** While some have requested that the current three-out-of-four-years restriction on reserve component personnel serving in the ADOS category should be removed, there are better alternatives to this approach, such as transitioning those ADOS billets to career civilian billets.

**Finding:** The ADOS category provides reserve component members an opportunity to serve voluntarily on active duty for more than 180 days; however, it is not an effective force management tool.

### End Strength Accounting Categories

There is no evidence that end strength, which captures numbers of personnel at a single point in time—September 30 of each fiscal year—is the appropriate metric for determining what force levels should be. As a result, in 1981 Congress passed legislation prohibiting the management of DOD civilian personnel by end strength, full-time equivalent, man-years, or maximum number of employees. Section 129 of 10 U.S.C. states that the “Secretary of Defense and the Secretaries of the military departments may not be required to make a reduction in the number of full-time equivalent positions in the Department of Defense unless such reduction is necessary due to a reduction in funds available to the Department or is required [by] law[.]” This prohibition has made it possible for DOD and the military departments to base the mix of their full- and part-time workforce on the projected workload and the dollars available to perform that workload.

Military personnel should similarly be managed by workload, not by preexisting end strength constraints that planners may seek to circumvent and that thus encourage inefficient practices. As noted above, the ADOS category was created as a structural means to keep reservists who are performing active duty operational support missions from being counted against active duty end strength when they reach 180 days of service. The old work-around—returning the volunteers to a reserve status for a day or two, and then putting them back on active duty again in their operational support role for another 179 days (a procedure that could be repeated indefinitely)—was replaced with a separately authorized manpower category in which they could be counted. Yet the workload requirement and the funds appropriated to accomplish it have remained the same.

It makes no sense to manage a 21st-century military force—composed of personnel fulfilling different levels of commitment—within the artificial limits of end strength authorizations. Such constraints are inconsistent with the efficient operation of a continuum of service. Instead, actual workload should determine the number and type of personnel needed to accomplish required tasks, and funding should reflect that workload. A focus on end strength is anachronistic and deters the efficient management of DOD’s valuable personnel assets.

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It makes no sense to manage a 21st-century military force . . . within the artificial limits of end strength authorizations.

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**Finding:** Managing forces by end strengths is inefficient and makes it necessary to create workarounds to remain within prescribed levels, as the ADOS manpower accounting category itself illustrates. By contrast, Congress recognized the inefficiencies inherent in managing by end strength for DOD civilians in 10 U.S.C. §129.

**Recommendations:**

25. As a part of the process of simplifying duty status categories, Congress should phase out the ADOS category and designate long-term billets as either active duty or civilian or as part of a program that rotates reserve members on full-time active duty tours. Such a program would benefit both the reservists, to whom it would provide career-broadening experience, and DOD, which would take advantage of the unique talents and experience within the reserve component.
26. Congress should cease to manage DOD manpower levels by using authorized end strengths. DOD should budget for—and Congress should fund—personnel, active and reserve, based on requirements and needed capabilities.

## G. AN INTEGRATED RETIREMENT SYSTEM

The non-disability retirement systems today in place for the active and reserve components were designed for a Cold War–era force that relied on a draft. At that time very few inductees remained in uniform past their initial term of service, and the retirement benefit was intended to meet the needs of the relatively small proportion of service members who served a full 20-year career.<sup>226</sup> Even though the current retirement systems have survived more than 35 years of the all-volunteer

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<sup>226</sup> *The Military Compensation System*, p. 3.

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force, the initial call for an all-volunteer force in 1970 was accompanied by ideas on how to reform military retirement.<sup>227</sup>

As it stands, the military offers very generous retirement benefits immediately upon separation to career service members in the active component, a comparable benefit received at age 60 by career service members in the reserve components, and no retirement benefits at all for non-disabled service members who serve for less than 20 years.<sup>228</sup> Thus the increasingly integrated active and reserve components have two separate retirement systems, based almost entirely on the age when a service member receives his or her retirement annuity and with 20-year “cliff” vesting that excludes 85 percent of enlisted personnel and 53 percent of officers from receiving any non-disability retirement benefits.<sup>229</sup> In addition, only 24 percent of reservists remain in the military long enough to be eligible for retirement pay after 20 years.<sup>230</sup>

**Finding:** Maintaining two separate retirement systems for active and reserve personnel does not foster integration, equitable treatment, or fair outcomes.

**Finding:** The 20-year “cliff” vesting of retirement benefits for military personnel excludes most personnel—especially enlisted service members—from receiving any retirement benefits.

The current 20-year vesting point serves as an incentive for service members who complete 8–12 years of service to continue serving through 20 years.<sup>231</sup> In fact, the current retirement system contributes to career paths that may not be optimal for the services. As researchers in the Federal Research Division of the Library of Congress point out,

The services are well aware of the financial costs imposed on mid-careerists involuntarily separated before the 20-year vesting point. As a result, beyond a certain grade or YOS [year of service], their superior officers treat personnel as if they have an implicit contract. The services are reluctant to separate all but the poorest performers because of the negative effect of involuntary separation on morale. These implicit contracts limit the range of experience distributions in the services. The structure of the “desired” force—that is, the force profile modeled by the Department of Defense (DoD) on the premise that many members will be retained to 20 years and lost shortly thereafter—reflects the actual retention patterns resulting from the current compensation system. In actuality, the desired

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227 *The Report of the President’s Commission on an All-Volunteer Armed Force*, pp. 61–62. In discussing reforms to personnel management for an all-volunteer force, this commission indicated that retired pay, because it is a deferred benefit, has “little value to an individual in his early years of service” and recommended earlier vesting.

228 See DOD Office of the Actuary, *Fiscal Year 2006 DOD Statistical Report on the Military Retirement System*, May 2007, p. 5 ([www.defenselink.mil/actuary/statbook2006.pdf](http://www.defenselink.mil/actuary/statbook2006.pdf)). The current military retirement system gives service personnel who serve for 20 years a defined pension annuity. For active component service members, this annuity may be collected immediately upon retirement; it is equal to 2.5 percent of the average of their three years of highest annual basic pay multiplied by years of service, with a cap at 30 years of service, or 75 percent of “high-3” pay. Service members are also given access to the government’s Thrift Savings Plan, but are not entitled to any contribution from the Department of Defense. For reserve component service members, this annuity may be collected at 60 years of age; it is based on a points system in which 360 points convert to a year of service. The accumulated points are used to calculate a benefit proportionately equivalent to that given an active component service member of similar pay grade (pp. 5–7).

229 *The Military Compensation System*, p. 17.

230 Comptroller General Walker, prepared statement, June 20, 2007, p. 25.

231 *The Military Compensation System*, p. 18.

**TAB D**

**11<sup>th</sup> Quadrennial Review  
of  
Military Compensation**



## Current Reserve Duty System

“Duty status reflects a reservist’s availability to perform a specific mission, function, or job and is linked to appropriated funds and legal authorities.”<sup>129</sup> Dozens of legal authorities exist that divide duty statuses into distinct types based on the purpose of the duty, use categories, funding streams, and applications to the reserves, National Guard, or both.

While active component members have a single duty status—active duty—reserve component members serve in an array of statuses governed by a diverse set of laws, policies, and practices. Statuses vary with respect to:

- ❖ **Authorities.** Titles 10, 14, and 32 of the United States Code; and DOD policy
- ❖ **Type of duty.** Active duty, full-time National Guard duty, inactive duty
- ❖ **Mission.** Training, support, operational
- ❖ **Duty.** Voluntary, involuntary
- ❖ **Funding.** Military personnel appropriations, National Guard personnel appropriations, reserve personnel appropriations
- ❖ **Strength accounting.** Active duty, selected reserve, active guard/reserve

Together these factors have driven the proliferation of authorities to order a member to duty and specify the purpose of the duty—collectively referred to as duty statuses. As roles and missions changed, new duty statuses were created to codify a new mission for the guard and reserve or a new purpose of the duty to ensure that all reserve activities would fall within the appropriate status and purpose. As the individual changes were made, they likely made sense. But what exists today is a system developed by a patchwork of laws and administrative fixes that complicate employment of the reserves as well as personnel management.

This complexity is not a recent phenomenon—in fact, the system of reserve duty is quite dated. Most of the statuses predate 1980 though five have been established since that time: Funeral Honors Duty (1999), Active Duty for Medical Evaluation (1999), Active Duty for Health Care (1999), Major Disaster/Emergency Response Call-up (2012), and Combatant Command Support (2012). Nineteen of the statuses existed prior to World War II. Thus, this system has not evolved in concert with how reserves are being employed in the total force but instead has expanded as utilization grew and changed.

129. Dolfini-Reed, Michelle and Darlene E. Stafford, *Identifying Duty Status Reforms Needed to Support an Operational Reserve*, CRM D0021656.A2. Alexandria, VA: CNA, 2010, 1.

Another anomaly of the duty system is that studies conducted over the past decade have identified differing lists of statuses or authorities, in both number and content. The list of reserve component utilization authorities identified by the DOD cites 26 authorities.<sup>130</sup> The QRMC set out to identify a comprehensive list of duty authorities. We reviewed legislation contained in titles 10, 32, and 14, as well as DOD regulations and instructions. The result was a list of 30 authorities (Table 6-2) as well as other elements that include purposes, restrictions, and conditions associated with reserve duty (Table 6-3).

The current duty status structure has come under scrutiny by combatant commanders, unit commanders, budget administrators, government officials, and other stakeholders. “It is viewed as a major factor that makes it difficult to employ reservists, places burdens on National Guard and Reserve members and their families,

**Table 6-2. Current Authorities to Order Reserve Component Members to Duty**

<p><b>Title 10, United States Code</b></p> <ol style="list-style-type: none"> <li>1. Full mobilization</li> <li>2. Partial mobilization</li> <li>3. Presidential reserve call-up</li> <li>4. Major disaster/emergency response</li> <li>5. Preplanned combatant command mission call-up</li> <li>6. Captive status</li> <li>7. Unsatisfactory participation (45 days)</li> <li>8. Unsatisfactory participation (24 months)</li> <li>9. Disciplinary action</li> <li>10. Annual active duty (up to 30 days)</li> <li>11. Additional training and operational support</li> <li>12. Duty at the National Guard Bureau</li> <li>13. Medical evaluation and treatment</li> <li>14. Medical care (duty &lt; 30 days)</li> <li>15. Retiree recall</li> <li>16. Muster duty</li> </ol>	<p><b>Title 10, United States Code (continued)</b></p> <ol style="list-style-type: none"> <li>17. Aid for state governments</li> <li>18. Enforce federal authority</li> <li>19. National Guard called to federal service</li> <li>20. Additional training periods</li> <li>21. Additional flight training periods</li> <li>22. Readiness management periods</li> <li>23. Funeral honors</li> </ol> <p><b>Title 32, United States Code</b></p> <ol style="list-style-type: none"> <li>24. Required training and other duty</li> <li>25. Additional training and other duty</li> <li>26. Additional training periods</li> <li>27. Additional flight training periods</li> <li>28. Readiness management periods</li> <li>29. Funeral honors</li> </ol> <p><b>Title 14, United States Code</b></p> <ol style="list-style-type: none"> <li>30. Emergency augmentation</li> </ol>
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130. DoD Instruction 1215.06, Uniform Reserve, Training and Retirement Categories, February 7, 2007.



and ultimately contributes to creating barriers to volunteerism.”<sup>131</sup> Thus, the construct has been criticized on many accounts. The CNGR identified four main problems that capture the range of criticisms:

**Table 6-3. Purposes and Restrictions for National Guard and Reserve Duty**

<p><b>A. Mandatory Duty (Active Duty)</b></p> <ol style="list-style-type: none"> <li>1. Full mobilization</li> <li>2. Partial mobilization</li> <li>3. Ready reserve call-up</li> <li>4. Disasters/emergency response</li> <li>5. Combatant command missions</li> <li>6. Emergency augmentation</li> <li>7. Captive status</li> <li>8. Unsatisfactory participation</li> <li>9. Disciplinary action</li> </ol> <p><b>B. Training (Active Duty)</b></p> <ol style="list-style-type: none"> <li>1. Initial entry training</li> <li>2. Annual training</li> <li>3. Additional training</li> </ol> <p><b>C. Training/Other (Inactive Reserve Service)</b></p> <ol style="list-style-type: none"> <li>1. Required monthly training</li> <li>2. Additional training</li> <li>3. Additional flight training</li> <li>4. Readiness management periods</li> <li>5. Muster duty</li> <li>6. Funeral honors support</li> </ol> <p><b>D. Operational Support (Active Duty)</b></p> <ol style="list-style-type: none"> <li>1. Voluntary duty</li> <li>2. Retiree recall</li> </ol> <p><b>E. Staff Duty (Active Duty)</b></p> <ol style="list-style-type: none"> <li>1. Active Guard and Reserve duty</li> <li>2. Seat of government</li> <li>3. Headquarters</li> <li>4. Reserve policy boards</li> </ol>	<p><b>F. Medical (Active Duty)</b></p> <ol style="list-style-type: none"> <li>1. Evaluation</li> <li>2. Treatment/care</li> </ol> <p><b>G. Insurrection (Federal Service)</b></p> <ol style="list-style-type: none"> <li>1. Aid for state governments</li> <li>2. Enforce federal authority</li> <li>3. Interference with state/federal law</li> <li>4. National Guard called to federal service</li> </ol> <p><b>H. Training (Full-time National Guard Duty)</b></p> <ol style="list-style-type: none"> <li>1. Annual training</li> <li>2. Additional training</li> </ol> <p><b>I. Training/Other (Inactive National Guard Service)</b></p> <ol style="list-style-type: none"> <li>1. Monthly required training</li> <li>2. Additional training</li> <li>3. Additional flight training</li> <li>4. Readiness management periods</li> <li>5. Funeral honors support</li> </ol> <p><b>J. National Guard Missions (Full-time National Guard Duty)</b></p> <ol style="list-style-type: none"> <li>1. Field exercises</li> <li>2. Voluntary duty</li> <li>3. Homeland defense</li> <li>4. Challenge program</li> <li>5. Drug interdiction</li> <li>6. Rifle instructors</li> <li>7. Small arms competitions</li> <li>8. Army/Air Force schools</li> <li>9. National Guard schools</li> </ol>
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131. Dolfini-Reed and Stafford, *Identifying Duty Status Reforms Needed to Support an Operational Reserve*, 2010: 3.

1. **Complexity.** Multiple duty statuses produce complex rules and procedures that are highly inefficient, inhibit volunteerism, and increase the difficulty of accessing reservists to perform operational missions. The complexity impacts reservists and operational commanders alike.
2. **Inactive duty training.** Established more than 90 years ago with its roots in the colonial militia, the premise was based on reservists serving in local units and performing drill duty in the evening or on weekends in order to maintain a strategic reserve. The system is obsolete and no longer supports how the reserves are being used today.
3. **Appropriation and budgeting.** The budgeting process is based on artificial duty status distinctions that complicate the allocation of resources and obscure the understanding of the work and training actually being performed. It is difficult to track funding because duty statuses are not linked to how the budget is organized.
4. **Inconsistencies in compensation.** Pay and allowances and benefits differ depending on duty status—whether inactive duty, active duty for 30 or fewer days, or active duty for more than 30 days. Resolving these inconsistencies would require both simplification of the duty status structure and the reserve compensation system.

A question often asked is, “Why can’t the reserve system be more like the active duty system where the member is simply ordered to duty?” Unfortunately, a duty system for the reserve components has complications that do not affect active component members or active component resource managers. Active component members are ordered to active duty for one purpose: to complete the term of active duty service specified in their service agreement. Further, a single source of appropriations is used to fund active duty service. Therefore, personnel accounting and preparing the personnel appropriations budget are much more straightforward because active component members are always on duty. This is not the case for the reserves. Following is a discussion of some of these aspects of the current system.

### Authorities

For the reserve components, multiple titles of the United States Code provide for calling or ordering a member of the guard or reserve to perform duty:<sup>132</sup>

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132. United States Code, Section 204(a)(4), title 42 (as amended by the Patient Protection and Affordable Care Act, Public Law 111-48) provides the Surgeon General with the authority to order a commissioned officer of the Ready Reserve Corps to active duty at any time, including active duty for the purpose of training. Since the Public Health Service is still in the process of establishing its Ready Reserve Corps and, when established, will not be affected by the changes recommended in the duty status reform proposed in this chapter, it is not included in this discussion.

- ❖ Title 10 for the reserves and the guard when called or ordered to duty for federal service
- ❖ Title 32 under which the guard trains as well as performs certain operational duty that is federally funded, but under the command and control of state authority
- ❖ Title 14 which provides the authority to order members of the Coast Guard reserve to duty for the emergency augmentation of the regular force

Each title provides various authorities and purposes, which are often intertwined. Further, because reserve duty is periodic, developing and justifying the budget for reserve personnel requires a level of specificity beyond the duty authorities alone, as the next section explains.

## Funding

Another aspect that complicates the duty structure is the different appropriations from which pay and allowances for the reserve components are drawn. These factors are transparent to the active component, but are critical to identifying the resources needed to maintain readiness and employ reserve forces. The budget is based on expected use (purpose) and duration. Funding for reserve duty may come from either active or reserve component personnel appropriations, depending on the purpose of duty.

If the duty is for training or a certain requirement designated for the guard or reserve, it is funded from reserve component appropriations. The National Guard/reserve personnel appropriations language specifies the purpose of duties for which guard and reserve personnel appropriations may be expended. These primarily include various training activities and limited reserve-specific duty such as serving on a headquarters staff. Funding comes from active component appropriations—military personnel appropriations—if the purpose of the duty is to support an active duty requirement. Duty funded by military personnel appropriations can be for any purpose except that provided for in the National Guard/reserve personnel appropriations. This construct was more or less manageable for supporting a strategic reserve. The reserve personnel appropriations ensure funding for training reserve component members. Military personnel appropriations provide the flexibility to fund involuntary activations (such as mobilization) and operational missions as they occur.

But the two funding sources create considerable complexity and do not facilitate employment of the expanded use of the reserves in an operational role. National Guard/reserve appropriations are used to prepare reserve personnel for mobilization and

deployment. Then military personnel appropriations are used for actual deployment. Generally there is no break in service as a member transitions from pre-deployment activities to actual deployment. But because the source of funding has changed, a new order must be issued, with requisite out/in processing, and potential disruption of pay and benefits.

Better planning for employing the reserve components in operational missions provides an opportunity for streamlining the system—and such planning is being increasingly conducted by the military services. When reserve employment is planned in advance, funding for those missions could be incorporated into the National Guard/reserve appropriations, rather than drawn from the military personnel appropriations. The cost for providing peacetime support to combatant commands must be planned for and identified in the budget. Funding for planned operational missions could just as easily be funded in the guard/reserve personnel appropriations, hence reducing administrative complexities. As operational use of the reserves continues, planning for reserve employment will improve and budgeting in reserve appropriations should become the norm.

### **Other Characteristics**

Another characteristic of the system is use, which indicates the functions or types of activities in which the reservists are participating. These activities generally fall into the following categories: training, peacetime operations, mobilization, administration/staff, and receipt of health care. Changing statuses and issuing new orders each time the type of activity changes can create a significant administrative burden, disrupt the mission, and adversely affect a reserve member. A study of reserve duty conducted by CNA describes several examples of such cases and the problems that can emerge under the current system.<sup>133</sup> We summarize one of those examples here.

A guard member, while voluntarily serving on active duty to provide operational support, is required to train with his guard unit each month. Because different personnel appropriations are used for each activity, the member is on active duty for 28 days with the active command he is supporting, and spends two days performing inactive duty training with his guard unit. From the guardsman's perspective, his service is continuous. But from the perspective of the duty system, he changes "status" twice a month. So, over a six-month period, the guardsman receives six sets of orders for 28 days of operational support (plus or minus depending on the number of days in a month and when the weekend training is held), in between which he performs two days of drills. Because the operational support is not continuous, he and his family do not qualify for full benefits and entitlements—

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133. Dolfini-Reed and Stafford, *Identifying Duty Status Reforms Needed to Support an Operational Reserve*, 2010.

a source of justified frustration. A simpler duty system would significantly minimize these inherent complexities.

Duty can also be categorized as voluntary or involuntary. Minimal reserve service requirements are categorized as voluntary, but include participation in monthly drills and annual training. A duty type is involuntary if it is legally directed by the appropriate authority and is imposed “without consent of the person affected.” Some in the department have advocated for increasing the use of volunteers to reduce the number of involuntary mobilizations, but relying on volunteers can pose other challenges when the mission calls for larger units trained to operate as a cohesive team.

The bottom line is that a system that “stops and starts” for each change in type, purpose, or duration of duty impedes the seamless employment of guard and reserve members. The system was designed for two activities: training for mobilization and large-scale mobilizations during which the member would be on extended active duty. It was not designed to support the significant operational role being played by the reserves today, which combines a mix of training and operational missions for varying durations of time. As a result, to make the system work today, various authorities are “cobbled together” to support ongoing activation of reserve members. The duty structure should be designed to support access to reserve component personnel in as simple and rapid a fashion as possible. Instead, the system has become so complex that very few military leaders understand the system fully, and it is even confusing to reserve component members themselves. It is clear why a new approach is called for.

### **The Call for Change**

After detailed study of the reserve duty structure, the CNGR reported that “... the Commission has found indisputable and overwhelming evidence of the need for change. Policymakers and the military must break with outdated policies and processes and implement fundamental, thorough reforms.”<sup>134</sup> The commission noted that the personnel management strategies under which DOD works are old and are designed for a different era. DOD needs to develop a personnel management strategy for the new century—a strategy in which the active and reserve components are truly managed as a total force and “that fosters a true ‘continuum of service.’”<sup>135</sup> As part of that strategy, the commission called for a simplified duty system.

The U.S. House of Representatives Committee on Armed Services also recognized that the number of duty statuses posed numerous challenges and directed a review of all the duty statuses currently being used by the services and the department. The aim of the review was to develop a strategic plan that

134. Commission on the National Guard and Reserves, 2008, 1–2.

135. Commission on the National Guard and Reserves, 2008, 16.

would significantly reduce the number of duty statuses, resulting in a clear, simple structure under which reserve members are called to serve.<sup>136</sup>

In support of the congressionally mandated reporting requirement, the CNA study of the reserve duty status system was conducted for the DOD.<sup>137</sup> As noted previously, CNA found that members often transition between duty statuses to support different requirements. Although the service is continuous, members are often issued new orders when there is a change in any number of factors, such as a change in work assignment, a change in purpose, a change in duration of duty, or a change in funding source. And with a change in orders, there may also be a change in pay and/or benefits.

The CNGR advanced a set of criteria for a new duty status system. The system should:

- ❖ Simplify the process of bringing a reservist on to active duty
- ❖ Engage reservists over a career in both active duty and reserve status
- ❖ Enable members and units to undertake duty for varying periods of time
- ❖ Take advantage of a reservist's willingness to serve

The duty system should also meet the following objectives: align with the current training and support requirements of the reserve components; provide the flexibility to meet emerging requirements; provide consistent compensation with respect to the work performed; support administrative clarity; and permit budgeting that is based on actual resource employment.<sup>138</sup> The QRMC agrees with these tenets and, along with a modernized reserve compensation system (discussed in Chapter 7), offers a new approach to support reserve duty.

### A New Duty System

Although simplification of the duty system is called for, challenges associated with restructuring the system have hampered progress. As noted in the CNGR report, the term frequently used to describe the needed change is “duty status reform.” But this term blurs and interchangeably uses four key components of the reserve duty system. The first component is the “authority” to order or call a member to perform duty.

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136. U.S. House, Committee on Armed Services, Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, 110<sup>th</sup> Congress, 2d session, H. Rpt., 110–652. Washington DC: Government Printing Office, 2008.

137. Dolfini-Reed and Stafford, *Identifying Duty Status Reforms Needed to Support an Operational Reserve*, 2010.

138. The Wexford Group International, Reserve Component Military Duty Status Study, *Considerations on Changing the Reserve Component Duty Status System* (Phase II, Task 1), May 31, 2002, ii.

The second component, which is a necessary component for the guard and reserve, is the “purpose” of the duty. The third component is restrictions or limitations that may be associated with the duty. The fourth component is the funding source. The product of these components is a member’s “duty status.” A simplified system must recognize and be structured within the context of these four components.

**RECOMMENDATION: RESERVE DUTY SYSTEM**

Reduce the number of authorities to order a member to duty from 30 to 6.

The QRMC proposes six authorities under which a commander calls or orders a reserve component member to perform duty. These proposed authorities are clear and concise, align with the applicable title of the United States Code, and involve just three types of full-day duty—active duty, full-time National Guard duty, and federal service—and one type of duty for a partial day, inactive service. The six authorities are:

- ❖ Title 10, Armed Forces
  - Active duty
  - Inactive reserve service
  - Federal service
- ❖ Title 32, National Guard
  - Full-time National Guard duty
  - Inactive National Guard service
- ❖ Title 14, Coast Guard
  - Active duty

Some have suggested that the new duty structure should be taken to its most basic level—one in which a member is either performing military duty or not in a military status, which in effect would mean that there is only one duty status—“on duty,” mirroring the active component. However, the QRMC determined the minimum number of authorities to call or order a reserve component member to duty is six. This number is necessary because of the constitutional basis for the insurrection codified in title 10 and the fact that different titles of the United States Code are involved: titles 10, 14, and 32. But at its essence, a member is either performing military duty or is not; with most reserve duty performed as active duty and duty split between full-time National Guard duty and active duty for guard members.



Much of the complexity of the current system is derived because authority, purpose, and restrictions are intertwined. The QRMC construct separates authorities from purpose and restrictions. The distinction made by the QRMC is not tied to training versus operational duty, but rather whether the duty will be for a full day or a partial day. Compensation for each is discussed more fully in Chapter 7, but briefly described here.

- ❖ **Active duty.** The title 10 authority that would be used to order guard and reserve members to duty for a federal requirement—regardless of purpose, restrictions, or funding. It also is an authority under title 14 to order members of the Coast Guard Reserve to duty to augment the regular force. This authority would be used when the duty is for a full day, with the member receiving full pay and allowances.
- ❖ **Full-time National Guard duty.** The title 32 authority to order guard members to duty for training or to perform certain operational missions under the command and control of state authority. This authority would be used when the duty is for a full day, with the member receiving full pay and allowances.
- ❖ **Inactive reserve service.** The title 10 authority that would be used for reserve members when the duty is for a partial day. Compensation would be one day of basic pay.
- ❖ **Inactive National Guard service.** The title 32 authority that would be used for guard members when the duty is for a partial day. The member would be under the command and control of state authorities. Compensation would be one day of basic pay.
- ❖ **Federal service.** The title 10 authority that would be used (history shows that its use would be very rare) when the president exercises his constitutional authority to call forth the militia to execute the laws of the union, suppress insurrections, and repel invasions. Compensation would be full pay and allowances.

This simplified structure aligns the duty with the applicable title of the United States Code, while significantly minimizing the number of authorities to place a member on duty. Moreover, when looking individually at each reserve component, no component would use all six authorities—further simplifying the use of this system (Table 6-4). In fact, the Army and Air National Guard could utilize the most, at four, since they operate under both titles 10 and 32, with full-time National Guard duty and active duty the two authorities that would be used predominately. Similarly,

**Table 6-4. Authorities Available to Each Reserve Component**

	Army National Guard	U.S. Army Reserve	U.S. Navy Reserve	U.S. Marine Corps Reserve	Air National Guard	U.S. Air Force Reserve	U.S. Coast Guard Reserve
Active Duty (Title 10)	✓	✓	✓	✓	✓	✓	✓
Inactive Reserve Service (Title 10)		✓	✓	✓		✓	✓
Federal Service (Title 10)	✓				✓		
Full-Time National Guard Duty (Title 32)	✓				✓		
Inactive National Guard Service (Title 32)	✓				✓		
Active Duty (Title 14)							✓

*Note:* Larger checks indicate the statuses most likely to be used; smaller checks indicate infrequent use.

the Coast Guard would use three authorities, which includes the title 14 provision. The reserves of the four military departments would use two, with active duty being the authority predominately used, as the CNGR envisioned.

One of the most important attributes of this consolidated structure is that it separates the *authority* to order a member to duty from the *purpose* of the duty. As military warfare evolves, demands for new capabilities emerge, such as the extensive use of civil affairs, nation building, and psychological operations skills—drawn predominantly from the reserve components over the past decade of war in Iraq and Afghanistan. But conflicts in the future could have demands for entirely different skills. Furthermore, technology is evolving, probably the most visible of which is the far-reaching role of information technology on and off the battlefield in support of military operations. Changes such as these could impact how the reserve components are used or for what purpose, but should not require the creation of new duty authorities.

That said, establishing a structure based on authorities alone only addresses part of the issue. As previously described, the factor that has always complicated

reserve duty is caused by the very nature of reserve service—it is periodic. Also, unlike the active component, there are restrictions associated with certain duties. As such, resource managers must be able to determine the purpose of the duty in order to justify personnel appropriations, and then properly account for personnel in order to track execution of the budget. With funding, purpose, and restrictions separated from authority, they become transparent to the member and the commander, but continue to provide essential information to resource managers who must manage the budget and personnel managers who track manpower for strength accounting purposes.

However, authorities and funding, purpose, and restrictions must be used together: when an authority is exercised, these other elements must be identified (Table 6-5). One could question whether this is really the clear, simple structure called for by the House Armed Services Committee. But unlike the current system in which new orders are issued each time the purpose changes or the source of appropriation changes, under the proposed construct, orders are simply amended to cite a new purpose or funding source, enabling uninterrupted service for the member. Although a new order may be written each time an authority changes, this too could be done with an order modification if the period of service is continuous.

Designating a **single reserve component order writing authority**, which the QRMC recommends, would facilitate this new approach. Currently, it is not unusual for a new order to be issued when the purpose or funding changes, even though the period of service is continuous. This is particularly the case when the funding changes from military personnel appropriations to guard or reserve personnel appropriations, or vice versa, since different resource managers control those funds.

The approach recommended by the QRMC would give the designated order writing authority the ability to simply modify the existing order to reflect the new purpose or funding source, working in concert with the appropriate resource and personnel managers to ensure proper accounting and tracking. Thus, when the period of service is continuous, but the purpose or funding—or even the authority under the United States Code—changes, that change can be reflected in a modification to the current order. Tracking authority and purposes together—and managing any changes through order modifications—allows for proper oversight and accountability of the duty and funding while minimizing impact on the mission and the member. Further, the requirement for a member to out-process from one order simply to in-process under a new order, when in fact service is continuous, is eliminated.

A major benefit of “amending” orders vice “reissuing” orders is that the member’s pay and benefits do not change. If certain conditions change, pay and benefits can be

**Table 6-5. Alignment of Authorities and Purposes**

<b>Title 10. Armed Forces</b>	
1. Active Duty	1. Full mobilization
	2. Partial mobilization
	3. Presidential reserve call-up
	4. Major disaster/emergency response call-up
	5. Preplanned combatant command mission call-up
	6. Captive status
	7. Unsatisfactory participation (45 days)
	8. Unsatisfactory participation (24 months)
	9. Disciplinary action
	10. Annual active duty (up to 30 days)
	11. Additional training and operational support
	12. Duty at the National Guard Bureau
	13. Medical evaluation and treatment
	14. Medicare care (IDT & active duty < 30 days)
	15. Retiree recall
2. Inactive Reserve Service	16. Muster duty
	17. Additional training periods
	18. Additional flight training periods
	19. Readiness management periods
	20. Funeral honors
3. Federal Service	21. Aid for state governments
	22. Enforce federal authority
	23. National Guard call to federal service
<b>Title 32. National Guard</b>	
4. Full-time National Guard Duty	24. Required training/other duty
	25. Additional training/other duty
5. Inactive National Guard Service	26. Additional training periods
	27. Additional flight training periods
	28. Readiness management periods
	29. Funeral honors
<b>Title 14. Coast Guard</b>	
6. Active Duty	30. Emergency augmentation

disrupted when new orders are issued, as discussed previously. If orders were merely amended, pay and benefits would continue unchanged. Further, this simplified structure significantly limits the authorities a commander must contend with when using personnel resources from the reserves, so reserve members become easier to access. So, in the end, from the perspective of the member and operational commanders, the system is simplified. The complexities required for personnel and resource managers to plan and execute their utilization and budget plans remain, as they must, but in such a way that they are transparent to the member and commander.

### Conclusion

The new duty structure proposed by the QRMC sets the conditions for a continuum of service. It reduces complexity by separating authorities from purpose, funding streams, and other characteristics that combine together to create the arduous or—as the CNGR called it—“byzantine” system that exists today. With simplicity come fewer and more seamless transitions between duty statuses. Of fundamental importance is that a simpler system greatly increases the accessibility of reserve component personnel in a total force environment. It better enables operational commanders to acquire personnel resources when they are needed to support operational missions.

And, the system supports both training and operational missions based on a philosophy that duty is duty regardless of purpose. Although the trend is increased participation in operational roles, not all members of the reserves are extensively involved in operational support. Simplifying the system would allow flexibility to support the full range of reserve participation, essentially making the difference between training and support transparent, while recognizing the need for both.

The QRMC’s approach also creates a system that respects the many stakeholders who track the purpose of duty in order to prepare and justify budget requests, follow personnel movement, track budget execution, and specify restrictions, such as mobilization limits. The QRMC focused its recommendation on an overhaul of the authorities, simplifying the system from 30 authorities to 6. But we believe it is possible to further simplify the system by streamlining the purpose provisions. This approach is also consistent with other major reform initiatives, such as the consolidation of special and incentive (S&I) pay and the recent consolidation of travel and transportation authorities.

The simplified duty structure sets the conditions for transitioning to a total force pay structure that will lead to greater consistency in pay and benefits for reserve component members—the subject of the next two chapters.

**TAB E**

**Reserve Forces Policy Board  
Basic Overview Paper**

## **The Reserve Forces Policy Board – Basic Overview**

The Reserve Forces Policy Board (RFPB) is a federal advisory committee mandated by law in the Office of the Secretary of Defense to "serve as an independent adviser to the Secretary of Defense to provide advice and recommendations to the Secretary on strategies, policies, and practices designed to improve and enhance the capabilities, efficiency, and effectiveness of the reserve components." As required by statute, the board also produces an annual report which the Secretary of Defense transmits to the President and Congress on reserve component matters the board considers appropriate to include in the report.

The board consists of 20 members; a civilian chairman, a general/flag officer from each of the seven reserve components, a two-star military executive, a senior enlisted advisor, plus ten other U.S. citizens, who may or may not be government employees, with significant knowledge of and experience in policy matters relevant to national security and reserve component matters.

The board is supported by a staff consisting of a Colonel or Navy Captain from each of the six DoD reserve components. There is also a Coast Guard staff officer. These officers also serve as liaisons between their respective components and the board. The law requires them "to perform their staff and liaison duties under the supervision of the military executive officer of the board in an independent manner reflecting the independent nature of the board."

Established in 1951, the board is one of the oldest advisory committees in the Department of Defense.

In the National Defense Authorization Act of 2011, Congress significantly revised the operating framework and membership of the RFPB. Previously, other than the chairman, the board included only DoD officials and made recommendations through the Assistant Secretary of Defense for Reserve Affairs. In 2008, the Commission on the National Guard and Reserves recommended that the RFPB's governing statute (10 USC 10301) be amended because the board was not structured to obtain and provide directly to the Secretary of Defense a wide range of independent advice on National Guard and Reserve matters due to the nature of its membership and its subordination to other offices within DoD. The revised law was effective 1 July 2011.

On 12 September 2011, retired Marine Corps Major General Arnold Punaro was sworn in as the first chairman of the board under the revised structure. Other new members were sworn in at an organizational meeting on 13 October.

The board is organized into four subcommittees: Sustainment, Readiness & Availability of the Operational Reserve; Continuum of Service / Personnel Policies; Homeland Operations; and Support for Service Members, Families & Employers. Subcommittees meet as required. The full board meets quarterly. The RFPB website is <http://ra.defense.gov/rfpb/>.