REPORT

OF THE

DEFENSE SCIENCE BOARD

TASK FORCE

ON

QUALITY OF LIFE

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Office of the Under Secretary of Defense for Acquisition
and Technology

OCTOBER 1995

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OFFICE OF THE SECRETARY OF DEFENSE
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19 OCT 1995

MEMORANDUM FOR SECRETARY OF DEFENSE
DEPUTY SECRETARY OF DEFENSE
THROUGH: UNDER SECRETARY OF DEFENSE (ACQUISITION & TECHNOLOGY
CHAIRMAN, DEFENSE SCIENCE BOARD

SUBJECT: Report of the Task Force on Quality of Life

On behalf of the members of the Task Force on Quality of Life in the Armed Services, it is my pleasure to present this report. We thank you for the opportunity to contribute to your commitment to the quality of life for those who serve in all of our Armed Forces and their families, and we hope that the recommendations contained in the report will be helpful.

The Task Force is grateful to the leadership and staff of the Defense Science Board, and the Department of Defense Executive Committee on Quality of Life, for their whole-hearted support in this endeavor.

John O. Marsh, Jr.
Chairman

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DEFENSE SCIENCE BOARD TASK FORCE ON

QUALITY OF LIFE

FINAL REPORT

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The Quality of Life Task Force is deeply grateful to those distinguished Americans who served as Counselors to the Task Force. Although they did not actively participate in the deliberations leading to it's recommendations, their service as Counselors indicates their awareness of the importance of Quality of Life issues to the readiness and well being of our Armed Forces. Their willingness to offer suggestions and advice on topics within their respective expertise was most helpful. The recommendations of the Report are those of the Quality of Life Task Force; and Counselors may, or may not, concur in whole or in part with them.

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Spouse of General (USAF, Ret) Lee Butler, founding member of Spouse Issue Group, which gave rise to Air Force Support Centers. Serves on the Boards of the Salvation Army, the Omaha Community Playhouse, the Joslyn Art Museum, the Western Heritage Museum, The American Red Cross, the National Conference of Christians and Jews and the Victory 95 Committee. **[Areas of expertise: Impact Aid and Education.]**

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The Task Force wishes to express its sincere thanks to Colonel Nida and the US Army Corps of Engineers Transatlantic Division for their superb support.

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ABOUT THIS REPORT

This *Report* provides the Secretary of Defense with recommendations regarding ways and means to improve Service quality of life. It is the product of a Task Force specifically chartered to study military housing, personnel tempo, and community and family services.

Conceptually, these areas represent three of the five elements that help define the quality of life package. The other two, service compensation and medical care, are under review by other organizations. As a result, these important issues are excluded from direct analysis and discussed only when they have a bearing on military housing, personnel tempo, or community and family services. Furthermore, our emphasis was on Active and Reserve forces, rather than the retired community.

Each section of this report is presented in a format that best suits the topic. Housing, for example, is a resource-driven concern and thus, lends itself most easily to a framework that highlights fiscal and other resource imperatives. Personnel tempo, on the other hand, is more policy driven and is best presented in a format designed to focus on matters of regulation, procedure, and guidance. Finally, community and family service concerns include a mixture of resource and policy driven initiatives, best presented by a mixed format. The result is three nearly stand-alone sections, linked by their individual contributions to Service quality of life.

In addition to extensive research conducted using the inputs of a variety of government and private organizations, numerous site visits, interviews and "town meetings" were completed. It was impossible to visit every installation and discuss every unique circumstance or environment. However, a concerted effort was made to visit a variety of locations that would ensure a thorough and complete cross-section of issues and opinions.

This Task Force brings to the quality of life issue, a varied and widely experienced group of professionals devoted to the task at hand. Chairman Marsh expresses his sincere thanks to all for a job well done.

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EXHIBITS (cont)

CHAPTER 1 INTRODUCTION AND SUMMARY

[R]eadiness is associated most closely with the morale and esprit de corps of U.S. soldiers, sailors, airmen, and Marines. These intangibles are maintained by ensuring the best quality of life for people in uniform and their families. Quality of life falls into three general categories: standard of living; . . . demands made on personnel, especially time away from family; and other ways people are treated while in the Service."

—WILLIAM J. PERRY, Secretary of Defense,
1995 Annual Report to the Congress

The mission of the U.S. Armed Forces is to fight and win the Nation's wars. Although the Cold War is over, the world is still an uncertain place. New threats to U.S. interests can emerge anytime, anywhere. To defend the peace, the men and women of the Armed Forces must be able and ready at all times.

An "iron logic" connects the Armed Forces' readiness and their quality of life, according to Defense Secretary William J. Perry. This assertion is backed by the collective experience of senior members of the Defense Department and by empirical evidence. For example, quality of life, pay and housing topped a list of 53 reasons Army troops gave for leaving, in a comprehensive survey conducted in 1994 by the U.S. Army Research Institute for the Behavioral and Social Sciences. No American can afford to ignore this unbreakable link between readiness and quality of life.

For nearly a year, the Task Force on Quality of Life observed and discussed living and working conditions with Service men and women across the United States and abroad. In this *Report,* the Task Force presents its findings and recommendations for housing, personnel tempo and community and family services.

Without any legislative changes, the Defense Department and the Services can institute most recommendations. Others will need legislative action by the Congress. In both instances, *the Task Force finds* that the time to act is now. Service people need relief from inadequate housing, unsustainable personnel tempo and inadequate community and family support for the good of the All Volunteer Force system.

Overall re-enlistments (with differences between Services) are keeping the Armed Forces up to strength, but first-time enlistments have declined based on surveys reporting on the propensity to enlist. Task Force members do not think the current retention rate will hold, if the complaints heard in "town meetings" and conversations with Service people and their families are representative.

Task Force members agree unanimously that putting off action may increase the eventual costs of a recovery. Deputy Defense Secretary John White has observed, "Quality of life is like inflation—once you get behind it, it costs an enormous amount to get back on track; and it already carries some of our highest up-front costs."

As an aid to improving the quality of military life and encouraging enlistment and retention, *the Task Force finds* that the Department of Defense should develop and maintain a data base of reasons given for joining and leaving the Services. This data base would allow continuous

evaluation of the effectiveness of recommendations offered in this *Report* and provide the necessary statistical foundation for sound decision-making.

The Task Force recognizes that spending to modernize force structure should be appropriately balanced against spending to enhance the quality of life in the military. Well-equipped forces have the instruments to win war and forces satisfied with their quality of life are motivated to fight—this is the "iron logic" of readiness. Quality of life is a means to this end, not the end in itself.

THE CURRENT ENVIRONMENT

The United States Constitution provides the framework for American military structure. Within this constitutional framework, the Department of Defense is responsible for maintaining an armed force to support and defend the country against all enemies, foreign and domestic.

Diverse Threats

The clear focus of the Cold War has been replaced by diverse threats to U.S. interests worldwide. The President's most recent *National Security Strategy* delineates the concept of global engagement and enlargement and defines the military capabilities necessary to meet global challenges. This strategy depends on the maintenance of forces necessary to deter or defeat aggression in major regional conflicts, provide credible overseas presence, counter weapons of mass destruction, contribute to multilateral peace operations and support counter-terrorism and other national security objectives.

Soldiers, sailors, airmen and Marines are called upon to provide these capabilities in a complex and challenging environment. The success of the President's strategy of engagement and enlargement, in conditions of global turbulence, will require the maintenance of a strong professional military well into the future.

The Modern Volunteer

A new, All Volunteer Force has evolved since the end of the selective service draft system in 1973. Volunteers are older than draftees, more technically astute, educated, career oriented and operate in a more complex environment.

Following Operation Desert Storm, this force of volunteers was acknowledged as the world's finest and most professional by the allies as well as the American people. Opinion polls continue to show time and time again that the American public considers its military volunteers to be among the country's most skilled, dedicated and courageous professionals. To ensure this perception remains accurate, military volunteers must be provided a quality of life that encourages the skilled and disciplined to stay and attracts promising young people to join them. Voluntary service is inexorably linked to quality of life.

THREE KEY QUALITY-OF-LIFE ELEMENTS

Housing, pace of life and community and family services within the military are keys to quality of life in the Armed Forces.

Housing—The First Key

There are few human needs in life more basic or important than a decent place to live. Housing is certainly on our people's minds. Every time I visit an installation and sit down with enlisted folks to hear their concerns, they bring up housing. We have a special duty to ensure quality housing.

—SECRETARY OF DEFENSE WILLIAM J. PERRY,
Installation Commanders' Conference, January 23, 1995

Despite the resources expended on military housing, much of it still fails to meet the Defense Department's intended goal—to provide excellent housing facilities and services to all eligible military members, their families, and eligible civilians—*the Task Force finds.* Correcting deficiencies will be expensive, but failure to attack current problems will produce greater hardship and expense in the future and delay may cost the Armed Forces talented people needed for its mission.

The Task Force also finds that the delivery system is so intrinsically flawed that it should be replaced with an entirely new system. The system should be run by a *Military Housing Authority,* using private housing industry management principles and practices. Like any other company, the proposed *Authority* would be empowered to raise operating and investment money from private sources.

The Housing Environment

Most installations have some fully adequate family and bachelor housing, but the Task Force saw hundreds of instances of inadequate housing in its travels—too small, poorly maintained and inconveniently located. Also noted were instances of substandard plumbing, heating, cooling and electrical systems that made daily activities a trial and lowered morale. Moreover, the bachelor housing at many posts also failed to meet minimum standards of privacy and comfort.

Housing is provided to military members via two distinct methods: assignment of government-owned or -leased quarters or payment of a housing allowance toward costs of living off-base in the local community. Currently, 35 percent of military families and 82 percent of single and unaccompanied members live in military housing. Sporadic funding for construction and maintenance of this housing has left much in disrepair and without typical amenities found in the local community.

Housing Assets. The Department of Defense owns or leases about 387,000 family homes. The average age is 33 years. Deferred maintenance, repair, revitalization and replacement has reached almost $20 billion, and 64 percent of military homes have been classified as "unsuitable" for various reasons. Likewise, some 15 percent of military families live in private sector homes in the local community that are not considered "acceptable" under current department criteria.

Bachelor housing problems are equally significant, with total maintenance, repair, revitalization and replacement backlogs reported at more than $9 billion for all Services. Currently, 62 percent of the 612,000 bachelor housing spaces for permanent party unaccompanied personnel are considered "substandard" because of overcrowding, poor condition or lack of amenities. Furthermore, differing Service priorities have produced a wide variance in bachelor housing configurations—including many with three or four to a room, or with central bathrooms on each floor. As joint interaction has grown, this has become a source of dissatisfaction for Service members.

Systemic Flaws. Collectively, these circumstances reveal an inherently flawed housing delivery system. Primary causes include unclear, incomplete housing policy that promotes inequity between married and single personnel, between residents assigned to quality housing and those assigned to housing in poor condition, and between residents of military housing and Service members living on the economy; lack of vision and strategy to effect change; failure to insulate funding from cyclical changes caused by political decisions, tight budgets and shifting priorities; and overly restrictive laws and regulations that escalate costs and limit use of private resources, private industry practices and standards. Appropriated housing construction and maintenance funding, as well as allowance structure are not equal to the task. Secondary reasons, including local management, security, etc., also show a need for major systemic improvement. Additionally, current financial rules (e.g., "scoring") virtually preclude any innovative, creative methods to encourage or promote private sector resource opportunities.

A Systematic Approach

To resolve these problems, *the Task force recommends* that the Department of Defense adopt the following housing goals:

- *Goal 1.* Assure members of the Armed Services and eligible civilians access to affordable, quality housing to promote: *high morale* and *readiness* for combat and other military contingencies; *military objectives* (e.g., personal responsibility, initiative, teamwork, cooperation, socialization, community support); *retention* (career service and commitment), and *recruitment.*

- *Goal 2.* Support near-term efforts, such as new legislative authorities being considered by the 104th Congress, to expand housing resources and widen their impact.

- *Goal 3.* Address other key near-term issues that impair effective housing delivery or cause members and families concern such as: policies, standards, procurement laws and regulations, funding and other related concerns.

- *Goal 4.* Identify an effective structure for an alternative Defense Department system to deliver and maintain quality housing at affordable, commercially comparable costs.

To meet these goals, *the Task Force recommends* a three-stage strategy to be implemented over three years.

First Stage. This stage lays the foundation of all succeeding changes. It consists of the private venture capital initiatives awaiting congressional approval at this writing. These initiatives will enable access to private capital at reduced risk to the private investor and provide the department with an array of tools for constructing new and revitalizing existing housing. Their provisions will enable new government guarantees, commitments and investment opportunities. Realizing progressive benefit from these authorities will take up to three years.

Second Stage. This stage also begins immediately and may take up to three years to effect. Recommendations for this stage focus on review and revision of housing policy, laws, standards, criteria and regulations and on ways to improve ineffective and inefficient funding practices.

Policy. Despite family housing appropriations that have averaged $4.5 billion annually over the past five years, current housing management policy—to provide excellent housing—is not being met. Basic policy fails to ensure all members access to adequate and affordable, community-comparable housing and does not encourage a sense of community responsibility in residents. Current family housing assignment policy does not place enough emphasis on ensuring that junior enlisted families are adequately housed—evidenced in the fact that 12 percent of all E1-E3 personnel are today unsuitably housed in the local community.

Bachelor housing policies are also deficient, giving the impression that single members are less important. Single members have consistently voiced their dissatisfaction with their living conditions, especially the lack of space, privacy and basic amenities. Housing philosophy and policy must be rewritten to ensure it is equitable and promotes high morale, readiness, esprit-de-corps and a sense of personal responsibility and community support.

Standards, laws, and regulations. Complicated, costly, time-consuming and frustrating military construction laws, regulations and standards decrease interest of private developers and financiers, and increase military housing costs by up to 30 percent, depending on locale. Rules that discourage efforts to provide quality housing must be changed.

Housing suitability criteria also should be reviewed. Current criteria provides insufficient guidance to commanders for determining "unacceptable housing locations" and should be changed to reflect realistic standards for acceptable commute times, out-of-pocket expenses, square footage needs, housing conditions and amenities. Current suitability criteria address only non-government family housing, completely disregarding bachelor housing and military housing. *The Task Force recommends* that guidelines be written for all government housing and non-government bachelor housing, as well. Such criteria serve as a guide to developers and military members and helps to identify requirements for future construction.

Funding. In the main, housing is a resource-driven concern. Therefore, *the Task Force also recommends* that the Defense Department seek appropriate legislative changes and establish necessary provisions to ensure adequate and consistent funding for housing. The department should:

- Maximize private sector funding through new legislative authorities and focus its application on expanding housing assets in the private sector and maintaining the existing military inventory.

- Prioritize use of appropriated funds to maintain/revitalize the current inventory, seed private sector joint ventures and build new only where the local community is unwilling or unable to provide housing.

- Increase housing allowances to reduce, to the 15 percent limit intended by the Congress, the amount of money those living in the private sector must spend over and above their housing allowances.

- Establish housing allowance increases on a relevant data source external to the military community, such as the Housing Cost Index of the Consumer Price Index.

- Establish a housing allowance locality floor to ensure junior enlisted can afford suitable housing.

- If legislation being considered by Congress is not approved, continue to advocate a Variable Housing Allowance rate protection program to protect those with fixed mortgage or rent payments.

- For personnel involuntarily assigned to unsuitable military quarters, rebate a portion of the Basic Allowance for Quarters.

- Request authority to provide housing allowances for all military members, applying such to a special fund to work off the current maintenance, repair and revitalization backlogs and establish a funding stream for a *Military Housing Authority*.

- Seek authority to fence bachelor housing operations and maintenance funding, and require Service accounting in such manner as to make visible requirements, appropriations and execution.

- Aggressively revitalize existing bachelor housing to meet or exceed the current standard; and ensure replacement/new construction are at the proposed new standard, once approved.

Third Stage. Fundamental to this stage and to the successful implementation of any comprehensive restructuring of military housing, is the creation of a nonprofit government corporation called the *Military Housing Authority*. This *Authority*, similar in concept to numerous state quasi-governmental agencies (that have successfully built three million homes) and the Australian Defence Housing Authority, is envisioned to be a thin, umbrella organization which manages all aspects of the military housing delivery system. Housing development and maintenance and operations would be executed through local contracts with private industry.

This *Authority* would be run by a small Board of Directors (Secretary of Defense, Service Secretaries and civilian experts, etc.) who are committed to supporting the mission of the Armed Forces. A Board of Advisors, with Defense Department representatives and private-sector

experts; a head office to run day-to-day operations; and regional management centers to award and manage local contracts, is envisioned.

Under this system, all military members would receive Basic Allowance for Quarters and Variable Housing Allowance—allowances for residents of military housing would be transferred directly into a *Military Housing Authority* account. All existing military housing assets would also be transferred to the *Authority* and new legislative authority would endorse asset leveraging for the execution of all normal housing system functions; i.e., sale, purchase, maintenance, loans, etc.

The *Authority* would use a combination of corporate, housing allowance and Defense Department contributions as its funding stream. As a nonprofit government corporation it would be exempt from federal procurement laws and regulations and civil service. It is envisioned that scoring would be limited only to federal funds.

Over time, this *Authority* would cut costs, use proven private sector methods of housing delivery, improve asset management and expedite realization of quality housing for the Armed Forces.

Personnel Tempo—The Second Key

The drawdown has caused many Service members to question their long-term commitment and the prospect of a full career. The turbulence of consolidations and base closures has disrupted assignments and family life.

—SECRETARY OF DEFENSE WILLIAM J. PERRY, Briefing on Launching The Quality of Life Task Force Study, November 1994

Early in its review of Service personnel tempo, the Task Force discovered five fundamental facts. First, no clear and universally accepted definition of personnel tempo exists. Second the profile of the active force and its operating environment have changed dramatically over the past decade. Third, the means of measuring personnel tempo varies widely among the Services. Fourth, while circumstances drive some personnel tempo beyond the control of the Department of Defense, some elements can be influenced. And fifth, the consequences of excessive personnel tempo impair readiness and influence every other aspect of quality of life.

Excessive personnel tempo threatens long-term readiness. Statistical evidence provided by the U.S. Army Research Institute for Behavioral and Social Sciences demonstrates that there is a direct correlation between family separations, adverse retention rates and spousal support for an Army lifestyle.

Furthermore, during travels and talks with Service men and women, the Task Force discovered that they equate personnel tempo quite simply with the amount of time that they are required to spend away from home.

The Personnel Tempo Environment

Since 1989, end strength in the Department of Defense has decreased by 28 percent while Joint exercises and *Service-unique* training have increased. For example, a randomly selected snapshot of Air Force personnel in September 1994 showed that the number deployed away from home units was four times higher than five years earlier. As a result, some Service members did not have enough time to study and missed promotion opportunities—55 of 55 eligible for Technical Sergeant at one high personnel tempo Air Force base failed to be promoted this year. Disruptions to family life, assignment plans, and general stress plague others.

Financial difficulties and family anxieties are also increasing. These conditions have been exacerbated by the unprogrammed cost of contingency deployments which have diverted funds from Operations and Maintenance accounts that could have been used to enhance quality of life programs. In Fiscal Year, 1995, $9.2 billion from these accounts was spent on operational contingencies. Although these accounts were eventually replenished by supplemental funding, quality of life programs had already been impaired.

This diversion of funds comes about because the Congress, as a matter of policy, will not fund for contingencies in advance. Months or years later, when supplemental funding is finally provided to cover costs of operations, the damage from this diversion has already occurred. This situation continued in Fiscal Year 1995 as Congress required full justification for all contingency costs incurred. It is doubtful that the diversion of funds from quality of life issues can continue without impairing future readiness. *The Task Force,* therefore, *concluded* that imperative operational activities must place a premium on the efficient use of scarce resources.

Operational Tempo

Because the Services use different accounting methods and definitions, actual time deployed is hard to assess and impossible to compare. For example, the Navy only credits a unit—not individuals—with a deployment when underway time exceeds 56 days—the Marine Corps, over 10. Since any recommendation to relieve personnel tempo must start with an accurate baseline, *the Task Force finds* that the Defense Department should issue a single, simple formula for counting deployed time:

1 day away = 1 day away.

Part of the solution is to make as much *Service-unique* training as possible concurrent with joint training—carefully folding Service training into joint exercises, meeting both objectives without extending deployment time. This perspective could be made to work through centralized oversight. *The Task Force endorses* General Shalikashvili's recommendation that this oversight be provided by an already existing council in the Joint Staff. This council would provide *centralized senior oversight* and rational guidance for "right sizing" of joint exercises and Military Department inspection activities that relate to readiness. To reduce personnel tempo, this panel would also review and foster support for training techniques (e.g., simulation, interactive computer war games, tactical exercises and distance learning) that employ the minimum number of troops and the least materiel.

Of these techniques, simulation deserves particular attention. Cutting-edge technologies in connectivity and simulation offer great potential for improved readiness and relief from personnel tempo. These technologies should be used whenever possible.

To complete the circle on all these initiatives, *the Task Force recommends* that the unified Commanders-in-Chief provide the Secretary, in their quarterly reports, an explanation of their efforts to "right size" joint exercise activity so as to reduce operational tempo. *The Task Force further recommends* the use of these initiatives to reduce equipment tempo—another major concern under tight modernization budgets.

Reserve Component

The modern Guard and Reserve forces provide a credible and effective part of the total force package. Unique core competencies and a skilled Reserve Component make the National Security Strategy workable. Judicious use of these forces would be one way to distribute personnel tempo more evenly over the total force.

Reserve Component contributions will undoubtedly continue to grow in coming years, but their members do not yet enjoy the same status as Active Component members. For example, Reservists assigned to temporary active duty for less than 31 days do not receive medical care, insurance and other benefits given to the Active Components. These disparities should receive careful attention.

Organizationally, the Reserve Component should mirror the Active Component in structure, especially depth and flexibility. The Air Guard and Reserve, for example, smoothly integrate with the Active Component, partly because they allocate individuals and portions of units to ensure the best mix of resources to meet mission requirements. Furthermore, the Air Force Reserve Component is assigned missions but then given the latitude to determine the best resources for the task.

Using the Air Force as a model, unit packages and individual skills tailored to Active Component mission requirements would decrease overall Reserve Component costs, increase joint training opportunities and balance future skill levels. Likewise, a return to the *Roundout* concept of the Cold–War era would permit the Army to retain conventionally structured forces (divisions, brigades and the like) if that is the type force needed in the future.

As this reorganization takes hold, the Reserve Component will be better able to relieve the personnel tempo of the Active forces. The National Guard, for example, should be considered for increased responsibility in the ground-based U.S. drug interdiction effort. Likewise, a regeneration of the Key Personnel Upgrade Program, whereby highly qualified medical and dental personnel serve the Active forces, would improve services and reduce Active personnel tempo.

All these changes are designed to ensure seamless integration of the total force. In addition, *the Task Force* makes the following funding *recommendations:*

- Provide funding to the Joint Chiefs-of-Staff to promote use of Reserve personnel by increasing funding incentives (permanent Operation and Maintenance dollars at the Office of the Secretary of Defense) and develop an initiative earmarking a predetermined dollar amount for the use of

the Commanders-in-Chief when designating Reserve Component units and personnel for specified missions.

- Separate support and augmentation funding from training resources used by the Reserve Components to conduct Active or Reserve Component training. This money should be paid directly into Reserve Component training accounts.

- Earmark money in the Fiscal Year 1997 quality of life wedge for a Department of Defense contingency fund to reimburse the general treasury for the cost of an employer tax credit to employers whose Guard and Reservist employees are called to active duty in support of an operational contingency.

Finally, leadership will be necessary to make these changes effective. Future commanders should support Reserve Component integration and understand the capabilities the Reserve Component brings to battlefield and to peacetime contingency operations. *The Task Force therefore supports* a restructuring of Capstone and Senior Service School curricula to ensure a thorough and complete explanation of Reserve Component capabilities.

Contracting

Contracting for support services offers significant opportunities to relieve personnel tempo. Contractors in Southwest Asia after Desert Storm and more recently in Somalia, Rwanda and Haiti worked well. Using contractors also reduces the need for military housing and community and family services in deployed locations.

A comprehensive contractor integration program must possess three attributes:

- Contractors must be reliable and be responsive to Commanders-in-Chief in both peace and war. Contracts must be written in a way that ensures that contractors will continue to serve, and to deploy, during contingencies.

- Contracts should be fixed price incentive (as applicable) or other appropriate type for the services required. To help overcome natural resistance to additional use of contractors, the department could offer a cost share for worthwhile proposals.

- Contractors should be used to relieve personnel tempo in both Active and Reserve Components. Reserve forces are subject to the same or greater pressures as the Active forces from personnel tempo and need the same opportunities for relief.

To reduce obstacles to the use of contract services to support military operations, *the Task Force concurs* with the proposals of the Commission on Roles and Missions concerning legislative changes to initiate some contracting options and urges that those necessary recommendations be throughly examined.

Community and Family Services—The Third Key

Military people stay in the service because they like being part of something special. They won't stay long, however, if families aren't treated well.

—GENERAL JOHN M. SHALIKASHVILI,
Chairman of the Joint Chiefs of Staff, May 1995

The advent of the All Volunteer Force dramatically affected military demographics. The percentage of married personnel is up more than 8 percent since 1974; more spouses are employed (about 65 percent) and single parents (both men and women) are more common (5.7 percent of Army personnel; 4.3 percent of Marines). Furthermore, there has been a steady increase in the number of dependent preschool-age children and active duty Service members have about one million children younger than 12 years of age. Military recruits are more educated than in the past and cite educational benefits and job training as their top two reasons for enlistment.

These changes have taxed Community and Family Service programs at a time when they are needed most. Nearly 144,000 more spaces for child care are needed right now. More than $34 million in bad checks are being cashed at Army and Air Force Exchanges each year, and bad credit is often cited as a reason for denial of security clearance. More than 28,000 cases of military family violence were substantiated in 1994.

To improve community and family life, *the Task Force finds* five strategies appropriate:

- Verify the current demand for services.
- Develop methods to measure program effectiveness.
- Balance the use of public and private resources.
- Seek appropriate legislative changes.
- Stabilize funding for Community and Family Service programs.

Child Care

Labor costs compose most of the total cost associated with child care and are driven by requirements to maintain a minimum staff-to-child ratio. Current Department of Defense policy directs that ratios in child care facilities mirror the average of those required by state regulations. *The Task Force finds* that full time equivalency rules restrict Commanders from meeting demand for child care. These rules impose civilian manpower ceilings that limit the ability of Commanders to hire additional child care staff. An exemption from full time equivalency rules for child care programs would provide Commanders the flexibility necessary to help eliminate staff shortfalls.

Child care is paid for by parent fees and appropriated funds. Although each Service receives an equitable share, appropriated disbursements are occasionally diverted by individual Services to meet other requirements. Thus, the availability of child care varies between the Services. To correct this discrepancy, *the Task Force finds* that child care programs require sustained appropriated funding.

In addition, new child care services and ideas should be carefully evaluated to see whether they will contribute to a better overall child care program. For example, through periodic surveys, demand for hourly child care should be assessed to ensure that limited resources are well spent. On-going child care contract studies should also be examined to ensure they deliver the maximum benefit.

Family Support Programs

Family Support Programs are another outgrowth of the changing demographics within the Defense Department. These programs provide relocation assistance, personal financial management, counseling and other services.

From the standpoint of good order and discipline, financial mismanagement by Service members is cause for concern. *The Task Force finds* that the Services should provide its members with financial management counseling at their first permanent duty station. Basic money and credit management should be covered and an optional education program should be offered for spouses.

Family Advocacy Programs would benefit from a similarly proactive approach, with the focus on preventing, identifying and treating family violence. This shift in approach toward education should help to end a common misperception that Family Advocacy programs are intended to be punitive.

Military members assigned overseas meet a variety of new and sometimes difficult circumstances not encountered in U.S. assignments, for instance, the absence abroad of a viable Woman, Infants, and Children (WIC) program. Administered by the U.S. Department of Agriculture, WIC is a health, nutrition and education program that provides low-income families with vouchers for infant formula and nutritious foods. Because USDA does not provide the WIC program overseas, 11,000 otherwise eligible families are denied a cumulative benefit valued at more than $4.8 million. *The Task Force finds* that the Secretary of Defense and Secretary of Agriculture should take measures to ensure that eligible military families assigned overseas receive their entitlement.

The Task Force also finds three other family service programs in need of review and *recommends:*

- The current automated relocation information system (the Standard Installation Topic Exchange Service and Defense Information Systems Network) is often outdated and difficult to operate because of telecommunications problems. The Defense Department should select a standardized, inexpensive and user friendly communication system for all Services which is capable of dialogue and internetting.

- The Defense Department should seek exemption from civilian full-time equivalency rules for the hiring of military spouses. This would help civilian spouses find compatible work.

- The Defense Department should investigate greater use of reserve chaplains for ministry to Service members and families.

Educational Services

Opportunities for training and education are the most frequently cited reasons for military enlistment. Education and training prepare individuals to execute assigned missions effectively. To help maintain a responsive educational program, *the Task Force finds* that some modifications should be made.

There are variations between the Services with regard to the level of tuition assistance and the number of courses a student is authorized to take in a year. The Army, for example, has a limit of 12 credit hours per year per soldier, whereas the Air Force has no ceiling. Differences like these are a key disincentive for Service members. *The Task Force finds* that tuition assistance reimbursement rates should be standardized throughout the Defense Department.

Opportunities to increase the availability of Distance Learning educational programs for deployed Service members should also be exploited. Emerging technologies such as video teletraining and CD-ROM "deliver cost-effective standardized training to soldiers and units at the right place and the right time." To facilitate education in today's personnel tempo environment, the Department of Defense should endorse and expand successful Distance Learning programs.

Standardized tuition assistance reimbursement and improved Distance Learning programs will enhance Service members' educational opportunities, but the community college concept shows even greater promise.

One possible approach, a Community College of the Armed Forces, would be similar to the Community College of the Air Force. The mission of the Air Force college is to offer degrees, in part, based on credit for military training, that enhance mission readiness and provide recruiting incentives. Commanders and supervisors have found Air Force program graduates to be more promotable, productive and supportive of their units. Thus, *the Task Force recommends* that the Defense Department support associate degree programs that give credit for military training.

Military parents are deeply concerned about the quality of their children's education. The Federal Impact Aid program compensates public school districts serving military residents who are exempt from local school tax. Thus, it helps to ensure that those schools can address the unique needs of the military child. *The Task Force therefore recommends* that the Department of Defense provide the necessary advocacy to keep this program viable.

Morale, Welfare and Recreation

The variety, quality and availability of Morale, Welfare and Recreation programs within the Defense Department can enhance the physical fitness and well-being of Service members and families. Despite declining budgets, these programs should reach the largest population possible.

The two main obstacles to meeting Morale, Welfare and Recreation fitness program goals are limitations in funding for Military Construction and for Operations and Maintenance. During site visits, the Task Force saw a number of understaffed, under-equipped and inconveniently located fitness centers. *The Task Force finds* that additional funding should be allocated to upgrade fitness centers and equipment and to build additional centers. Adopting enhanced support practices and re-engineering the operation of fitness centers would maximize the productive use of manpower resources.

Youth services is another area that needs to be addressed. Together, Youth Activities, Youth Athletics and Youth Employment programs provide an array of meaningful experiences for young people making the transition to adulthood. Services have been broadened to include a focus on at-risk behaviors, social issues and prevention programs in response to a perceived increase in youth violence, gang-related behavior and other adjustment problems. Many parents expressed particular concern over the lack of employment opportunities for young people, especially during the summer.

The Task Force recommends that, in addition to adopting Enhanced Support Practices that would allow installation Commanders to offer jobs to military teens, support should be given to programs that address study-skills enhancement.

Transportation

Transportation issues compose the final category of Community and Family Service concerns addressed by the Task Force. Most frequently mentioned problems include the shipment of household goods, storage of privately owned vehicles and "space available" travel.

The current program for the shipment of household goods, costing about $1.1 billion, has a claim rate of 23.4 percent compared to 14 percent in the private sector. *The Task Force finds* that the Defense Department should accept the findings of the Military Traffic Management Command's Personal Property Re-engineering Working Group: to abandon the current personal property shipment program and adopt a commercial standard.

Service members reassigned to locations where the shipment of privately owned vehicles is prohibited must either sell their vehicle or make storage arrangements for the duration of the assignment. To alleviate this problem, *the Task Force* supports the department's proposed Fiscal Year 1997 legislation which provides for the storage of privately owned vehicles.

Finally, *the Task Force finds* that the Defense Department should adopt the Air Force recommended expansion of Space Available travel for unaccompanied as well as accompanied family members.

Conclusions

Army, Navy, Air Force and Marine Corps—each Service branch has developed its own, unique traditions and culture. Many of the differences discussed in this *Report* arise from this uniqueness. The steps recommended to remove inequities do not impinge on the integrity of each distinctive tradition. By aligning toward the top, making every Service's best treatment the rule for members of every other branch, the individual traditions and cultures remain sources of great strength to the U.S. Armed Forces.

CHAPTER 2 HOUSING

There are few human needs in life more basic or important than a decent place to live. Housing is certainly on our people's minds. Every time I visit an installation and sit down with enlisted folks to hear their concerns, they bring up housing. We have a special duty to ensure quality housing.

—SECRETARY OF DEFENSE WILLIAM J. PERRY
Installation Commanders' Conference, January 23, 1995

INTRODUCTION

Despite the resources expended on military housing, much of it still fails Defense Department suitability standards, *the Task Force on Quality of Life finds.*

This finding is not new, the Task Force acknowledges. It has been repeatedly documented by numerous surveys and studies and was confirmed during town meetings and discussions during the Task Force's travels (see Appendix 2). However, *the Task Force finds* that the delivery system is so intrinsically flawed that *it recommends* its replacement with an entirely new system, run by a *Military Housing Authority*, using private housing industry management principles and practices. Like any other company, the proposed *Authority* would be empowered to raise operating and investment money from private sources.

To accomplish this drastic change, *the Task Force recommends* that the Department of Defense use all legislative, regulatory and administrative means at its disposal. Laws and procedures should be amended, or new means sought, wherever needed. Alternative views are presented in Annex 2-A to this chapter.

While many housing issues emerged from base visits, briefings, etc., four major problems undermine the current housing delivery system:

- Funding is not sufficient to produce, maintain and operate quality housing adequately, as it is subject to cyclical changes caused by political decision making, tight budgets and shifting priorities.

- Current financial rules virtually preclude any innovative, creative methods to encourage or promote private sector resource opportunities. While privatization and private sector resource management innovations are actively encouraged by Congress and Administration leadership, the existing financial policy and procedures preclude these creative methods. Current "scorekeeping" rules discourage the use of private capital sources which would otherwise be available. (See Annex 2-B for a discussion of scoring).

- Housing policy is unclear, incomplete and lacks the vision and strategy to effect change. Further, it promotes inequity between married and single personnel, between residents of quality versus poor military housing and between residents of military housing and Service members living on the economy.

- Many federal laws and regulations restrict the Defense Department's ability to use the resources and practices of private industry to best advantage.

These problems were manifested by issues identified to the Task Force during its tenure. Exhibit 2-1 summarizes these issues.

EXHIBIT 2-1 HOUSING ISSUES IDENTIFIED TO THE TASK FORCE

Issue	Family housing	Bachelor housing	Addressed in Stage
Major[a]			
Military Housing availability	X	X	1, 2, 3
Poor quality/condition of housing	X	X	1, 2, 3
Civilian housing availability at DoD suitability standards	X	X	1, 2, 3
Inadequate housing allowances	X	X	1, 2, 3
Housing policy	X	X	2, 3
Related[b]			
Deteriorated base infrastructure	X	X	2
Overseas availability/condition issues	X	X	2
Housing referral services	X	X	2, 3
Local housing management	X	X	2, 3
Security/safety in housing areas	X	X	2, 3
Inadequate amenities	n.a.	X	1, 2, 3
Other[c]			
Access to community support	X	X	2
Rule/regulation simplification	X	X	2
Housing for recruiters	X	X	2, 3

n.a. = not applicable.
a *Major issues* were cited as important at all levels (Department, Services, commanders, members, and spouses).
b. *Related issues* were important to installation commanders, and especially members and spouses.
c. *Other issues* were cited by some Services, commanders, members, or spouses.

To address these issues *the Task Force recommends* the following *vision* be adopted by the Department of Defense:

> In recognition of the unique circumstances associated with military life, the Department of Defense will provide quality housing to all members of the Armed Forces, families and eligible civilians, or facilitate access to affordable housing consistent with community standards.

The Task Force further recommends that the Defense Department adopt four essential housing goals to achieve this vision:

- *Goal 1.* Assure members of the Armed Services and eligible civilians access to affordable, quality housing to promote: *high morale* and *readiness* for combat and other military contingencies; *military objectives* (e.g., personal responsibility, initiative, teamwork, cooperation, socialization, community support); *retention*, career service, commitment and *recruitment.*

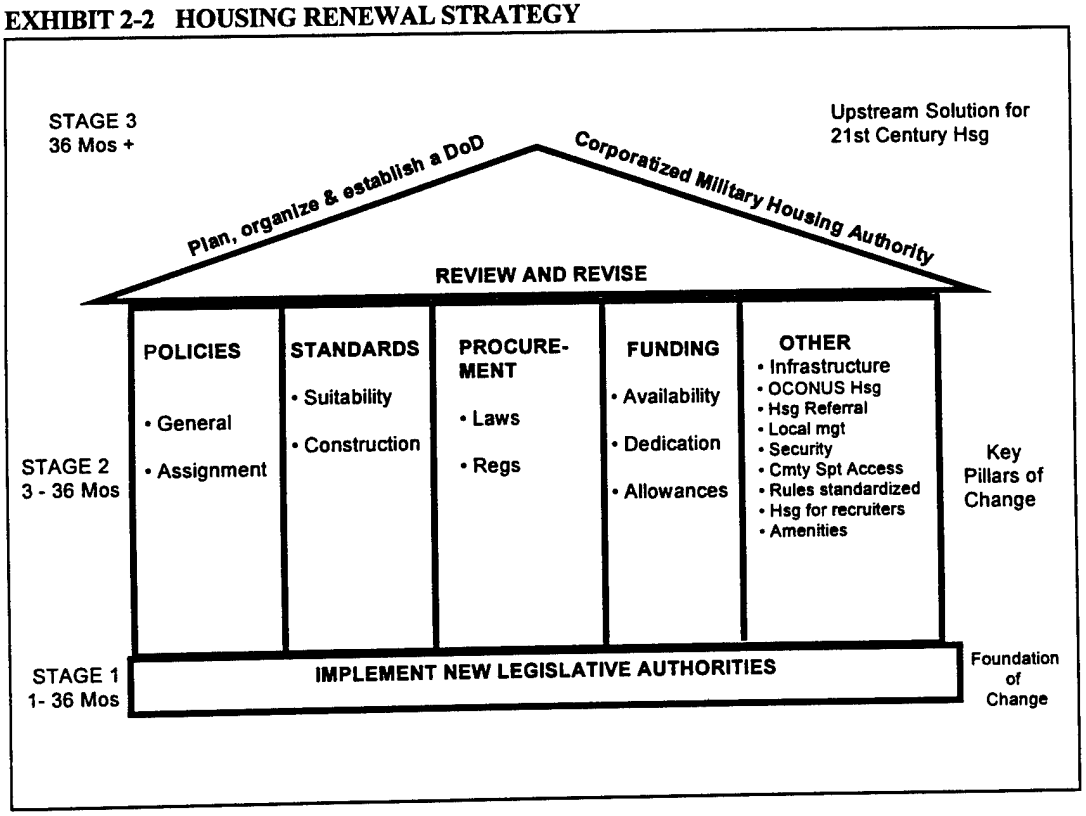
- *Goal 2.* Support near-term efforts, such as new legislative authorities being considered by Congress, to expand housing resources and widen their impact.

- *Goal 3.* Address other key near-term issues that impair effective housing delivery or cause members and families concern such as: policies, standards, procurement laws and regulations, funding and other related concerns.

- *Goal 4.* Identify an effective structure for an alternative Defense Department system to deliver and maintain quality housing at affordable, commercially comparable costs.

To fulfill these goals, *the Task Force recommends* a three stage strategy be developed, implemented over three years. (See summary in Exhibit 2-2.)

EXHIBIT 2-2 HOUSING RENEWAL STRATEGY



Stage 1 lays the foundation of all succeeding changes. It consists of the private venture capital initiatives awaiting congressional approval at this writing. These initiatives will enable access to private capital at reduced risk to the private investor and provide the department with an array of

tools for constructing new and revitalizing existing housing. Their provisions would enable new Government guarantees, commitments and investment opportunities. Realizing progressive benefit from these authorities will take up to three years.

In Stage 2, covering the same period, the Task Force advocates major changes be introduced to address policy, standards, procurement laws, funding and other concerns. These two levels of change will improve housing delivery

To resolve 21st century housing problems, however, the Task Force believes a Stage 3 is necessary and achievable, involving the creation of a new housing delivery system, i.e., a corporatized *Military Housing Authority* under Defense Department control.

Background

Housing can and should play a pivotal role in mitigating some of the extraordinary stresses of military life, *the Task Force finds.* Most civilians begin and end the day at home, the same place, year after year. Armed Service members and their families live every day with the possibility of frequent relocation, abrupt departures, lengthy deployments—and always possible death in the line of duty in peace or war. Military personnel therefore consider good housing an essential linchpin in their daily lives, basic to their quality of life and to that of their families.

Unsuitable housing unnecessarily distracts Service members from jobs that demand full attention to maintain constant *readiness* to defend the United States any time, any place. Thus, the *Task Force finds* that the Department of Defense has practical as well as equity reasons for providing all Service members with *suitable housing* (well-repaired, meeting statutory size standards, complying with technical codes and equipped with commercially comparable amenities). Comfortable housing improves morale and encourages qualified individuals and their families to make careers of military service, thus promoting *retention* and readiness, now and in the future.

The Military Housing Environment

The Defense Department has historically provided military personnel with housing in-kind or housing allowances, but only one Service (the Air Force) has consistently devoted enough resources to deliver quality housing. (Annex 2-C provides a historical context for today's environment). Unreliable funding and deteriorating housing stock contribute to Service members' dissatisfaction with their dwellings. But so, too, do the tastes and values of these young volunteers. As the funding pool has dwindled, because of rising costs, competing demands and shrinking budgets, the material expectations of the young, All Volunteer Force have risen, reflecting the media-shaped values and tastes of their civilian peers. The new emphasis on joint military operations, expanding inter-Service contacts as never before, has also given military personnel new opportunities to compare their living conditions across Service lines.

The Armed Forces today consist primarily of married members with families (61 percent compared to 42 percent in 1955). The military family mirrors society in many ways (65 percent of them live in civilian housing), but there are some distinct differences. Military families tend to be larger than the national average, most military families move far more often (10-14 times in a thirty-year career, depending on their Service) than their civilian counterparts and while a majority

of military spouses also must work to provide financial security, they like military members must be willing to change jobs every few years.

Most single and unaccompanied members (82 percent) live in government-owned, on-base housing *(barracks)* which, together with off-base accommodations, makes up *bachelor housing. The Task Force notes* widespread discrepancies between family and bachelor housing.

The Task Force analyzes family and bachelor housing separately but in no way does this imply that one is more important than the other. This *Report makes recommendations* for each type of housing in the context of the three-stage strategy, culminating in the establishment of an entirely new, corporatized housing management and delivery organization, the *Military Housing Authority.*

Family Housing

Demand for Military Family Housing remains high and often goes unmet, despite the Defense Department's focus on the private sector and surveys that indicate members might like to live off-base under ideal conditions. Practical considerations shape an overall preference among Service families for on-base housing. These considerations include: the lag between housing allowance adjustments and increases in the cost of community housing, the support services available on base, the scarcity of suitable housing in some communities and concerns about off-base safety. Some military members also prefer to live in military communities among people committed to military service as a way of life and sharing similar values.

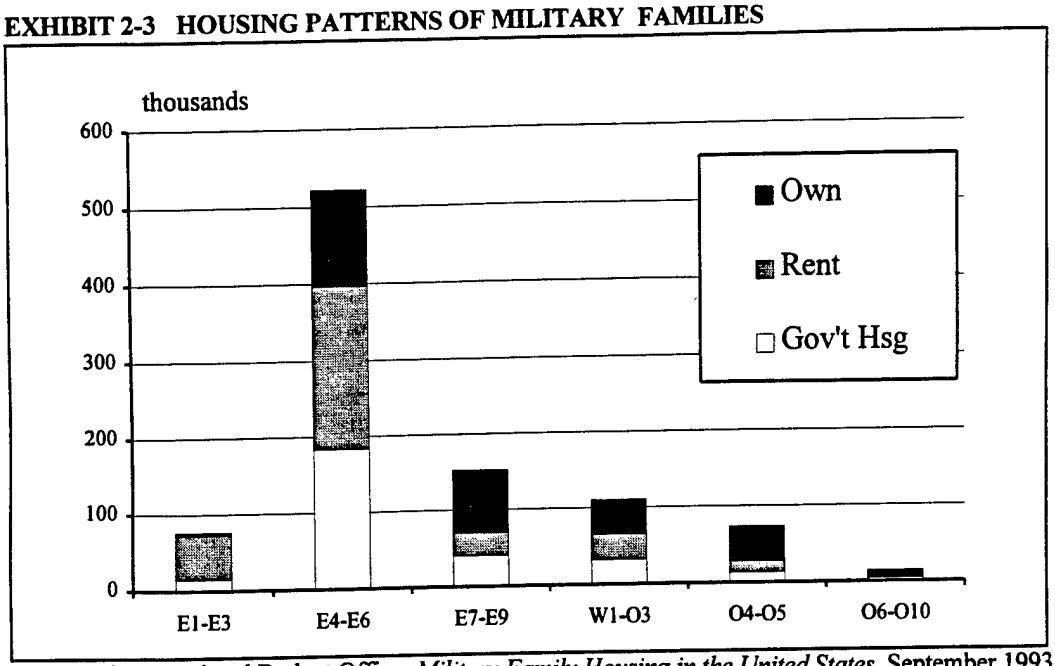
Congressional and Service interest in Military Family Housing has experienced peaks and valleys. After gradual increases during the country's first 150 years, the major construction programs of 1950s and 1960s brought large numbers of modern (for the period) homes into the Services. Funding for maintenance, repair and replacement failed to keep up with the growth, however, turning many of these homes into poorly maintained, low-quality housing by the mid-1980s. These homes also lack the size and amenities, such as family rooms, commonly found in civilian communities. Many of the efforts to resuscitate the housing stock in the 1990s have failed because of tough fiscal competition and restrictive rules that hinder privatization.

The number of married junior enlisted personnel has risen markedly, however, straining an already taxed housing delivery system. The advent of the All Volunteer Force also changed the motivations for a career in the military, which affect family member expectations. Changes in the military family must be considered when deciding how family housing should be delivered in the future.

Family Housing Stock

The Defense Department owns or leases, on- and off-base, about 387,000 units of Military Family Housing. Its average age is 33 years, but inadequate and inconsistent funding have resulted in poor maintenance and repair, and has deferred revitalization and replacement of unsuitable homes. In addition, many civilian communities have been unable or unwilling to meet increasing military family housing needs caused by military force relocation and changing military family demographics. These factors have resulted in a large number of unsuitable military units. Correcting these deficiencies of supply and condition is estimated to cost more than $20 billion.

EXHIBIT 2-3 HOUSING PATTERNS OF MILITARY FAMILIES



Source: Congressional Budget Office, *Military Family Housing in the United States,* September 1993.

Where Military Families Live

Different Services and locations within each Service adhere more or less closely to the Defense Department's policy of housing its families mainly in the local community. The proportion of military families living in the private sector ranges from a high of 74 percent in the Navy to a low of 57 percent in the Army. This results from both Service philosophy and from the local availability of suitable community housing.

Who lives in Military Family Housing also varies. Grades E4-E6 occupy about 64 percent of the units but comprise 55 percent of military families. Conversely, almost 70 percent of married junior enlisted (E1-E3) rent their housing in the community. (See Exhibit 2-3 for a full breakdown.)

Condition of Family Housing

The condition of Military Family Housing ranges from modern and well-maintained, to small, run-down and lacking in basic amenities. Often, the full range can be found on the same installation or in the same region, creating a visible disparity in the quality of the housing benefit provided, depending on housing assignment.

The Air Force has generally provided the best housing, setting the standard for the Defense Department. The Navy and Marine Corps have acknowledged erratic investment practices in the past and have initiated broad programs to renovate and replace unsuitable housing. The condition of family housing reflects the priority a Service gives to quality of life in relation to other competing mission and readiness requirements.

Maintenance, Repair, and Revitalization Backlogs

The large maintenance, repair and revitalization backlogs are one indicator of housing conditions. Backlogs measure the deferred work, and the cost, to raise dwellings up to suitable conditions and current standards of comfort. In the absence of any common, Defense-wide metric, each Service calculates its backlog differently. These disparities preclude exact comparisons across Services and hinder development of reliable cost estimates for catching up with repairs.

Encouragement of Home Ownership

Often, the alternative of home ownership by Service members is overlooked when discussing ways of satisfying military housing demand. Local purchase is a decision left entirely to individuals according to their income, stability of assignment, local market characteristics and other variables that are considered outside the Defense Department's purview.

The Task Force finds that home ownership is fully consistent with departmental policy to look to the private sector as the primary source of housing and that home ownership is still a goal of most American families. Further, *the Task Force finds* that the Defense Department should actively seek to eliminate hurdles to home ownership.

Effective programs to encourage home ownership can help to reduce demand for other sources of housing and may also help to stabilize the work force. For example, a partial loan forgiveness program run by the Federal National Mortgage Association has reduced employee turbulence and thus Association costs.

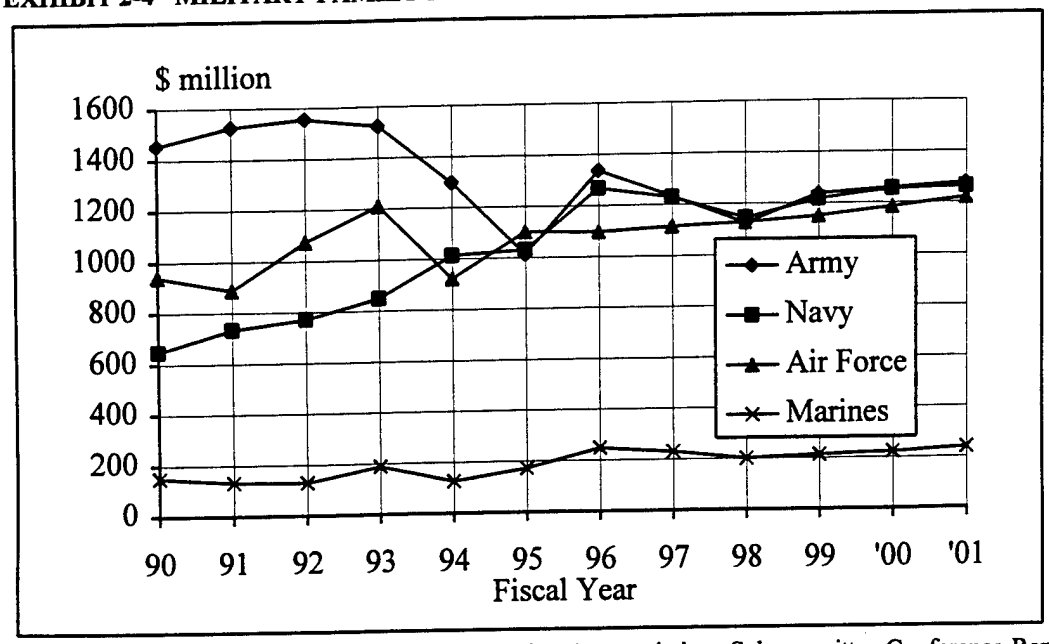
The Navy in Norfolk, Virginia, has devised an innovative program to help lower paid, young Navy families qualify for mortgages. The program can be targeted toward retention of sailors (who are expensive to train but who were leaving the Service after one enlistment) or it could be open to all Service members. In either case, a number of options and processes can be put to work to make it a successful program.

The Task Force recommends that the Defense Department strongly encourage, evaluate and implement imaginative programs to encourage home ownership by Service members.

Funding

Military Family Housing is a separate, *fenced* (untransferable) account, covering all facets of the program, including operations, maintenance and construction. The amount of this funding often fluctuates by fiscal year and by Service as a result of inconsistent overall military spending and shifting Service, departmental and congressional priorities (Exhibit 2-4). Though useful for determining trends within a Service, the family housing appropriation cannot be used for comparisons among Services because their accounting techniques, execution methods and use of military manpower are different.

EXHIBIT 2-4 MILITARY FAMILY HOUSING FUNDING



Sources: Military Construction and Family Housing Appropriations Subcommittee Conference Reports and Services' Program Review 1997 Submission.

MAJOR ISSUES

During its investigation, *the Task Force* discerned an array of major and related issues affecting the quality, quantity, availability and affordability of housing. The major issues concern:

- Broad policy for family housing
- Policies governing assignment of family housing
- Inequities stemming from housing policy
- Criteria for acceptable community housing
- Federal procurement and military construction laws
- Federal and Defense Department Regulations and construction standards
- Unreliable funding of military housing
- Structure of housing allowances

The recommended solutions in each area can be addressed within the next three fiscal years in Stage 2 of the proposed Housing Renewal Program.

ISSUE 1: BROAD POLICY FOR FAMILY HOUSING

Current Defense Department housing guidance stipulates:

> *Excellent housing facilities and services shall be provided for all military members, their families and eligible civilians. Continual improvement in quality is a measure of excellence, and customers of housing services shall participate in that evaluation. . . . Service members shall be liable for damage to any Department of Defense housing unit, or damage to or loss of any equipment or furnishings, assigned to or provided such member if it is determined that the damage or loss was caused by the abuse or negligence of the member. . . .* —DoD HOUSING MANAGEMENT MANUAL, September 1993

DISCUSSION: *The Task Force finds* this guidance for department family housing policy—now and for the future—unrealistic, undeliverable and quality-unspecific. It also fails to delineate or promote a sense of "ownership" or responsibility for personal involvement within the community.

Military Family Housing appropriations have averaged $4.5 billion over the last five years but "excellent" housing is not universally provided. Although most installations do have some fine housing, 65 percent of military families reside on the economy, receiving no housing facilities and at best, little housing referral services. Of the Military Family Housing units that are available many are:

- Under-maintained, both with regard to recurring maintenance and major revitalization
- Poorly managed by nonprofessionals who are not oriented toward customer service
- Over-regulated at the local level
- Too small by current community standards
- Too densely built, precluding privacy and engendering resident stress

RECOMMENDATION 1: Revise broad family housing guidance to clarify rationale and responsibilities and to specify a standard for high quality. A new guidance, for example, might read:

> The Department of Defense, in recognition of the unique circumstances attendant upon military life, will provide, enable or otherwise facilitate access to affordable, quality housing, consistent with grade and dependency status, as well as community standards and/or mission requirements, for every active duty Service member and eligible civilian. The department's responsibility is discharged through a corporatized philosophy which combines appropriate pay and allowances, procurement and maintenance of on/off base Service owned/leased housing and referral to private sector housing. Service member, family and eligible civilian responsibility lies in the contribution or forfeiture of housing allowances and differential as required, the proper resident care of property, and community support and participation expected of all citizens.

ISSUE 2: POLICIES GOVERNING ASSIGNMENT OF FAMILY HOUSING

Junior personnel (grades E1-E3) constitute the resource pool for tomorrow's career force. To retain them, the Defense Department must address issues that create housing dilemmas for them.

DISCUSSION: Overall, housing allowances are about 22 percent below costs in the civilian community. *The Task Force finds* that some of the most junior service people experience exceptional hardships because of their inadequate housing allowances and limited access to military housing. Grades E1-E3 make up 29 percent of the enlisted force (ranging from a high of 49 percent in the Marines to a low of 22 percent in the Air Force). Of the 25 percent of families in grades E1-E3 with dependents, 19 percent live in military housing, and about 12 percent are unsuitably housed in the civilian community, because of cost, size, condition or location.

The department has four priorities for assignment to Military Family Housing:

- *Priority 1.* key and essential personnel, including command positions
- *Priority 2.* personnel assigned to or attached for duty at the installation
- *Priority 3.* personnel not assigned to or attached for duty at the installation
- *Priority 4.* unaccompanied dependents of Service members.

Installation commanders are responsible for establishing assignment priorities and have the authority to deviate from stated guidelines to address exceptional cases of hardship. Long-standing tradition rewards career service and often results in higher priority access for senior personnel. At most installations, by construction standard, only so many units are available for each senior group (e.g., E1-E6, E7-E9, O1-O3, and so forth). As a result, the less numerous senior personnel often wait the shortest time for housing, while the more numerous members in the lowest grades may wait much longer, up to two years in some locations.

Promotion to E4 takes an average of three to four years, depending on Service. In the interim, married junior enlisted members must balance the pressures of low pay and allowances with growing family and financial responsibilities. To ensure high morale and retention, these young families must be provided access to adequate and affordable housing.

RECOMMENDATION 2: Add to current family housing policy language that encourages commanders to give special attention to the special housing dilemma of young Service families. For example,

> The Services will encourage local commanders to exercise concern for the access of members in pay grades E1-E3, who are family housing eligible, to suitable housing in the private sector or to military housing. (This policy should not be interpreted as requiring *forced* (involuntary and not desired) moves from or into housing during an ongoing tour.)

ISSUE 3: INEQUITIES STEMMING FROM HOUSING POLICIES

Current housing policies and practices create perceptions of inequity and unfairness. No accommodation is made between the condition of assigned military housing and the amount of

housing allowance deducted. This lack of correlation has fed the perception of inequitable treatment between members assigned to modern, up-to-date units and those assigned to less desirable units.

DISCUSSION: The Defense Department provides detailed site and housing delivery system standards but no guidance for suitability (e.g., size, condition). Congress, in the 1970s, designated a number of housing units "substandard." This designation allowed commanders to lower the allowance "rent" by up to 25 percent for residents of these substandard units. Only about 4,300 of these units still exist today—with no similar program for the rest of the inventory. Residents of military housing that would be considered unsuitable, if located in the local community, thus question the fairness of deducting the same amount of housing allowances from them as from residents of modern, attractive homes.

An argument can be made for a partial rebate of housing allowances to some residents of military housing, depending on the condition of their military housing.

RECOMMENDATION 3: To reduce inequities in housing assignments, the Services should:

- **Develop and apply housing suitability criteria and continually revise their lists of suitable and unsuitable housing.**

- **Rebate a flat percentage of quarters allowances to those assigned to military housing designated as "unsuitable."**

ISSUE 4: COMMUNITY HOUSING ACCEPTABILITY CRITERIA

Are the Defense Department's five "acceptability" criteria for private sector housing (location, cost, size, condition, and ownership) compatible with the proposed goal of affordable, quality housing consistent with community standards?

DISCUSSION: Departmental acceptability criteria for community housing have evolved over time. They are intended to guide: members in selecting a residence; communities in building homes for military personnel and the Services in determining their housing deficit. *Unacceptable* housing fails to satisfy all five criteria and does not count as an asset to meet the military need. Factors affecting the interpretation of these criteria include:

- Annual surveys in which military personnel housed on the economy rate their own quarters. These survey results are subjective and distorting. An "acceptable" rating by a resident over-rides application of the other criteria.

- Determination of acceptable location and condition by installation commanders. This practice puts commanders in the difficult position of weighing family safety and security against possible ill-will in the local community over an "unacceptable" rating.

- Inequity created by the location criteria for Service members living in rural areas. For them, being within a one-hour commute can mean a round trip of more than a hundred miles a day.

- Costs extending beyond the congressionally intended out-of-pocket outlay. The cost criterion requires that, to be "unacceptable," expenses exceed the sum of 150 percent of the member's Basic Allowance for Quarters and Variable Housing Allowance. This amount can greatly exceed congressional intent that members absorb 15 percent of their housing costs from other compensation.

- Size standards that need to be kept up-to-date with current community norms and flexibly applied.

- Condition criteria that lack qualitative indicators of age and utility. They also omit any requirement for adequate dining space and garages in extremely cold regions.

- The assumption that every home purchased by a member is acceptable. This assumption does not consider some of the family budget decisions confronting junior members who may be able to afford only a decrepit mobile home or a run-down house in a high-crime area.

RECOMMENDATION 4: Update and clarify acceptability criteria for private sector housing for military families. Specifically:

- **Provide local commanders with specific guidelines to identify and specify "unacceptable locations based on security and safety."**

- **Add to the one-hour commute an alternative criteria of one-way distance.**

- **Ensure that members paying more than 15 percent out-of-pocket for housing expenses be considered unacceptably housed.**

- **Review minimum square footage requirements and base them on local and state building codes.**

- **Include in condition criteria a requirement for dining space, separate or as part of living room or kitchen, and for garage space in severe climates.**

- **Apply to member-owned homes the same suitability criteria applied to leased homes.**

ISSUE 5: FEDERAL PROCUREMENT AND MILITARY CONSTRUCTION LAWS, FEDERAL AND DEFENSE REGULATIONS, AND CONSTRUCTION STANDARDS

Defense officials, local developers, and financial leaders estimate that federal procurement and military construction laws, regulations and standards swell the cost of delivering military housing and maintenance up to 30 percent, depending on locale. Complicated, costly, time-consuming and frustrating, these rules also dampen private interest in military housing.

DISCUSSION: The United States has the world's most highly developed and efficient housing industry and market. *The Task Force finds* that artificial constraints placed on the military housing delivery system prevent the Defense Department from taking full advantage of U.S. market efficiencies, run up costs and seem to serve no rational purpose.

The difference in delivery costs between private sector and military housing has many causes. Some are beneficial, assuring high grades of materials and appliances for long durability. Others insist on compliance with associated project infrastructure requirements and certain management practices and are of dubious value.

Certain Federal laws, and Federal and Defense acquisition regulations, are key drivers of the high cost of military housing construction, maintenance and repair. Many of these laws conflict with community construction standards and codes, and waste both time and money. Illustrative are certain provisions of the U.S. Code, Title 10, chapter 169, but more than 60 laws fall into this category. Relief from counter-productive laws and regulations would increase military buying-power by nearly a third, thus stretching the value of appropriated funding and private capital for construction, maintenance and repair.

The Task Force finds that a review of the applicable laws, regulations and standards is overdue. The federal government must promote resolution of the acknowledged military housing dilemma without adding significantly to national indebtedness. Exempting military housing acquisition and construction from the plethora of outmoded and costly laws, rules and practices would advance this goal.

RECOMMENDATION 5: Identify the federal laws and regulations—prioritized in relation to cost-impact or other criteria—which drive up the cost of housing delivery and/or dissuade private industry participation; and seek exemption from the most onerous.

- **Draft and pursue congressional changes to existing Title 10 Military Construction legislation and modify Defense Department regulations that significantly impede or preclude Family Housing availability, quality and cost problem resolution. Focus on performance-based, community-relevant standards and greater flexibility in meeting quality.**

- **Present a persuasive case to Congress, the administration, the media and public to gain support for the foregoing changes.**

ISSUE 6: INEFFECTIVE FUNDING OF MILITARY FAMILY HOUSING

There is growing need to identify reasonable alternatives to the current method of funding Military Family Housing.

DISCUSSION: For reasons explained early in this chapter, the Defense Department considers 64 percent of its Military Family Housing inventory unsuitable. Despite a five-year trend toward more frequent and varied employment of U.S. military forces, prospects are dim for reversing the decline in the departmental budget. Quality-of-life funding, especially military housing accounts, have to compete with the legitimate demands of research and development, modernization, operations and training.

As a result of uneven funding, routine maintenance has often been deferred, contributing to a faster deterioration of housing stock than might have occurred with a moderate but steady flow of dollars. Major maintenance, repair, revitalization, and replacement problems persist, despite some efforts by the Services to increase funding for them.

Restructuring the housing delivery system by creating a *Military Housing Authority* that uses the housing allowance structure as its funding stream will eliminate peaks and valleys in funding.

RECOMMENDATION 6: Maximize the use of private industry resources (requested new legislative authorities) and delivery systems to first satisfy the need for affordable, community-comparable, quality housing in the civilian community, and then to maintain, operate and revitalize military owned/leased housing.

- **Accord top appropriated fund priority to maintaining/revitalizing or replacing existing inventory. Second to support funding of new legislative authorities and third, to construct new homes only when the external community is unable or unwilling to otherwise meet current and projected military needs.**

- **Restructure the military housing delivery system into a nonprofit government corporation—centrally managed, Defense-wide. This *Military Housing Authority* concept is detailed later in this chapter.**

- **Request Basic Allowance for Quarters for all personnel and roll these moneys directly into family housing account to be used as a source of funds to expedite removal of maintenance backlog.**

ISSUE 7: HOUSING ALLOWANCES

The Task Force finds that, although a review of military compensation was not included in its charter, it must address housing allowances because they so heavily influence housing delivery.

DISCUSSION: Part of the perceived inequity between residents of military housing and personnel living on the economy stems from the shortfall between the cost of community housing and housing allowances. A lack of military housing—not choice—forces some Service members

to live on the economy. The Variable Housing Allowance system was originally designed to limit members' out-of-pocket housing costs to 15 percent of their base pay, but this percentage currently exceeds 20 percent. In many localities civilian housing costs so much more that, even late in their tours, members still want military housing if it becomes available.

Both the *Joint Services Housing Allowance Study* (November 1991) and *The Seventh Quadrennial Review of Military Compensation* (August 1992) found clear evidence that junior enlisted families had no guarantee of being able to rent adequate dwellings, because the current method of setting Variable Housing Allowance rates incorporates no physical standards for adequate housing. Some mechanism is needed to ensure that junior enlisted families—who are most in jeopardy of living in housing cost–induced poverty—live in suitable accommodations. The Defense Department (under the auspices of unified legislation and budgeting) considered proposing legislation to adopt a housing allowance locality floor for junior enlisted in Fiscal Year 1997. Indications are, however, that this will be deferred to fiscal year 1998, because of its high cost (about $200 million a year).

The Task Force finds that an increase in housing allowances, especially for enlisted personnel and junior officers, is desirable and that a fairer, more realistic system for computing and paying them is needed. Annual Basic Allowance for Quarters adjustment should be based on the housing cost index of the consumer price index or some other nonmilitary data system that establishes average cost by area. This would reduce members' growing out-of-pocket expense burden.

Variable Housing Allowance presents another problem. Although a member's housing costs are fixed by a lease or mortgage payment, the Variable Housing Allowance may decrease substantially. Reductions are based on results of annual Variable Housing Allowance surveys of questionable validity, and may or may not reflect a real change in the cost of living. Legislation to rectify this situation is being considered by the 104th Congress.

RECOMMENDATION 7: Identify means of redressing the growing inequity between military residents of private sector and military housing. Recommended actions are:

- **Base housing allowances on an external data source, such as the housing cost index of the consumer price index, and ensure that Variable Housing Allowance reflect actual local market conditions. Stop adjusting housing allowances at the same time and rate as base pay.**

- **Set housing allowance floors to ensure that junior members can afford suitable housing.**

- **Continue to advocate Variable Housing Allowance rate protection, if the Congress does not enact it, so that members' housing allowances do not go down during a tour of duty in the same place.**

RELATED ISSUES

Task Force members find military leader, member and family dissatisfaction with a number of other family housing–related conditions. Nine ancillary recommendations are made to deal with their concerns spanning: activity infrastructure, overseas housing, housing referral systems; local

military housing management; security and safety; outreach of family support and recreation programs; special housing needs of recruiters and other independent duty personnel; the high costs of maintaining historic quarters and alternatives to traditional construction methods. If these issues seem tangential to family housing, they do individually and collectively affect members' decisions about family housing or housing-associated costs.

RELATED ISSUE 1: ACTIVITY INFRASTRUCTURE INADEQUACIES

Most bases visited by the Task Force are 50 years old, some are older, and their water, sewage, roads and other infrastructure are crumbling.

DISCUSSION: Less visible infrastructure for a military mission often receives less attention than prominent items. As a result, the condition of today's infrastructure deeply concerns commanders who must live with these uneconomical and badly maintained systems. At some installations every day, Military Family Housing residents put up with brown, sediment tap water, dangerously cracked and crumbling sidewalks and other results of neglect. Such dilapidated systems not only inconvenience residents but may well discourage private investors from engaging in partnered solutions to housing problems, if foundational systems are so neglected.

The Defense Department has no monopoly on rundown infrastructure: it is a national problem. Through a major effort to repair its own infrastructure, the department would not only assist its war fighting capabilities and its people but also set an example for the entire country. In the chore of repairing its own infrastructure, *the Task Force finds* an opportunity to use sound commercial practices and to test partnered funding.

ANCILLARY RECOMMENDATION 1: Urgently—using a single, standardized assessment—identify the status of infrastructure on all military installations that will remain open at the end of the base realignment and closure process.

- **Plan and fund a revitalization and replacement program to correct the identified deficiencies within 15 years.**

- **Involve private funding and benefits as much as possible without impairing the military mission.**

RELATED ISSUE 2: OVERSEAS HOUSING

For military personnel assigned overseas, all the problems of finding suitable housing increase exponentially. Opportunities for travel and the benefits of exposure to foreign cultures often do not compensate these people for the frustrations of locating and negotiating for housing and its upkeep or becoming accustomed to extreme housing density, traffic congestion, and other inconveniences of life in an unfamiliar environment.

DISCUSSION: U.S. government reluctance to commit military construction funds for overseas locations, and legislative insistence that any construction be done with U.S.-made

materials by American contractors, have relegated many U.S. Service personnel and their families to marginal living conditions.

Status of forces agreements are often laden with impediments to easy resolution of these problems. Moreover, federal operation, maintenance and repair allocations are often inadequate in host countries (e.g., Italy and Korea) that do build housing for American Service members.

ANCILLARY RECOMMENDATION 2: Seek to eliminate (or obtain at least a 10-year waiver from) "buy and construct American" requirements for U.S. military housing overseas, in deference to current trends toward freer international commerce.

- **Aggressively seek increased congressional support for appropriated military construction and Operation and Maintenance funding at overseas locations as part of the military housing renewal program.**

- **Enlist the support of the Department of State and the Commerce Department to encourage foreign construction of quality housing for use by the U.S. military.**

RELATED ISSUE 3: FACILITATED HOUSING REFERRAL

As the percentage of military families who live in the local community continues to increase, an effective means of finding adequate local housing becomes more important. This is why the Defense Department should significantly improve its housing referral services.

DISCUSSION: Two factors in the current family housing situation are underplayed:

- Prospective military renters often do not find affordable, suitable rental units that are available in a community.

- Some elect to buy a privately owned residence.

These realities demonstrate the need for improved housing referral services to help personnel find housing before or after their arrival at a new assignment location. They also demonstrate the need to foster and facilitate Service member (officer and enlisted) interest in home purchase, as competition for housing intensifies around the bases still open upon completion of the force redistribution and the base realignment and closure program. Special attention must be given to the needs of low-income, junior enlisted members who have the most trouble finding suitable housing.

Few of the military's many attempts to provide housing referral services, using civilian community volunteers or real estate agents, have met the need over time. But *the Task Force did encounter* one extraordinarily successful effort that could serve as a model referral service for renters and prospective buyers, the Navy's Hampton Roads Welcome Center.

Operating since 1991, the center captures a large and growing proportion of all newly assigned Service personnel. With a highly professional, well-trained staff of about 40 customer service-oriented individuals, the center provides such services as: computerized access to information on housing, shopping, churches, schools, crime and multiple listings; television-monitored baby-sitting

care for families who use the center; counseling and classes (e.g., on purchasing a home and renters' responsibilities); and a showing service.

Ninety percent of naval personnel in the Hampton Roads area reside in civilian housing. Their satisfaction at having found "the right," affordable house can be attributed not only to the community but, importantly, also to the center.

Judging from this center's success, the way it is organized and operated should be emulated regionally for use by all Services in that region. These centers would cover U.S. and overseas geographic areas of military concentration. They would provide all military members and their spouses with accurate, current information about housing and referral, with showing services. They should focus on meeting every customer's needs, whether accompanied or unaccompanied, senior or junior, but should give special attention to the special needs of junior enlisted personnel.

Essential ingredients of a successful housing referral center are: a full-time, professional staff; a wide range of current, customer-relevant information; access to numerous services from education to counseling to showing; facilitated support such as a convenient location, on-site baby-sitting, nearby food access; and a primary, pervasive commitment to customer service.

ANCILLARY RECOMMENDATION 3: Create regional housing referral centers, modeled on the successful Hampton Roads Welcome Center. Responsibilities could be privatized but within the framework of the housing delivery system.

RELATED ISSUE 4: FAMILY HOUSING MANAGEMENT

The Task Force noted a perception of inadequate local housing management at many, but not all, installations visited. This perception manifested itself in various ways. Some personnel alleged slow turnover of housing between occupants; some indicated check-out standards and rules were too rigorous, others not sufficiently rigorous; some reported untrained employees, over-focused on rules and under-focused on customer service.

DISCUSSION: At some installations, housing management received high marks. At others, however, people complained about rude management employee attitudes toward mid- and junior-grade enlisted personnel and especially toward their spouses. Also widespread were accusations of management failure to assure the quality of maintenance contractors' performances and residents' compliance with Military Family Housing regulations. Common complaints involved: management staffs too small to do the job; too many overly complex rules that bog down management; insufficient management staff training; and lack of management focus on customer satisfaction and services.

Remedies must address the underlying problems. Through selection, training, motivation and reward systems, the Defense Department must professionalize management and secure its commitment to customer service, responsiveness and productivity. By routine use of customer feedback, senior leaders could speed the identification and addressal of problems.

ANCILLARY RECOMMENDATION 4: Require the Services to develop joint training and incentive programs, using private industry expertise and models, and to professionalize military housing management and focus it on customer service. Test the success of this

initiative by requiring formal means of assessing customer satisfaction with housing management activities and use these test results to bring about systemic improvements.

RELATED ISSUE 5: SECURITY WITHIN HOUSING AREAS

Task Force meetings with Service members, their spouses, housing managers and command leadership revealed a growing apprehension over security and safety in and around family housing areas. This situation occurred at most military housing areas, both on- and off-base.

DISCUSSION: Upon examination, security concerns ranged from vandalism of government and private property (e.g., signs destroyed, graffiti, vehicles defaced) to harassment of youngsters by older children, excessive noise, street fights and other disturbances. Most perpetrators are undisciplined and unsupervised youth—sometimes military dependents, their visitors and friends, and occasionally their gang opponents from local schools. Their actions cause personal injuries and costly repairs, endanger community bonding and set poor examples for young children. Residents' concern is heightened by: the reluctance of civilian police to answer frequent calls to handle what they consider minor infractions of the peace; the reluctance or slowness of local management to enforce fully and promptly the rules for good order; a perceived escalation of these kinds of incidents in general and gang disturbances in particular and the absence of military police jurisdiction because of *posse comitatus* legislation.

The military has no legal jurisdiction over military dependents for civil violations and must take all legal action through local or state court processes, a painful and cumbersome procedure except for the most flagrant and serious violations. Potentially helpful civilian concepts, such as neighborhood watches, have not yet caught on in Military Family Housing. Further, mid- and senior-grade military member involvement as well as individual family supervision of teens appear to be lacking or insufficient. There seems to be no single solution to this essentially local problem.

Since safety and security cause so much concern, particularly among spouses whose military members are deployed for long periods, commanders need to direct their leadership attention to long and short term solutions. Solutions should engage residents, base leadership and local community police in addressing this serious problem.

ANCILLARY RECOMMENDATION 5: Direct Service attention to planning and implementing effective local means of addressing the housing area security issue locally. In the process, elicit and share examples of successful base efforts during installation commanders' conferences.

RELATED ISSUE 6: COMMUNITY SUPPORT

The distribution of military families throughout a civilian community and the location of some Military Family Housing areas at a distance from base facilities raise the problem of families with one car or spouses who cannot drive. Frequent long deployments by military members, increasing the need for community support, compound this problem.

DISCUSSION: As increasing numbers of military families are housed satisfactorily on the economy and in off-base military -leased or -owned properties, concerted outreach or facilitated access to services on base should be provided. Without them, these families could become isolated and military community bonding could break down. During long deployments of members, many spouses who reside off-base have difficulties accessing on-base medical services, family support services (e.g., parental or marriage counseling, financial education and counseling, family advocacy services, pre and post deployment services) and even recreational services. Lack of public transportation and constrained family income exacerbate this situation, especially for junior personnel.

ANCILLARY RECOMMENDATION 6: Direct the Services to identify and share ideas on ways of supporting and facilitating continual military community outreach toward military members dispersed throughout civilian communities.

RELATED ISSUE 7: HOUSING FOR RECRUITERS AND OTHER INDEPENDENT DUTY PERSONNEL

Certain independent duty personnel (e.g., recruiters, ROTC instructors and staff) are frequently assigned in areas well beyond reasonable travel to military installations. Circumstances thus force them to live independently on the local economy.

DISCUSSION: Assignment policies for independent duty personnel vary from Service to Service. Some Services consider them Priority 2 (assigned to or attached for duty at the installation or assigned to other installations served by the housing complex). Other Services consider them Priority 3 (not assigned or attached to the installation), particularly if the individual belongs to a different branch of Service. Priority 3 status usually rules out Military Family Housing and puts these personnel at a distinct disadvantage, compared to personnel assigned to the base. Yet their duties often leave them little or no time to deal with housing matters in an unknown community.

When no military installation is nearby, independent duty personnel must fend for themselves. Lacking military housing referral services, they must rely on work associates and real estate agents for housing assistance. The absence of housing support services adds to the often exceptional stress of this type of duty.

ANCILLARY RECOMMENDATION 7: Ensure access for every active duty Service member—including independent duty personnel—to affordable, quality housing by making all Services classify those assignments as Priority 2. If no military housing is available, the Services should see that they have affordable, convenient housing and maintenance alternatives (e.g., leased housing and contracted maintenance arrangements).

RELATED ISSUE 8: HISTORIC QUARTERS

The Defense Department's many historic quarters must be maintained in full compliance with the National Historic Preservation Act of 1966. This Military Family Housing disproportionately drains overburdened housing accounts and adds considerably to management's administrative load.

DISCUSSION: The Services own, operate and maintain 2,675 units of family housing listed on the National Historic Register. They plan to spend almost $63 million on them in Fiscal Year 1996—about $23,000 per unit. This is far beyond the Department's FY-96 projected average of $7,800 per Military Family Housing unit. Historic housing poses a particular problem for the Army, which plans to spend close to $58,000 per historic unit in FY-96 (see Exhibit 2-5).

EXHIBIT 2-5 HISTORIC HOUSING COSTS, FISCAL YEAR 1996

Military Department	Number of units	Maintenance and repair cost ($ million)	Average cost per unit
Army	786	45.4	$57,700
Navy	378	11.3	29,900
Air Force	1,511	5.9	3,930
Defense-wide	2,675	62.6	23,400

Source: Services' Fiscal Year 1996 budget submissions.

Any significant work on these housing units must receive prior approval from the various historic preservation boards. Stringent board restrictions on changing the appearance of the homes usually add to the cost of upgrades. The high cost and complex approval process often discourage renovations. This is one reason for the disparity in the Services' average unit cost.

ANCILLARY RECOMMENDATION 8: In conjunction with the Services, review current inventories of historic quarters and initiate actions to remove all but the most significant historic homes from the National Historic Register.

RELATED ISSUE 9: MODULAR AND MANUFACTURED HOUSING—VALID ALTERNATIVES

Using modular homes and manufactured housing would be one way of reducing housing acquisition time and costs, where suitable to the need, environmental conditions and community standards.

DISCUSSION: *Manufactured housing* (formerly "mobile homes") sometimes has a much deserved reputation for inferior quality, high life-cycle costs and susceptibility to damage during violent weather. However, since the Department of Housing and Urban Development began to apply increasingly strict construction standards, many of these concerns have been reduced.

Modular homes consist of factory-built rooms or pieces that are assembled on a housing site. They must meet all applicable state and local regulations. Being factory-built, their quality can be closely controlled. Production and assembly time is predictable because work is done mostly indoors, and the pieces usually fit together (early intermodular mismatches of plumbing lines, for example, have been largely eliminated). Careful landscaping and placement can increase the appeal of modular homes. They should also last 20 years and can be replaced less expensively than traditionally built housing.

Fort Ord, California could almost serve as a "case study" for nontraditional housing. In the 1980s, 212 manufactured homes were built there in only 12 months when they were needed quickly. A key feature of this project was placing the homes in a well-landscaped area that

included many community support facilities (e.g., community center, laundromat and recreational facilities).

Later in the 1980s, 297 modular townhouses were built there. These are high-quality, esthetically pleasing homes that most residents like. Using modular housing techniques, the developer also made a profit, despite statutory limits on rents and without any occupancy rate guarantees.

Manufactured homes are not the best choice for every application. At Fort Ord, the solution worked and may work in other situations. When many junior enlisted are living near the poverty level in run-down civilian community housing, acquiring a large number of manufactured homes in a short time may be preferable to waiting much longer for many fewer traditional homes.

ANCILLARY RECOMMENDATION 9: Quality modular homes should be considered a valid alternative to traditional housing. Pilot programs should be encouraged at locations where manufactured housing would effectively solve a housing problem.

Bachelor Housing

Would you drop off your son or daughter at a college dorm, if it looked like some of the barracks we've seen? — **QUALITY OF LIFE TASK FORCE MEMBER,**
Task Force Meeting, June 27, 1995

The great disparity between family and bachelor housing is a big factor in the dissatisfaction of single junior enlisted personnel. *The Task Force saw* this problem first hand.

Married enlisted personnel normally have a multiroom house on base or receive a housing allowance. Most single enlisted members live on base in *barracks,* usually sharing a room with one, two or three others; sometimes a communal bathroom serves everyone living on a hall or floor. Barracks often lack other amenities civilians consider necessities (e.g., in-room telephone, cable TV hookup and sufficient, functioning washers and dryers).

Though commonly referred to as barracks, dormitories, bachelor quarters or unaccompanied personnel housing, the term *bachelor housing* also encompasses off-base residences in the local community. In this *Report,* the term "barracks" refers only to on-base government housing. Bachelor housing is home to single or unaccompanied permanent party personnel, temporary duty personnel, trainees and transients.

Bachelor housing has many of the same problems as family housing. Under-funding and inconsistent funding have left many barracks in poor condition, and improving them will be expensive and will take decades at current funding rates. Again, cross-Service comparisons of bachelor housing are impossible because each Service manages its housing inventory differently. Each Service also has a slightly different assignment policy.

Single enlisted members want more privacy, space and better storage facilities, furnishings and amenities (e.g., laundry facilities, proximate parking, secure storage). Their personal property (civilian clothing, electronic equipment, recreational gear) no longer fits into a duffel bag or sea bag, and they often own a motor vehicle. For single enlisted people, the notion of privacy includes freedom from impressment into additional duties after normal working hours. Routine use of "hey

you" rosters, when no emergency exists, discourages single members who live on post from spending leisure time in their rooms or common areas, lowers morale and weakens esprit-de-corps.

The National Defense Authorization Act of 1993 stated more then two years ago:

> *[A]s the drawdown continues, single Service members should be provided with modern and comfortable barracks. Many barracks are old and in poor repair, and adversely affect morale of Service member...expect the Department to give similar priority to barracks as to family housing: to build and upgrade barracks to provide comfortable quarters for Service members.*

Changes in military members' needs and expectations must be reflected in the living arrangements provided. Their desires must, however, be balanced against Service needs (e.g., acculturation of junior members, development of Service/military ethos and team building).

Bachelor Housing Stock

The Services report they operate 612,000 permanent party unaccompanied personnel housing spaces, 62 percent of them considered substandard under departmental criteria. The Army, Navy and Marine Corps report they have an additional 127,000 transient personnel spaces. The Air Force typically uses its non-appropriated fund lodging system for temporary duty transient personnel.

Where Members Live

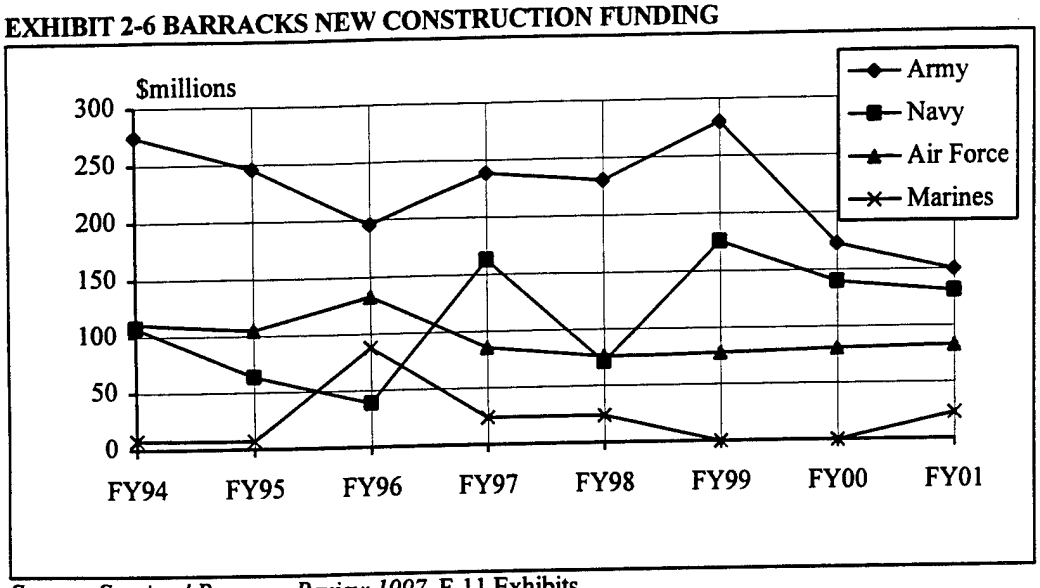
The vast majority of permanent party enlisted members live on-base, either in barracks or on board ship. The Navy has roughly 36,000 sailors living aboard ship in home port at any time. These sailors have little more than their bunk area to live in, with a small locker for all their possessions.

Service barracks inventories reflect a wide range of configurations. The Air Force leads the way in providing privacy and amenities, with one person per room a reality for more than 40 percent of its enlisted personnel. This, combined with the Air Force philosophy of moving senior personnel off-base, creates a much better living arrangement for its average single enlisted member than their soldier, sailor or Marine counterparts. These differences in living conditions have become a source of dissatisfaction among members in the joint operating environment.

Funding

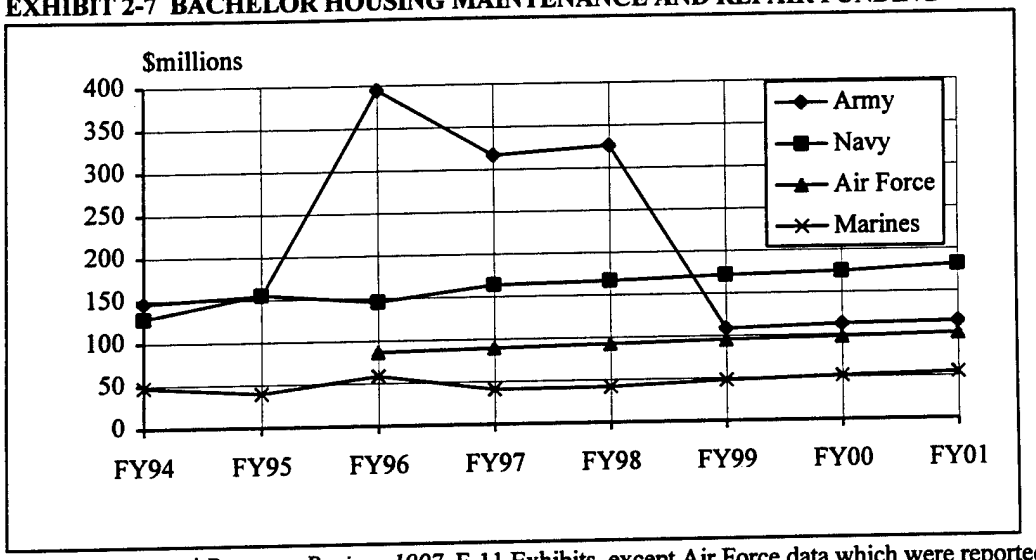
Funding for barracks is split between two appropriations, Military Construction and Operations and Maintenance (see Exhibits 2-6 and 2-7). Military Construction funding for new barracks and renovation of existing facilities is project-authorized by Congress and can be used for no other purpose. Barracks Operations and Maintenance funds are controlled at the installation level, and visibility of these funds varies greatly by Service. This funding is extremely *fungible* (easily shifted from one area to another) to meet operational and mission support commitments. All four Services have instituted programs to improve their barracks, mainly through significant increases in funding. Fiscal reality has not, however, always been able to support their vision.

EXHIBIT 2-6 BARRACKS NEW CONSTRUCTION FUNDING



Source: Services' Program Review 1997, F-11 Exhibits

EXHIBIT 2-7 BACHELOR HOUSING MAINTENANCE AND REPAIR FUNDING



Sources: Services' Program Review, 1997, F-11 Exhibits, except Air Force data which were reported separately."

Construction funding. The Services' military construction programs for new barracks fluctuates from year to year. This is caused by a number of factors, including inconsistent overall funding of the Military Construction account. Barracks projects must also compete with other mission support and quality of life priorities. This is a particularly sensitive issue, given the overall deterioration of base infrastructure during the last twenty years. The department's inconsistent application of construction standards in recent years has exacerbated the situation. Only the Air Force has kept funding relatively stable.

Operations and Maintenance funding. Real property maintenance funding is part of the base operating support portion of the Services' Operations and Maintenance budgets. It is normally passed from the Service headquarters to the installation as a lump sum allocation via the major claimants or major commands.

Tracking of funding varies by Service. The Navy is best able to track it down to the installation level; the Air Force least able, because no reporting is required. Further, there is no guarantee that funding earmarked for barracks will be spent on them. The current system allows installation commanders the latitude to execute their Operations and Maintenance total obligation authority where they believe it will best support the base's mission. Substantiated and anecdotal evidence indicates that barracks funds execution late in the fiscal year or migration to other areas has often occurred, resulting in erratic execution of barracks programs.

Condition

The amount of deferred maintenance, repair and revitalization is a main indicator of the condition of buildings. Because every Service has a different way of determining the backlog, however, the condition of their barracks cannot be compared in absolute terms. They all seem to agree, though, that their backlogs are large (on the order of $9 billion) and will take decades to eliminate at current and projected rates of funding.

MAJOR ISSUES

Five major issues affect the standard of living for single and unaccompanied Service members. These reflect a broad range of subjects, from policy and criteria to funding and management. Though addressed separately, these issues are inter-related and must be taken as a package:

- Broad policies for bachelor housing policies
- Policy governing required and allowed residents in barracks
- Suitability criteria for bachelor housing
- Funding for bachelor housing
- Management and operation of barracks.

ISSUE 1: BROAD POLICIES FOR BACHELOR HOUSING

The Defense Department's general housing philosophy, and its general and specific bachelor housing policies, lack appropriate focus on single members.

DISCUSSION: Relevant departmental policy guidance "applicable to all Department of Defense personnel and quarters" are:

> *Excellent housing facilities and services shall be provided for all military members, their families and eligible civilians. Continued improvement in quality is a measure of excellence and customers of housing services shall participate in that evaluation. . . . Communities near military installations are relied on as the primary source of housing for Department of Defense personnel. Communities near military installations shall be the primary source to meet a need for additional housing. . . . Military-owned, leased, or sponsored housing may be programmed for all grades to meet long-range requirements in areas where the local community cannot support the housing needs of military members, where available housing in the community has been determined to be unacceptable or where personnel must reside on the installation for purposes of military necessity. . . .*—DoD HOUSING MANAGEMENT, September 1993

This general guidance, intended to apply to *all* members, does not mention single, unaccompanied members. This omission appears to reflect the long-standing "also-ran" attitudes of pre-All Volunteer days toward short-tour enlistees and draftees, relatively few of whom entered the career force. As a broad policy statement for bachelor housing, it has the same deficiencies discussed earlier for family housing, lacking: a statement of the department's rationale for housing involvement; a delineation of departmental, Service and member responsibilities; and an indication of commitment to quality.

Specific bachelor housing policy guidance in the same source document reads:

> *Housing accommodations assigned to unaccompanied personnel shall provide the space, storage, privacy and furnishings, plus access to common facilities, required for comfortable living.*—DoD HOUSING MANAGEMENT, September 1993

"Comfortable living" is the only standard given for departmental bachelor personnel guidance. Family housing, on the other hand, must have "amenities and services" that reflect American living standards:

> *Family housing facilities shall be operated and maintained to a standard that protects the facilities from deterioration and provides safe and comfortable places for our people to live. Military family housing amenities and services should reflect U.S. living standards for similar categories of housing.*—DoD HOUSING MANAGEMENT, September 1993

The thrust of specific bachelor policy is clearly different in tone and coverage. Indeed, bachelor housing problems seem to germinate in the absence of a clear policy vision and take root in the uneven quality of construction and tardy, incremental repair and revitalization. Funding practices solidify disparities because, unlike family housing moneys, funds for bachelor housing Operations and Maintenance are not *fenced.*

In addition, barracks often lack the vocal proponents of improved conditions that family housing enjoys. In combination, these circumstances cause barracks to stand out as the more pressing problem of the two-headed housing hydra.

RECOMMENDATION 1. Amend, complete and clarify bachelor housing policy in relation to the general policy (revised per Recommendation 1 under Family Housing, above). Specific bachelor policy should parallel family housing policy in tone, completeness of coverage and commitment to quality in design, construction, maintenance, operation, amenities and service. If barracks continue to be the Services' main intended source of housing for singles, while community housing remains the primary source for families, housing policy should specifically recognize this distinction.

ISSUE 2: POLICY GOVERNING REQUIRED AND ALLOWED RESIDENTS IN BARRACKS

Should the Defense Department continue to provide barracks and require certain Service members to reside in them? If so, why and who are the probable recipients?

DISCUSSION: These issues are hotly contested today. Some people want to free their Services from mounting housing-related costs, which prove increasingly burdensome when military budgets are declining. They would eliminate barracks and pay housing allowances to all members for any housing they want—like "uniformed civilian employees."

Other people support on-base housing for reasons including: availability of personnel for military mission exigencies; civilian housing cost avoidance; and a rising need, in the face of American societal trends, to provide junior personnel (E1-E5) broader military identification and acculturation, team building and development of life skills in the early years of service. This acclimation happens in communal living and working but also while relaxing together. Shared activities create cohesion and, possibly, career commitment.

Some historical and current realities bear on the issues at hand. From its beginnings, the United States has provided shelter to military officers and enlisted personnel in on-base quarters. This arrangement stemmed from the military necessity of defending the installation, responding to crises and also cost considerations. In the 19th and 20th centuries, housing provisions were extended to apply also to family members. Allowances for housing off-base were paid when there was not enough on-base housing. Not until 1973, with the start of the All Volunteer Force, were housing allowances extended to E1-E4 personnel with dependents.

In the light of this tradition, it is doubtful that the public and the Congress would regard elimination of on-base housing for bachelor personnel as militarily sound, fiscally responsible or conducive to the personal growth of the most junior military population.

Nonetheless, the evidence is indisputable that enlisted personnel want more privacy, space and storage facilities; better maintenance; better furnishings and amenities, and a common gathering place to be with friends. Proximity to dining, recreational and fitness activities, public transportation and work are also important.

Privacy, in the view of most Service members with whom Task Force members spoke, was a relative term and almost a code-word for other aspirations. It also varied among the Services,

depending greatly on the perceptions of the members who seek it. To a Navy E4, accustomed to berthing as 1 of 30 division members aboard ship, privacy notions can reasonably accommodate one or more roommates in a decent-sized room in bachelor quarters ashore. Marine or Army units, whose members routinely live in 8- or 16-member tents in the field, look forward to a one or more member room at home base, provided that it is well-maintained and offers decent storage for military gear and personal possessions. Indeed, these same personnel, when allowed to move off-base, often demonstrate their elastic concept of reasonable privacy (and affordable cost) by sharing residences with several "roommates."

Privacy thus means more than the number of people sharing a space. To most, it means relative freedom from unscheduled impressment for duties in the absence of real emergencies. It also means relative freedom from what they consider too frequent inspections and onerous rules governing alcohol consumption, extended visits from the opposite sex and other regulations derived from both the consideration of every individual's rights in communal situations and the military's need to preserve order and discipline.

The Defense Department and the Services have a continuing obligation to provide barracks, but different standards may be necessary for certain groups because of the special circumstances that they create. Examples of such groups are: recruits and initial technical school trainees; individual and whole unit trainees; other transient personnel (individual and unit); permanent party personnel, significantly E1-E4, with latitude for some E5-E9 and for O1-O3 (including rotating crews) and surge capabilities. Local communities' capacity to supply permanent or transient housing at affordable costs should also be considered.

RECOMMENDATION 2: Initiate Service leadership discussion of the military and other purposes to served by the provision of barracks reflecting the input of military leaders on the prior recommendations, establish broad assignment parameters, with authorized latitudes to preserve Service ethos (i.e., who must be housed; who may be housed). Identify space and amenity requirements and related costs for intended users.

ISSUE 3: SUITABILITY CRITERIA FOR BACHELOR HOUSING

The Defense Department has published detailed community family housing "acceptability" criteria in *DoD Housing Management, Sep 93*. No similar criteria have been established, however, for off-base bachelor housing or for barracks.

DISCUSSION: According to the Defense Department, 44 percent of the enlisted force and 27 percent of the officers are unaccompanied. Again, actual numbers and percentages range widely by Service. For many years, only senior enlisted (E7-E9) and officers received housing allowances to live off-base, but there is an on-going effort to extend that option to E6s, including those permanently assigned to shipboard duty. Additionally, the privilege is extended to E5s and below when there is not enough on-base billeting space.

For some time, the added cost of housing allowances and the feared effects of this loss of leadership in the barracks have led to a reluctance to let senior enlisted personnel move off base. The current emphasis on improved quality of life is changing this perspective, however, and more bachelors are expected to live in the private sector in the future.

Although 18 percent of military bachelors live in private housing off base, the department has not identified acceptability and suitability criteria for off-base bachelor housing. Also, because housing referral services have traditionally served families, most of them are located in the Military Family Housing office, leaving bachelors to fend for themselves. Neither are bachelors surveyed, as military families are, about whether they consider their community dwellings suitable. If the department's goal is to provide or facilitate access to affordable, community-comparable, quality housing for all active duty personnel, off-base suitability criteria should be also established for bachelor housing.

Finally, as for Military Family Housing, the system has no suitability criteria for barracks. This makes determining the true condition of barracks spaces more difficult. Bachelors perceive these systemic omissions as inequitable treatment.

RECOMMENDATION 3: Set suitability criteria for bachelor housing—both in barracks and off-base— covering quality, cost, size, condition, amenities and, where relevant, location.

- **Require the Services to identify barracks/spaces that fail to meet these criteria and explain the reasons.**

- **Reimburse part of the Basic Allowance for Quarters to anyone assigned to barracks/spaces that do not meet these criteria.**

- **Direct the Services to provide bachelor personnel with housing referral services tailored to their specific needs, and encourage them to use the service.**

ISSUE 4: BACHELOR HOUSING FUNDING—INSUFFICIENT AND UNFENCED

For longer than the All Volunteer Force has been in existence, barracks resourcing has been unable to keep up with evolving departmental privacy and space directives; member aspirations for improved quality and amenities; and to prevent the big maintenance and repair backlogs from growing steadily. This resource gap is aggravated by opportunities to use barracks funds (which are mixed with other base operating support funds) for other needs. Indeed, some Service systems do not even track the specific utilization of funds for barracks.

DISCUSSION: The Defense Department considers 119,000 of its barracks spaces "sub-standard," (i.e., failing to meet vague, subjective standards of space, privacy, quality or condition). The relative infrequency (about once a decade) with which space and privacy standards have changed for facilities with life expectancies of 50 years or more exacerbates the problem and results in a wide range of living conditions on installations. For example, an E4 may be assigned to a poorly maintained 1960s-vintage barracks, with two or three roommates, each getting 90 net square feet, with a central bathroom down the hall, only to find a coworker living in a modern, pleasant barracks built in the 1990s, with a private sleeping room of 110 net square feet and sharing a bathroom with one other person.

Inadequate resourcing magnifies the problem. Members often live with double or more the design-intended number of roommates. Concerns about storage, noise, tension and privacy

multiply exponentially, as do wear and tear on furnishings and structures. Some barracks go unrenovated but remain in use for decades beyond their design life. Inadequate, inconsistent, and untimely resourcing makes long-range corrective programs impossible to plan and execute.

Barracks funding is insufficient for many reasons. Funding requests are shaped by the total obligation authority, which the Defense Department provides each Service at the start of the budget-planning cycle. That sizes the pie, which must then be sliced to balance other priorities.

The growing demands of multiple programs attendant on the primarily married All Volunteer Force complicate decisions involving the quality of life slice. Services, and different leaders within them, put different emphasis on quality of life overall and on barracks in particular. Last, and by no means least, the Defense Department or the Congress often trim Service fund requests for barracks construction, operation, and maintenance, and funds appropriated for these purposes can be shifted to other uses on post.

The Services, generally, and most local commanders oppose *fencing* of barracks funds, believing that they need their flexibility under the current accounting system. Like family housing funds, however, barracks funds should be *fenced* to: ensure the sufficiency of Service funding requests; give visibility to the use of appropriated funds, and give barracks funding emphasis comparable to family housing. The department, working with Congress, can find flexible alternatives to diverting barracks funding that will better assure funding for international, national, and local contingencies of whatever magnitude.

RECOMMENDATION 4: Set priorities for addressing barracks problems, as follows:

- **Request appropriated funding to retire the backlog of barracks maintenance and repair in eight years or less and thereafter provide enough current funding to prevent future backlogs.**

- **Renovate or replace barracks. Renovate to not worse than current standards and replace at the new construction standard (or approved Service alternative).**

- **If enacted to include barracks, aggressively apply the legislative authorities being considered by the 104th Congress to obtain and use private capital in funding these priorities.**

- **Seek authority to fence barracks operations, maintenance, and repair funding and require Service accounting visibility of requirements and execution.**

- **Accommodate bachelor housing within the proposed *Military Housing Authority* to optimize all aspects of its delivery.**

- **Consider funding Basic Allowances for Quarters and Variable Housing Allowances for all barracks residents, rolling over funds to the new, fenced "Bachelor Housing Operations and Maintenance Account." These funds would help to cut backlogs in the near term, enable payment of partial basic allowance rebates to bachelors who are**

unsuitably housed in barracks and, ultimately, serve as part of the initial funding stream for bachelor housing within the *Military Housing Authority.*

ISSUE 5: MANAGEMENT AND OPERATION OF BARRACKS

Do current management and operation of barracks provide the efficiency, effectiveness and —above all—the customer service that contribute to personal readiness, morale and retention? If not, what improvements should the Defense Department provide or direct?

DISCUSSION: Preceding issue discussions point to a number of factors that seem to reflect a lesser departmental and Service emphasis on bachelor housing than on family housing. These have led to perceptions of systemic inequity and unfairness.

Local management of barracks was designated a major issue because it was a source of great frustration for residents, as told to members of the Task Force and as they observed themselves. Although Air Force personnel are more satisfied with barracks management, the types of management-related problems mentioned are sufficiently common and widespread to merit general discussion and associated recommendations. The most frequently mentioned complaints concern: management policy; staff training and professionalism; maintenance, supplies and furnishings; and administrative requirements and data systems.

Management policy. Services, and even bases within Services, have different management policies. Some Services separate transient-personnel and permanent-party barracks management. Some operate transient-personnel housing as a non-appropriated fund instrumentality, thereby facilitating personnel and procurement processes. Some are heavily staffed by civilians; others rely primarily on a military occupational specialty that encompasses barracks management and other areas of personnel support; some use a mix of civilian and military managers and staff.

The Task Force finds that Defense Department management guidance for barracks is inadequate to the task. What the focus and broad criteria of an effective barracks management system should be, and how it should operate, are questions that merit thoughtful examination and articulation by the Department and Services. Follow-on guidance should calibrate all such systems and actions.

Training and professionalism. Unprofessional management and indifference to customer needs cause barracks residents great frustration. Some Services fill barracks staff jobs with junior military or lowest grade civilians without any job-specific training. Many of these employees learn the job by observation or on-job training; but others aspire to move so rapidly "on and up" that they do not learn it at all. Only two Services (Air Force and Army) offer a continuum of quality training. In at least two Services, most overseeing, officer-level personnel have little or no experience with barracks, hotel or motel management.

A move already under way would combine Air Force and Navy training for residential management. This is an area that would benefit from fully joint training, using principally the American Hotel/Motel Association training vehicles and curricula for military application. Further professionalization can be achieved by adequate staffing standards, objective evaluation, personal accountability for assigned tasks, customer service and opportunity for growth and upward mobility. All are needed in any new system.

The management and operation of barracks are prime areas for inclusion in a *Military Housing Authority*. The only function requiring military execution is control of order and discipline in

barracks. Staffing the other managerial positions with civilians would lend needed continuity and expertise. It would also free up numbers of military personnel, who are, for some period of their career, diverted to this employment without specializing in it. Careful consideration must, however, be given to sea/shore and other Service rotational patterns.

Maintenance, supplies and furnishings. Management, whether civilian, military or mixed, must be given the tools to succeed. It currently lacks too many of these, namely dedicated, responsive maintenance, sufficient supplies and adequate furnishings. Shortfalls are attributable, in whole or in part, to insufficient operating and maintenance funding.

Members of the Task Force find that management of furnishings, however, is a "hot button," and one that is justified, among barracks residents who aspire to a decent living environment. Room furnishings used every day by young people, who are reassigned every two to three years, age more quickly than those in private homes. The hotel and motel industry standard calls for replacement of all a room's furnishings every seven years. The Services, which today replace anywhere from every 10 years (Air Force) to 20 years (Marine Corps), are seeking policy and funds to enable replacement every 7 to 10 years. *The Task Force strongly endorses* this change, having seen the condition of much of the furniture.

Furnishings are a problem for another reason. U.S. Code, Title 18, in effect requires use of Federal Prison Industries as the primary source of barracks furnishings. This is not the Services' source of first choice. Prison furniture costs 10 percent to 50 percent more than commercial furnishings, deliveries take longer (up to a year), workmanship quality is uneven and customer service is poor. To satisfy their housing customers, managers need greater system flexibility and responsiveness as well as access to better quality, more durable furnishings than prison industries offer.

Administrative requirements and data systems. Finally, barracks management must have a state-of-the-art, real-time, Service-wide data system—and expertise to operate it—to keep their business records and to meet the growing burden of reporting requirements from multiple sources (e.g., resident demographics; plant property maintenance and repair tracking; cost of services). Both data systems are lacking or are merely incipient in most Services today, and interconnectivity across Service lines is virtually nil.

RECOMMENDATION 5. Delineate broad guidelines, goals and requirements for an efficient, customer-oriented system for managing and operating barracks housing. The following changes are recommended:

- **Convert barracks management to a professional, largely civilian-run organization that stresses customer service and efficiency. Take private hotel and motel industry practices as the organizational model and include incentives based on upward mobility, customer satisfaction and other achievements.**

- **Ensure that any new management and operation system supports the military purposes for providing barracks and preserves order and discipline among residents.**

- **In conjunction with the Services, identify finite barracks data recording and reporting requirements, and provide a joint, or at least, interconnective data system. Use existing commercial systems and programs wherever feasible.**

- **Seek relief from Title 18 provisions that make the Federal Prison Industries the primary supplier of all barracks furniture.**

RELATED ISSUES

Like family housing, bachelor housing has a number of related issues that merit discussion and recommendations. Some of these, such as activity infrastructure, housing referral and security and safety, apply equally to bachelor housing but have been adequately addressed under family housing related issues. Others include: amenities in barracks; rules and regulations; and overseas bachelor housing.

RELATED ISSUE 1: AMENITIES

Base visits *convinced Task Force members* that too many barracks have been placed on available land without thought to creating an attractive, welcoming neighborhood, convenient to other facilities. *The Task Force finds* that the barracks renewal programs must start with cohesive plans for visual appeal and neighborhood convenience, perhaps something like the dormitory quadrangles on many college campuses.

DISCUSSION: The modern college dormitory–sized room and amenities or the average mid-grade hotel room would accommodate the expectations and aspirations, previously discussed, of the predominantly 18-to-25-year-olds who comprise the vast majority of permanent party barracks residents.

A number of amenities are highly desirable:

- A reasonably sized room should include adequate storage for military gear and personal possessions.

- A private bathroom shared by only assigned roommate(s).

- Sufficient, accessible and operational washers and dryers.

- Installing private in-room telephones and cable TV lines, in particular, would remove a major source of residents' frustrations over barracks life—and at a relatively small cost. Most Service members would willingly pay their own monthly telephone and cable bills to avoid standing in line at telephone banks or going to recreational facilities to watch cable television. Every Service is deficient in providing this individual hook-up capability.

- Deploying members could be given an opportunity to rent clean, safe, secure storage areas for their possessions and to insure them. Some facilities and Services already provide or contract to meet these needs.

- Security lighting in barracks and adjacent areas is known to reduce crime and anxiety.
- Communal gathering places could be provided, with an adjacent kitchen or microwave facility, preferably on each building level.

- Since not all first-term enlistees have cars, many of them would like to live within walking distance of food sources (dining halls and fast food outlets), fitness centers and other recreational services.

ANCILLARY RECOMMENDATION 1: Commit to providing in the near future achievable amenities such as telephone and cable TV access, adequate laundry equipment and secure storage for personal possessions and vehicles. Begin to develop plans, within funding limits, for longer term improvements such as neighborhoods that invite a sense of community; offer easy access to key services, and renovated or new barracks with contemporary amenities.

RELATED ISSUE 2: OVERSEAS BACHELOR HOUSING

Providing affordable, safe housing for bachelors assigned overseas has confounded the Services and its members for many years.

DISCUSSION: Many U.S. military bases overseas have barracks but of varying quality, sometimes far lower than customary in the United States. In many locations, the Services have leased off-base, hotel-like accommodations.

Sometimes during crises of indefinite duration, personnel have to live in tent encampments. In the short-term, such arrangements can positively influence unit cohesion, mission focus and determination to overcome daily annoyances to get the job done. However, long-term use of this type of housing furthers neither morale nor retention of high-quality personnel.

The U.S. government has been as reluctant to commit Military Construction funds for overseas construction and renovation of barracks as for family housing. In addition, legislation requiring use of American-made materials by U.S. contractors applies equally to barracks construction. These provisions often result in inconveniences and discomfort for U.S. military bachelors ordered to serve overseas.

ANCILLARY RECOMMENDATION 2: Support the elimination of "buy and construct American" legislation and aggressively work with the Congress to increase appropriations for Military Construction and Operation and Maintenance funding, of barracks overseas (especially in Korea and Italy). At the same time, enlist the support of the Department of State and the Commerce Department to obtain foreign funding to build quality housing for U.S. military use.

RELATED ISSUE 3: RULES AND REGULATIONS

The very existence of different rules and regulations for barracks residents and residents of family housing is regarded by some members as inequitable treatment and is a source of great dissatisfaction.

DISCUSSION: Experience teaches that different, usually more stringent, rules are needed for groups of unrelated individuals sharing living space than for families. Communal rules are intended to ensure that the one individual's rights do not impinge on the rights of others or of the group. Appropriate order and discipline must also be maintained, as they are key to success in the military and to the development of adult life-skills for society at large.

Nonetheless, Service-wide reviews of local regulations are appropriate. Wherever feasible, Service standards should be developed for across the board application and only under special circumstances should local amendment be permitted. These general Service standards would not be intended to support any reduction of necessary regulation, but to encourage the Department and Services to ensure the removal of needless, unproductive irritants.

ANCILLARY RECOMMENDATION 3: Direct the Services to review local barracks' rules and regulations. If possible, set a concerted single-Service standard that supports communal living, order and discipline, Service acculturation and ethos reinforcement, the highest standard of cleanliness and a sense of personal responsibility. Elimination of pointless regulatory requirements is encouraged.

Stages 1 and 2: Immediate Relief and Preparation

Task Force recommendations planned for the first two stages (Exhibit 2-2) are expected to relieve some of the housing shortcomings and lead up to the complete transformation of the delivery system in Stage 3, with the creation of the *Military Housing Authority*. Stage 2 also contains proposals to address:

- Misconception, inequities and inefficiencies caused by current policies
- Delineation of suitability criteria for both private sector and military housing
- Relief from cost-escalating laws, regulations and standards that needlessly run up costs
- Improved funding (allowances) and use of funds
- Specific attacks on a number of issues of immediate concern to installation commanders, members and spouses.

Stage-1 and -2 initiatives, aggressively implemented over 24 to 36 months, should significantly mitigate today's problems. However, both systemic problems and irreconcilable opposition persist between funding availability and needs. *The Task Force therefore finds* that Stage-1 and -2 initiatives are not enough. That is why it *recommends* the creation of an entirely new housing delivery system in Stage 3—the *Military Housing Authority.*

Stage 3: The Military Housing Authority

This major change encompasses funding, design, development, maintenance and management. The authority's mission, organizational and financial, should be modeled after those of successful state quasi-governmental agencies in 48 of the 50 United States and the Australian Defence Housing Authority. Agencies such as these enjoy wide acceptance with the financial community and have produced substantiated numbers of quality housing.

Why start over?

The inescapable realities that confronted the Task Force at every turn shaped its ultimate recommendation to start over instead of tinkering with so seriously flawed a housing delivery system. These included the:

- Inadequate availability, maintenance and management of housing
- Historic lack of funding and insufficient housing allowances
- Strangulation of the housing delivery system by federal law, regulation and practices
- Frustration of many military members and spouses and their vocal unwillingness to endure hardship housing conditions and inadequate allowances
- Cost and time needed to make housing habitable by community standards.

Moreover, *members of the Task Force recognize* the probability that the Defense Department would be unable to deliver even the resources projected in the current five-year plan, in view of the national focus on balancing the budget and reshaping government and on other competing demands for funding.

After discussing three ways to do the job—privatization, outsourcing and corporatization— the *Task Force recommends* corporatization.

Privatization. Privatization would pass the entire responsibility for housing to an outside entity to run as a private business. It would be financed chiefly by private resources plus member rent and would draw on well-recognized housing industry expertise. Some Task Force members advocated privatization. Many others were concerned about possible conflicts between a private enterprise's profit-making motivation and the Defense Department's goal of providing access to

good, affordable housing. Individuals asked whether the department could discharge its housing responsibilities in the absence of real control over private industry. Also asked was how the department could ensure that changing operational needs were met upstream and how industry rents could be prevented from escalating.

Outsourcing. Under the Task Force's working definition of outsourcing, the Defense Department could hire a private entity to discharge all or some functions of the housing delivery system for contracted periods. After downsizing, American corporations have used outsourcing, relegating support functions, in particular, to outside businesses. The collective experience of the Task Force revealed that aspects of outsourcing, too, cause some concern. Some once enthusiastic outsourcers find that contracting out costs more and results in poorer quality services than anticipated. Consequently, some corporations are slowly reversing their outsourcing trend or contracting for one service at a time with larger, more specialized organizations—at a still greater cost.

Corporatization. The Task Force uses the Australian term, *corporatization,* to designate a private entity with public purpose, a concept already well in evidence in the United States at federal and state levels. The panel envisions the establishment of a private enterprise as a subsidiary corporation responsible for executing the Defense Department's family and bachelor housing functions and responsible to it. The *Military Housing Authority* would operate as a commercial enterprise using industry practices and means under private industry-related laws.

Functions and Composition

The *Military Housing Authority* would build, maintain and operate all military housing, using mainly private resources but also some government/member funding (see Financial Concept, below). The *Authority* would help its regional managers contract for privatized services ranging from development and financing to local maintenance and management. Through construction, revitalization and assistance to Service members purchasing houses, both family and bachelor housing would be gradually upgraded.

For the first three to five years, the *Authority* would submit frequent progress reports to the Secretary of Defense. The *Authority* would also submit an annual corporate report to the Secretary, who would present it to the Congress.

The *Authority* would function as a governmental corporation with a public purpose (delivering quality, affordable housing and managing housing assets). It would focus on providing service to its customers (the Defense Department, Service members and military families). It would not be responsible for tenant oversight, which would remain with the Services. It would be nonprofit, returning any net surpluses to the corporation. All stock would be held in the name of the Secretary of Defense.

As a nonprofit corporation, the *Military Housing Authority* would be exempt from taxation. Importantly, it would be relieved of federal procurement and military construction laws, regulations and standards; and would be exempt from civil service requirements. It would be well leveraged with departmental housing assets and authorized to buy, lease, sell, trade, borrow money and issue mortgage-backed bonds. The *Task Force envisions* limited application of scoring requirements, to apply to federal dollars at risk. Operations would be keyed to powerful information systems.

Perhaps, most relevant is the opportunity such operation affords to maintain departmental control over housing, a key issue for readiness and quality of life.

Organization

The *Authority* would be organized around a Board of Directors, an Advisory Board to the Board of Directors, an Authority Head Office under a President-Chief Executive Officer; area or regional management centers and a few local offices.

Board of Directors. An 11- to 15- member Board of Directors would be the *Authority*'s main governing body. Membership would include the Secretary of Defense, the Service Chiefs, the *Authority*'s President-Chief Executive Officer and a number of able, experienced professional housing and finance experts. Any other Service representatives would be identified by the Secretary of Defense. The board's functions would include mission, policy and oversight. The *Authority* would provide periodic program reports to it.

Nonmilitary directors' terms should be staggered to allow both turnover and continuity. These directors should be compensated to attract talent and underscore the *Authority*'s business character and independent responsibility.

Advisory Board. The Advisory Board to the Board of Directors would be responsible for discovering and bringing to the directors' attention changing Service needs, priorities and housing/personnel issues. The Advisory Board should include the personnel chiefs of the Services, the senior enlisted advisors and Service and civilian housing professionals. The Advisory Board would meet regularly to present reports and recommendations to the Board of Directors.

Head Office. Highly experienced professionals in housing, finance and systems would staff the Head Office. It should be led by a President-Chief Executive Officer, a well-qualified real estate professional with broad experience in housing and a familiarity with public policy. The President should be a well-paid, full-time employee of the corporation. Vice presidents for construction, property management, finance and systems, all established professionals from these fields, would assist the President. A small, but expert central staff, solidly supported by state of the art data systems, is contemplated.

Management centers. Since all functions would be accomplished by private contractors (e.g., developers and property management firms), regional management centers would be needed in areas of military concentration to let local contracts, oversee contract execution and carry out any other head office requirements. Centers would also work with local commanding officers and Service members to ensure customer satisfaction; and to identify needs and recommendations for the Head Office.

Local offices. Local offices would perform management center functions in areas where there is only an isolated military installation.

Financing

Upon its incorporation and establishment, the *Authority* would be capitalized with a contribution of Service-owned and controlled, on and off base military housing valued at market rates. Leased property would be included in the *Authority*'s assets. Some modest initial cash capitalization would also be necessary.

The *Authority* could raise additional capital by issuing mortgage-backed bonds secured by its housing assets. The amount of capital raised in this fashion would depend on capital requirements, as well as loan to value ratios acceptable to the financial markets. With these funds the *Authority* could undertake immediate improvements in unsuitable housing and develop new community housing on a priority schedule, if necessary. Additional bonds, backed by new housing, would be issued on a continuing basis.

Debt incurred through this mortgage bond mechanism would be serviced by the net proceeds of "rental" of the units to military users after deducting operating costs, replacement reserves and other costs of doing business. The moneys available for debt servicing would be a function of an appropriate ratio of income/operations/debt.

The "rental" payments would derive from the Basic Allowance for Quarters and Variable Housing Allowance paid to Service members using military housing. In this concept, it is anticipated that all Service members would receive Basic Allowance for Quarters/Variable Housing Allowance and that allowances of members living in *Authority*-owned housing would be paid over directly to the *Authority*. This "rental" concept offers the further advantage of providing the *Authority* with fenced income. An alternative would involve changing to a regional fair market rental system with the member required to pay a percentage and the government a differential. Such an approach would stabilize housing outlay by grade and help to eliminate inequity.

This concept would require an increase in the personnel account equal to the amounts not currently being paid to members occupying military housing. The increase in these personnel costs should be much less than it would cost to build new and repair existing housing. These personnel budget increases would be more than offset by elimination of housing construction and operations and maintenance budgets. In short, the *Authority* would be a vehicle for leveraging existing housing assets and a comparatively small departmental funding commitment (increased housing allowances) so that the large amounts of capital needed to defray the costs of satisfying military housing needs could be mobilized on the financial markets.

In any case, an annual funding stream would necessarily consist of corporation proceeds, member contribution and governmental contribution (whether the current allowance system or fair market rental).

Cost Implications

The Task Force was neither asked nor staffed to develop a comprehensive cost impact of its recommendations. We recognize, of course, that cost implications are a crucial ingredient. There will be a significant cost in human terms, as expressed through retention rates, of not doing anything about the condition of military housing. As the necessary cost analysis occurs, as it must, we are concerned that the traditional approach could easily understate the leverage of private sector capital and the power of the private housing marketplace.

Intended Benefits

A new housing delivery system means taking on an entirely new way of doing business—and some risk that everything may not work perfectly. Even imperfectly executed, however, it will produce and fix housing faster and better than what appropriated funding is likely to support. The new

system will: provide professional management, operations and maintenance; eliminate many inequities and major frustrations; and simplify the execution of departmental and Service housing responsibilities without eliminating them. Finally, the new system will enable housing to operate as a customer-oriented business.

Imperatives of Success

To succeed, the *Authority* needs enthusiastic support for the long haul. Military and civilian leaders, Service members and their families, Congress and the administration, the public and the media, the housing industry and financial leaders—all must be informed and charged up by the vision, goals and feasibility of the *Authority* concept. They must become vocal proponents and facilitators of success in small and large ways. Also needed are the time and talent to flesh out and test the specifics of the *Authority* organizational design and operating policy before stand-up.

Crucial to the success of the *Authority* is the selection of its first President-Chief Executive Officer, who must be an outstanding national housing authority and fully committed to this important task. Good or bad, this choice will indelibly mark the new institution. Eliminating the snarl of immobilizing legislation and regulations and designing new *Authority* legislation is equally crucial.

Finally, a sustained, aggressive effort must be made to address the inevitable anxieties that will surface in the *Authority*'s first five years: about change, about the enormity of the venture, about loss of control, and about the unknown. *The Task Force finds* that the *Military Housing Authority* is, among many solutions, the best for the Defense Department and the Services, for Service members and their quality of life and for overall readiness.

Family Housing Issue 2: Policies Governing Assignment of Family Housing

The Subpanel Co-chairs (Mr. Kim Wincup and Rear Admiral Roberta Hazard, U.S.N (Ret), support stronger wording of the recommendation to produce the desired outcome, specifically:

> The Services will *require* local commanders to exercise concern for the access of members in pay grades E1-E3, who are family housing eligible, to "suitable" housing in the private sector and/or military housing.

Both Co-chairs also advocate the Defense Department monitor annual Variable Allowance for Quarters survey results to observe the trend of E1-E3 with dependents who are unsuitably housed. In the absence of clear progress (i.e., reduction of percentages), they advocate stronger initiatives be introduced.

Family Housing Issue 2: Policies Governing Assignment of Family Housing

Subpanel member Chief Master Sergeant of the Air Force (Ret) Sam E. Parish strongly supports the basic recommendation and does not agree with the alternative view expressed by Mr. Wincup and Rear Admiral Hazard. His rationale follows:

> Commanders must have the leeway to manage their assets based on mission and needs. *Directing* commanders to exercise concern over a separate segment of their command, i.e., E1-E3s who are family housing eligible, can result in even more inequities and can severely penalize career enlisted members—the very members most needed for leadership and supervision for those being highlighted. *Let the commanders command.*

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ANNEX 2-B BUDGET "SCORING" AND HOW IT AFFECTS HOUSING

"Scoring" refers to how a financial obligation, such as a lease or a purchase of family housing is reflected in the federal unified budget. The rules for scoring are unique to the federal government and are important because they affect the options available for acquiring military housing. Changes in the rules for scoring long-term leases in 1990, effectively precluded further acquisition of family housing using this option. These changes, combined with a perennial shortage of funds for construction of new housing, has led the Defense Department and the Task Force to seek innovative ways to finance the construction of military housing.

Background

In 1983, Congress enacted authority for the Defense Department to enter into long-term leases as a mechanism to acquire housing with low initial budget cost. Under budget scoring rules in effect at that time, the cost of the lease was scored annually as lease payments came due. Leasing was attractive because of the low initial cost. Using this authority, more than 11,000 homes were built Defense-wide.

Use of this leasing authority to acquire new housing was stopped effectively after 1990, when the Budget Enforcement Act of 1990 changed the rules for the scoring of long-term leases.

The 1990 Budget Scoring Changes

The new scorekeeping rules, published in Office of Management and Budget, required the Defense Department to score the total estimated legal obligation of a long-term lease in the fiscal year the obligation is incurred. These revised rules required that the total capital cost of a housing project, plus a financing premium, be recorded in the year the lease is signed. This typically made the first year cost of leasing greater than outright purchase. In addition, the department was required to budget an annual payment for "interest" each year of the lease.

The changes in the budget scoring of leases were made so that the unified budget would better reflect the commitment made when a long-term lease was entered into—a financial commitment that has similarities to purchase. Proponents of the change argued that pre-1990 scoring provided an inappropriate incentive to use leases, rather than purchase, and that the financial commitment of the government under a long-term lease was not appropriately reflected in the budget. However, many believe that the changes went too far.

Impact on Housing

The current scoring rules, mutually worked out and agreed between Congress and the Executive Branch in 1990, made long-term leases so fiscally unattractive to the Defense Department that the authority enacted in 1983 has been condemned effectively to disuse.

Leasing is widely used in the private sector and the appropriate treatment of leases in private sector financial statements is relatively well settled. Because leases, and in particular long-term leases, are widely used in the private sector, government scoring rules that preclude them for Defense Department housing are suspect. The Task Force received evidence that, under certain

market conditions, leasing could be cheaper to the taxpayer than purchase and could result in earlier availability of needed housing.

While the Task Force is not recommending that the scoring rules be changed, it does believe that the rules should be the subject of further review and consideration to assure that the rules reflect leases and purchases equitably, and that mechanism for acquisition of a capital asset.

ANNEX 2-C HISTORICAL BACKGROUND OF HOUSING

The custom of government's furnishing or paying for lodging originated in pre-Revolutionary War America, when the British often quartered their soldiers in colonists' private homes without owners' permission. Angered by this practice, the framers of the Constitution, in the Third Amendment in the Bill of Rights, demanded an alternate means of housing the military, either by building government-owned facilities or by providing cash allowances for rentals or local purchases.

The Evolution of Housing Allowances

Military officers have normally been furnished living accommodations without charge. Officers not given government housing received cash payments for living off-post. Several methods of payment were used, including reimbursement of actual expenses for Army officers; and for Naval officers, a commutation payment of a third of pay. This practice continued until the Army and Navy Appropriation Acts of 1871 specifically prohibited additional allowances for housing. However, it did permit quarters to be furnished-in-kind, thus creating an inequity between officers living on and off-base.

Congress partly corrected this disparity in 1878, by authorizing a cash quarters allowance for Army officers—based on the number of rooms allocated according to rank. Naval officers had to wait until 1899 for equal treatment. Marital status did not become a factor until 1918, when as a temporary World War I measure, married officers living in the field or aboard ship were given commutation for quarters, heat and light, if their families did not live in government quarters.

Birth of current system. In 1922, Congress substituted a rental allowance for commutation for quarters, heat and light as the basis for payment—based on the average national monthly cost to rent one room. Marital status and family size were considered by authorizing more rooms for larger families. This system was changed in 1942, when a fixed monthly sum based on an eligible officer's pay period and dependency status was adopted—closely resembling the system used today. The Career Compensation Act of 1949 formally replaced the rental allowance with the existing Basic Allowance for Quarters.

Enlisted personnel—who were generally assumed to be single (a practice not fully eliminated until the 1970s)—have been furnished living accommodations at government expense or, if unavailable, a cash substitute. Not until 1940 was a similar entitlement recognized by law for enlisted members with dependents, and it covered only the top three pay grades. The Career Compensation Act of 1949 reinforced the housing or allowance entitlement, extending it to all career status enlisted members. The act also designated all non-career enlisted personnel (E1-E3 and E4s with less than seven years service) to be considered "single." This provision stemmed from the belief that unmarried enlisted personnel made better Service members—and were less likely to create a "social problem."

As a result of the large number of married personnel involuntarily ordered to active duty during the Korean War, the Dependents Assistance Act of 1950 established the "Class Q" dependent allotment for all personnel. It allowed a fixed amount of base pay plus Basic Allowance for Quarters to be included in the allotment and suspended earlier provisions

excluding junior enlisted personnel from the housing allowance system. Though originally intended to last only three years, these provisions were extended six times.

The Appropriation Act of 1962 increased permanent Basic Allowance for Quarters rates for pay grades E4 (with over four years service) through E9. It also removed the requirement for them to have "Class Q" allotments to receive Basic Allowance for Quarters, but it kept the "Class Q" allotment requirement for junior enlisted until 1971.

The All Volunteer Force. The Services' culture changed with the All Volunteer Force, with a much higher percentage being married. In 1973, Congress finally removed the provision that junior enlisted personnel were assumed to be without dependents. The same year, the Supreme Court gave married military women the same status as military men—allowing civilian husbands to be considered dependents.

The Defense Appropriation Authorization Act of 1977, permitted the President to allocate future pay increases to the three elements of compensation (Base Pay, Basic Allowance for Quarters and Basic Allowance for Subsistence) on other than an equal percentage basis. This was to allow progressive adjustments in the two basic allowance elements, so that over time they would more closely reflect reality. The law also allowed partial Basic Allowance for Quarters to members without dependents.

The pay adjustment mechanism was suspended in 1980 in favor of an across-the-board 11.7 percent increase to military compensation to make up for several years of inadequate pay adjustments. Congress also significantly increased compensation in 1981, with a 14.3 percent increase in Basic Allowance for Quarters and Basic Allowance for Subsistence, and a Base Pay raise of between 10 percent and 17 percent—depending on pay grade.

In 1985, Congress abandoned all adjustment mechanisms in favor of a new, restructured Basic Allowance for Quarters rate—based on actual personnel housing costs in different parts of the United States. It introduced the Variable Housing Allowance to help defray expenses when average housing costs exceeded 115 percent of the Basic Allowance for Quarters. It established that Basic Allowance for Quarters would be set at 65 percent of the national median housing cost (determined by survey), and that Variable Housing Allowance would be paid only where costs exceeded 80 percent of the national median. This provision was to ensure that no members would receive Variable Housing Allowance unless they were absorbing 15 percent of their housing costs from other compensation.

Defense Authorization Acts, since 1985, have by-passed the pay-adjustment mechanism of the 1977 law, with Congress establishing the compensation rate increases. This practice has gradually eroded the coverage of housing costs that the basic and variable allowances were supposed to provide. As a result, the absorption rate has risen from 15 percent to about 22 percent. No significant changes have been made to military compensation in 10 years.

Military Housing—A Historical Perspective

The first provision for military housing was made in 1782, when Congress authorized the Army to furnish one covered four-horse wagon and one two-horse wagon to a Major General. By the early 19th century, it became general practice to build quarters on-station for the commanding officer, a few senior officers and top-ranking enlisted men. The post quartermaster usually rented housing for other officers at no expense to them. Enlisted men, considered "single," lived

in tents, aboard ship, in the casements of forts, or in temporary wooden barracks. The few enlisted men who were allowed to get married had to fend for themselves. Their wives were considered little more than camp followers and many of them did laundry for the camp.

By the last decade of the 19th century, many of the small isolated western forts had closed. Forces were consolidated at larger posts, permitting better and more permanent housing to be built. Beginning in 1890, the U. S. Army Quartermaster Department produced a large volume of standardized plans for a variety of facilities, including housing.

Early in the 20th century, the Congress authorized a modest military housing construction program. By 1939, only about 25,000 family housing quarters existed throughout the Armed Forces (enough for less than 10 percent of the troops). World War II brought the first major increase in the number of family housing units, most of them rental units or temporary construction—authorized by the Lanham Act and other emergency legislation.

Modern Era. After the war construction dropped off. Although some shell or Quonset-type temporary houses were still being built and some existing temporary housing was being made more permanent, demand was far outstripping supply. In 1949, Congress authorized the Wherry Program, which enabled the construction of privately financed housing developments on government-owned land on or near military installations. The finished homes rented to military or civilian residents. Between 1949 and 1954, more than 83,000 homes were built under this authority.

In 1950, President Harry S. Truman established the Defense Housing Commission to study problems associated with housing military families. It resulted in the creation of the Armed Forces Housing Agency, which focused on family housing policy and status. Although the agency lasted only three years, it laid the foundation for the passage of a Defense Housing Bill, in 1954. This created the first significant appropriated fund housing construction program and 18,000 homes were built.

To overcome pitfalls that had beset the Wherry Program, Congress authorized the Capehart Program in 1955. It was designed to provide government-owned land for housing construction by private contractors who, after competitive bidding, obtained financing through the proceeds of 100 percent mortgages insured by the Federal Housing Administration. Once construction was completed, capital stock in the mortgagor corporation was delivered to the sponsoring military department. The military then assumed responsibility for operating and maintaining the housing and paying the mortgages (for a 25-year period). Residents of these units forfeited their Basic Allowance for Quarters. This program produced more than 115,000 quality homes before it expired in 1962. Concerns over financial losses by Wherry project owners and fears that the larger Capehart units would reduce demand for the Wherry units eventually led to government acquisition of all Wherry homes on or near military installations.

During the 1950s, the make up of the Armed Forces passed from 35 percent married to 45 percent, and the worldwide inventory of military family housing reached about 300,000 by 1960. To improve the use of resources devoted to family housing, Secretary of Defense Robert S. McNamara centralized family housing management and funding in the Office of the Secretary of Defense in 1962. He also advocated an increased use of military construction over private financing and supported an increase in Basic Allowance for Quarters—the first in a decade.

Although Secretary McNamara intended to devote significant resources to improve the quantity and quality of housing, the growing conflict in Vietnam eventually caused a redirection

of departmental priorities. Nonetheless, about 8,000 new units per year were built during the 1960s and early 1970s—decreasing to about 1,000 a year by the end of the decade. In 1982, it was decided to refocus housing programs at the Service level and to return full management and funding responsibilities to them. This change carried with it the existing congressional stipulation that Military Family Housing operations and maintenance funding, once authorized and appropriated, would be "fenced" for that use by the Services. About 400,000 government-controlled homes exist today.

Attempts at Privatization. The Military Construction Authorization Act of 1984, created two third-party financing authorities for family housing, commonly called Section 801 and Section 802 housing (Title 10 U. S. Code, sections 2836 and 2837).

Section 801 was essentially a lease-build program, where the Services signed a 20-year lease/purchase agreement with a private developer, who built homes to military specifications, either on government or privately owned land. Residents were assigned to the homes in the same manner as other government-operated housing—with full forfeiture of Basic Allowance for Quarters. Once initial start-up issues had been resolved, private developers as well as the Services were strongly interested in the program. Under this program authority, 11,100 homes were built Defense-wide, between 1985 and 1995 —although none were authorized after 1991.

Section 802, on the other hand, was a rental-guarantee program for developers. Under 25-year agreements, the Services guaranteed developers a 97 percent occupancy rate or subsidy payments on vacancies beyond that rate. These developments could also be on government-owned land. Military members would be given first priority to rent the homes—paying the developer directly—with rents based on local Basic Allowance for Quarters/Variable Housing Allowance levels. Vacant homes could be rented to civilians if no military were interested in them. However, since Basic Allowance for Quarters/Variable Housing Allowance is by design 15 percent below the median national housing costs, little interest developed in this program. Only one successful project has been completed—276 units at Marine Corps Base Kaneohe Bay, Hawaii. This program failed mainly because its financial incentives to developers did not offset its inherent high risk.

Real estate outleasing *(Section 2667)* is another method tried to acquire family housing. This program makes non-excess government land available for leasing by developers. The developers build housing on it, with terms of up to 99 years. Rents are based on Basic Allowance for Quarters/Variable Housing Allowance rates for the first year and are adjusted for inflation thereafter. Members execute individual leases with the developers and collect Basic Allowance for Quarters/Variable Housing Allowance. No rental guarantee is provided—developers assume all risks. Only one successful project has been completed to date, 220 units at Fort Ord, California.

Initially, these programs, and in particular Section 801, showed great promise as a means to acquire additional housing—without the large up-front appropriations required in traditional military construction. The Budget Enforcement Act of 1990, however, changed the situation. The Office of Management and Budget now requires the total obligation remaining—the full value of the lease—to be *scored* (a method of accounting for federal government liabilities) against the current fiscal year's appropriation. Changes to Title 10 also limit the government's liability to an annual appropriation, which discourages long-term private investment. Since none

of the Services can afford these pay-as-you-go rules, the Section 801 program has failed to reached expected goals.

In some, especially high-cost, housing-short areas, the Services execute annual leases with local landlords. These homes are then provided to military members, usually on a temporary basis (as when revitalization of military housing displaces the residents), like any other government-controlled housing. Other programs have involved the outright purchase of existing homes and in some cases entire developments by the Services.

Bachelor Housing Efforts. The number of barracks steadily increased after the turn of the century, and especially during World Wars I and II. Most of these buildings were open-bay type construction, with central, communal bathrooms. Each bachelor had a bunk, a foot locker and between 60 and 72 square feet of floor space.

With the advent of the All Volunteer Force, it was recognized that living conditions for enlisted members needed dramatic improvement to attract, recruit and retain desirable people. In 1972, the construction standard was changed to single, double, or triple occupancy rooms (depending on grade), with a shared bathroom, a freestanding wall locker, and 90 square feet for junior enlisted (E1 - E4). Senior enlisted (E7 - E9) were granted 270 square feet each; mid-grade personnel received 135 square feet. Most Services invested extensively in barracks during the 1970s.

Construction standards again changed slightly in 1983, when the current 2 + 2 standard (two per room) was adopted. This also provided 90 square feet for junior enlisted—including closets or lockers—with bathrooms shared by four. The standard for E5s and above did not change at that time. In 1992, the Army received a waiver from the Office of the Secretary of Defense to build single-person rooms of 110 square feet, with a bathroom shared by two people. It also allowed rooms designed for E5-E9 to be based on 220 square feet (a whole module that includes two rooms and a bath). The Navy adopted this standard also.

Department and Service surveys show privacy and living space are two key quality of life issues for enlisted members living in barracks. At this writing, new construction standards proposed by the Office of the Secretary of Defense, are still being actively discussed.

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CHAPTER 3 PERSONNEL TEMPO

The drawdown has caused many Service members to question their long-term commitment and the prospect of a full career. The turbulence of consolidations and base closures has disrupted assignments and family life...[a]nd a high tempo has put an extra strain on selected units.

—*SECRETARY OF DEFENSE WILLIAM J. PERRY,* Briefing on Launching The Quality of Life Task Force Study, November 1994

INTRODUCTION

Secretary of Defense William Perry directed the Task Force on Quality of Life to "identify ways of reducing personnel tempo and turbulence." This *Report* provides initiatives to meet that objective by controlling operational tempo, leveraging the use of the Guard and Reserve, and providing more effective integration of contractor support.

As the study proceeded, five basic facts stood out. First, no clear, universally accepted definition of personnel tempo exists. Second, the profile of the active force and its operating environment have changed dramatically over the past decade. Third, the means of measuring personnel tempo varies widely among the Services. Fourth, while some personnel tempo is beyond the control of the Department of Defense, other elements can be influenced. Fifth, the consequences of excessive personnel tempo impair readiness and every other aspect of quality of life.

Personnel tempo is an intensely human problem. The most important finding about personnel tempo was not discovered in regulations, policies, or politics, but in the strained and weary faces of countless Service members. These people do their jobs with an encouraging enthusiasm, but at what cost? Technicians from the 429th Electronic Combat Squadron (EF-111s) at Cannon Air Force Base, Clovis, New Mexico told the Task Force that operational deployments kept them so busy that they did not have enough time to prepare for promotion exams—of the 55 eligible Staff Sergeants, not one was selected for promotion to Technical Sergeant! Another example of this intense personnel tempo occurred when AWACs and A-10 crews exceeded, in some cases, 200 days deployed last year. A Marine Expeditionary Unit deployed to Haiti only two weeks after returning from a six month deployment in the Mediterranean and off the coast of Bosnia, and similar exercises can be cited in both the Army and the Navy.

The Joint Staff defines *personnel tempo* as "a comparison of days in home port (home station) to days not in home port (home station) over a specific period of time." The Task Force adopted this definition, but added "time spent in deployed field activities while in home port (home station)." Since the Joint Staff does not include training exercises in its definition, this addition produced a more precise assessment of personnel turbulence and helped to ensure valid observations.

Using this definition as a baseline, a review of Service regulations revealed dramatic differences in accounting for personnel tempo. To eliminate this confusion, the Task Force adopted a simple formula: *1 day away* = 1 *day away.* This approach helped produce a more accurate measure of conditions throughout the Services. As Exhibit 3-1 shows, we have moved to a

significantly smaller force that is CONUS-based, going more places, preparing to do more and requiring greater proficiency:

EXHIBIT 3-1 PROFILE OF ACTIVE FORCE AND OPERATIONAL ENVIRONMENT

	1985	1995	Result
Forces	2.1 million	1.5 million	28 percent smaller
Basing	forward deployed	CONUS based	more deployments required
Threat	defined	contingencies uncertain	greater versatility demanded
Training	service unique	joint combined	more time required

Today's military volunteer deals with a mixture of contingencies and joint, combined, and *Service-specific* training and exercises. Some are within the control of the Department of Defense and some are not. Many of these contingencies and exercises are an important part of national defense and are accepted as a part of the military profession. However, exercises that can be controlled and do not contribute to national defense or provide incentives to military personnel should be eliminated. The *1995 Annual Defense Report to the President and Congress* stated:

> Since frequency and length of [deployments] can affect a family's stability, finances, and other aspects of living, the Department must commit to sponsoring programs for families who are affected by increased PERSTEMPO . . . the goal is to find a balance between mission and training requirements that draw Service members away from home and their need to spend valuable time with their families.

To improve personnel tempo, the department will have to streamline policies and find new ideas for managing innovative exercises and training. As a result of the information gathered during site visits, *the Task Force has made* several overarching observations which frame its recommendations:

- Personnel tempo issues are primarily policy driven, and may be significantly influenced by changes in regulations and standards.
- Programmed training and deployment schedules and tempo reporting require review.
- Legislative changes may provide opportunities to capitalize on innovative training techniques to leverage the Reserve Component for more effective integration into Active Component operations and training, and permit greater use of contract support.

Excessive personnel tempo has real consequences for military readiness. In his *1995 Report to the President and the Congress,* Secretary Perry summarized the correlation:

> *[R]eadiness is associated most closely with the morale and espirit de corps of U.S. soldiers, sailors, airmen and Marines. These intangibles are maintained by ensuring the best possible quality of life for people in uniform and their families. Quality of life falls into three general categories: standard of living for Service members; demands made on personnel, especially time away from family; and other ways people are treated while in the Service.*

Personnel tempo focuses on the second of these three categories: demands made on personnel, especially time away from family.

Operational Tempo

Introduction

Operational tempo is the essence of the Department of Defense. A look at the U.S. military presence anywhere in the world reveals a strong, capable, tenacious force. Today's military is one of the most active in the Nation's history. It is also a forward-looking military, one that must, in addition to being able to fight two simultaneous major regional conflicts, conduct operations other than war with consummate professionalism. For example, U.S. troops were able to make the transition from an invasion force to an occupation force in a matter of hours during Operation Uphold Democracy in Haiti.

Operational tempo is divided into: (a) National Command Authority-directed operations—such as Provide Comfort in Northern Iraq, Uphold Democracy in Haiti, and Deny Flight in Bosnia, and (b) combat training. Although the Department of Defense does not control emergency contingency operations, it can make adjustments in the pace of combat training.

The evolving roles of the military and the imperative of retaining high-quality personnel requires a *right sized* operational tempo. This means assuring readiness of the forces while, at the same time, creating a quality of life that attracts and keeps top-notch members of the Armed Forces. Right sizing must take into account contingency operations conducted mainly in response to emerging events in a complex multipolar environment. Most deployments are accepted in stride by professional Service men and women. What needs to be controlled are deployments outside the necessary which cause unanticipated, long-term burdens on military members and their families. Right sized operational tempo achieves a sensible balance between controllable operational training and peoples' needs.

For example, "[V]ery long deployments, and more time under way when not deployed, are associated with lower first-term retention," according to a 1992 *Personnel Tempo of Operations* study from the Center for Naval Analysis. The study also said that, "The effects are largest for married sailors (about one third of those making reenlistment decisions), and sailors in relatively sea intensive ratings."

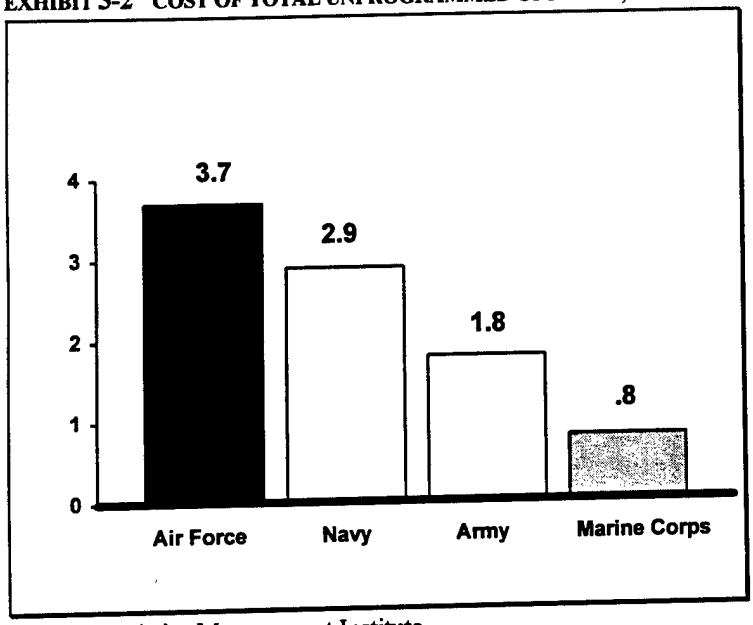
Moreover, unprogrammed contingency deployments—such as Bosnia, Somalia, and Haiti—absorbed Operations and Maintenance funds which, in turn, adversely affected training,

maintenance of equipment and bachelor housing, and other quality of life enhancements. As noted in the Secretary's *1995 Annual Report to the President and the Congress:*

> When called upon during crises, America's armed forces continue to react swiftly and decisively. However, when unbudgeted missions arise, O&M [Operation & Maintenance] funds often must be diverted from forces not involved . . . . When O&M dollars and other resources decline unexpectedly, readiness will suffer unless those resources are replaced and/or supplemented expeditiously.

It is doubtful that the diversion of funds from quality-of-life issues can continue without impairing future readiness. This diversion of funds comes about because the Congress, as a matter of policy, will not fund for contingencies in advance. When supplemental funding is finally provided to cover the costs of operations, the damage from this diversion has already occurred months or years earlier. This situation continued in Fiscal Year 1995 as Congress required full justification for all contingency costs incurred.

EXHIBIT 3-2 COST OF TOTAL UNPROGRAMMED OPTEMPO, FISCAL YEAR 1995 ($9.2 billion)



Source: Logistics Management Institute.

Frequent unprogrammed deployments, numerous training activities generated by Combatant Commanders in Chief, and traditional inspection activities directed by the Military Departments all lead to increased personnel and operational tempo and challenges in managing the Active Force in an uncertain operational environment.

In a recent comprehensive survey of Army personnel conducted by the U.S. Army Research Institute for the Behavioral Sciences, officers placed family separation fourth of 53 reasons for leaving or thinking about leaving the Army. Enlisted personnel placed family separation third of 53 reasons for leaving or thinking about leaving the Army.

This *away time* ultimately causes financial burdens for Service members, as well as serious family problems such as spousal and child abuse, substance abuse, and divorce. An increase in

dependency on family support services further diverts much needed training, maintenance, and modernization dollars. As Service members and their families perceive an erosion in their quality of life, they will look for less stressful, more satisfying lives elsewhere, with adverse effects on retention:

> In a quality-of-life town meeting held by the Task Force, a spouse said that significantly increasing deployments and training—time away from families—leads to distressing personal problems in the housing areas. She related that instances of substance abuse and spousal abuse among her stressed-out neighbors are getting so bad that she can no longer shield her children from its adverse effects. She tearfully stated that when her husband returned from his current deployment, she was going to tell him that they should get out. She told the Commander that the Armed Forces would not only lose a great senior enlisted member, but that she would also discourage her two children from ever considering the Service as a career.

A right-sizing in operational tempo that can be controlled by the uniformed military is essential to relieve overall personnel tempo pressures. That is why the added value of every training exercise, deployment, and temporary duty assignment should be closely evaluated.

CONCERNS AND STRATEGIES

Task Force concerns and findings in the area of operational tempo revolve around nine broad categories: deployed time, joint operations, training, readiness and training oversight, simulation, operations tempo reporting, equipment tempo, non-deployable policies, and allowances.

1. **Deployed Time: Many Service members said they would like some manner of credit for routine training and deployments and for every other day they are away from home—"A day away is a day away."**

   Concern: Different Services apply deployment and training credit in different ways—additional sea pay in the Navy, an overseas control date in the Marine Corps, or credit for transfer to a less operationally oriented unit in the Army or Air Force. But, what is a normal deployment, and how long is a day? Each Service counts deployed time in different ways. For example, in the Navy, some sea/shore rotations can vary as much as three to five years in duration (based on occupational specialty). Assignment to the Combat Arms in the Marine Corps can mean deploying more than 50 percent of the time. And certain skills in the Air Force, for instance AWACs or A-10 crews, deploy as much as 75 percent of the time. The Navy only credits a unit—not individuals—with a deployment when underway time exceeds 56 days—the Marine Corps, over 10.

   Strategy: A day in the field at Fort Stewart, Georgia, is the same as a day in the field deployed to Panama. The Department of Defense should standardize the methodology of counting time away as deployed time using the simple formula: *1 day away = 1 day away.*

2. **Joint Operations: There is a perception that operational tempo has increased mostly as a result of Joint Task Force contingency operations. This is not necessarily so. For example, Operations Provide Comfort in Incirlik Turkey (providing protection for Kurds in northern Iraq), Deny Flight (preventing air incursions over Bosnia Herzegovina), and Southern Watch (providing protection for Shiites in southern Iraq while protecting the northern border of Kuwait) are not large contributors to high operational tempo (with the exception of operation Sharp Guard where Navy units are conducting embargo operations off the coast of Bosnia).**

Concern: Joint exercises have grown in scope and numbers. U.S. Central Command has over 150 exercises scheduled within its Area of Responsibility in 1995 alone. Another driver of high operations tempo is *Service-unique* training, which is conducted separately from joint training or exercises.

Strategy: More effective joint operations (which include *Service-unique* training) can prevent deployment and training redundancies within the Services.

3. **Training: Originally, the Joint Chiefs of Staff exercised operational control over every element of the Armed Forces in each command and designated one of their members as executive agent with operational command and control over all forces within a particular unified area. The Goldwater-Nichols Act of 1986 specified that the chain of command to a unified combatant command would run from the President to the Secretary of Defense to the commander of the combatant command (there are currently nine unified commands). Goldwater-Nichols gave these Commanders in Chief (CINCs) and the Chairman of the Joint Chiefs of Staff, as well as the Joint Staff, substantially increased responsibility for operational matters including exercises, deployments, and mission tasking of forces.**

Concern: The CINCs have authority to mandate joint exercises with forces assigned to their commands. This creates a disconnect between the Service Chief's responsibility for training and the CINCs responsibility for being prepared for war. Yet the Service Chiefs retain the responsibility, together with the Service Secretaries, for organizing, training, and equipping the forces assigned to the CINCs. Thus, responsibility for managing operational tempo matters is divided.

Strategy: The Service Chiefs should be given clear responsibility by the Secretary of Defense for managing operational tempo within their departments so that a better balance can be achieved between force readiness and quality-of-life issues. In this regard, the Service Chiefs, as members of the Joint Chiefs of Staff, can play a more active role in managing the exercise activities generated by the CINCs and in fostering the use of new techniques to conduct joint training while minimizing operational tempo for Service members. The Joint Chiefs of Staff, Combatant Commanders, and Military Departments (Service Chiefs) should review mission taskings in connection with Program Objectives Memorandum development and the budget decision process.

The Chairman of the Joint Chiefs of Staff believes that combining *Service-unique* and joint training is probably the best way of reducing operational tempo. There are three necessary levels of training: (1) global and theater strategic training, (2) joint task force-level training,

and (3) *Service-unique* training. By careful advanced planning, the combining (or layering) of this training can be accomplished simultaneously during the same exercise, thereby reducing the time required to accomplish the three separately. Admiral Paul Miller, former commander of United States Atlantic Command, described this combination or layered approach as *Tiered Training*. To further reduce training time, as well as wear and tear on troops and equipment, any level of training—or combination of levels—can be conducted using tactical exercises without troops (TEWTs), simulations, distance learning, and other technologically advanced techniques.

4. **Readiness and Training Oversight: With their responsibility for fielding trained forces for the CINCs, the Service Chiefs must be involved with training oversight and capitalize on new training techniques to right size personnel and operational tempo.**

Concern: Currently, there is a need for more senior oversight of joint exercises and inspection activities of the Military Departments and the CINCs.

Strategy: Readiness and training oversight should be undertaken by an existing panel in the Joint Staff. The Vice Chairman as co-chair would share this responsibility with a Service Chief on a rotational basis to involve the Service Chiefs more closely by increasing their hands-on responsibility.

This panel would seek to develop a rational basis for right sizing joint exercise and Military Department inspection activities in relation to readiness. It would also review and foster support for new training techniques that reduce personnel tempo, such as interactive computer war simulations and tactical exercises which employ the minimum number of troops and materiel. The panel can oversee this system and incorporate its potential for distance learning. If this idea is to result in a true reduction of personnel tempo, the CINCs must remain involved in its planning and execution.

5. **Simulation: Technological advances in simulation open almost limitless possibilities and challenges for future military training. As General Paul F. Gorman explained:**

> *All military training save that from battle itself is perforce simulation; the most effective form of unit training is tactical engagement simulation that faithfully reproduces both interactions among weapons systems and the friction of combat, and that elicits intense concentration, like that of battle.*

Concern: In the next century, training for military operations involving a complex array of weaponry presents Service members with unprecedented challenges. Training time and resources will be at a premium. Therefore, the Services must meet these challenges with new training techniques that draw heavily on modeling and simulation.

The Battle of 73 Easting was the initial armor engagement of the Gulf War for the 24th Infantry Division (Mechanized). A battalion-sized reconnaissance element, spearheaded by young Army Captains of the 2nd Armored Cavalry Regiment in M-1 Abrams Tanks, crested a rise in the desert directly in the path of the Iraqi Republican Guard. The captains took the

initiative and attacked. After the battle, General Vuono, then Army Chief of Staff, asked them to explain the great success of their first battle. One of the commanders responded:

> *Sir, this was not our first battle. This was our 15th battle! We fought three wars at the National Training Center in Fort Irwin, California; we fought four wars at the Combat Maneuver Training Center in Hoenfels, Germany; and a lot of other simulations like SIMNET, COFT, and BCTP. Yes, we had been shot at before. Many times. This war was just like our training.*" [Source: Institute of Defense Analysis]

Strategy: This wartime example illustrates an obvious way to reduce operational tempo without decreasing readiness: increase the use of modeling and simulation in all training and exercises to help reduce personnel turbulence, cut deployment and travel costs, and capitalize on advances in electronic technology to improve force effectiveness. According to the Department of Defense Executive Council on Modeling and Simulation:

> *Defense modeling and simulation will provide readily available, operationally valid environments for use by DoD components to train jointly, develop doctrine and tactics, formulate operational plans, and assess war fighting situations; as well as to support technology assessment, system upgrade, prototype and full scale development, and force structuring. Furthermore, common use of these environments will promote a closer interaction between the operations and acquisition communities in carrying out their respective responsibilities. To allow maximum utility and flexibility, these modeling and simulation environments will be constructed from affordable, reusable components interoperating through an open systems architecture.*

The Services should be challenged to do more with electronic schooling to reduce the number of deployments, temporary duty assignments, and permanent changes of station. For example, the Army Intelligence School at Fort Huachuca, Arizona, has an extensive library of lesson plans and training materials on compact disks and computer mainframes accessible to students all over the world. In that regard, the Defense Science Board Task Force on Readiness final report made two main recommendations for:

- guidance in common modeling and simulation architecture and connectivity policy
- more user involvement and OSD oversight and coordination for simulation development in joint force training, joint and combined doctrine development, mission rehearsal and development planning, Reserve Component individual skill/collective training, combat and combat support exercises and evaluations, and communications systems.

Simulation works. Besides the example from the Battle of 73 Easting, many studies have shown not only the tangible benefits inherent in simulation, but also the advantages of doing the training at home stations instead of deploying:

- More battle runs in networked simulation increased scores in international armor competition—Kraemer and Bessemer (1987)

- No differences in performance of 55 field tasks by platoons trained using networked simulation and those trained in the field—Gound and Schwab (1988)

- Compared results from 714 platoons that received conventional training in the Armor Officer Basic Course with 39 platoons that received networked simulation . . . simulation improved field performance ratings by 25 percent and saved 20 percent of course time—Bessemer (1991)

Joint interactive simulations provide a virtual theater of war with economy, safety, reproducibility, visibility, and reality. They should be used as much as possible to increase training proficiencies and reduce operational and personnel tempo. For example, joint simulation warfare has been conducted for several years in the Combined Forces Command in Korea. These simulations use computer-generated scenarios to train the combined staffs at minimal costs.

6. Operations Tempo Reports: An operational tempo reporting system will give leadership a tool for detecting and tracking operational and training trends and requirements.

Concern: The Services must develop a reporting system that will help to control operations tempo by managing carefully diminishing resources and valuable time.

Strategy: The quarterly reports provided by the CINCs to the Secretary of Defense (with copies to the Joint Chiefs of Staff) should include actions the CINCs are taking (and planning) to decrease joint exercise activity and to capitalize on support by civilian contractors and Reserve Components to alleviate operational tempo problems. This would also help to focus attention on common problems and foster constructive dialogue to improve control of operations and training.

7. Equipment Tempo: Today's complex and wide-ranging operations and training (for both operational deployments and home station training) require vast expenditures for equipment and related maintenance and modernization.

Concern: In some cases, such as when equipment is pre-positioned for continuing use by rotating units in training areas, the adverse effects of equipment tempo exceeds those of personnel and operations tempo combined. This equipment must be constantly maintained—and modernized—which adds significantly to already high operational tempo costs.

Strategy: Any reductions in operational tempo must be tied to comparable reductions in equipment tempo. Conditions currently require additional funding for existing, modern equipment upgrades and maintenance. The Defense Science Board Task Force on Readiness noted this as an increasing problem throughout the Department of Defense:

> *All Services indicated the presence of a maintenance backlog and only the Navy thought it was manageable. The Air Force is watching it closely and the Army and Marine Corps expressed concerns about the impact of the maintenance backlog. A number of factors serve as catalysts for the maintenance backlog (unscheduled OPTEMPO, availability of spare parts, and availability of properly trained maintenance personnel to included Full Time Support personnel in Reserve Component units). Of particular concern is the projected growth of the backlog over the POM years.*

Instituting equipment maintenance and modernization programs may require an increase in current end-item allowances to all of the Services, but this investment is crucial to future preparedness. In his book *The Secret Of Future Victories* (Institute For Defense Analysis, Feb 92), General Paul Gorman, U.S. Army (Retired), relates that a cardinal lesson of U.S. wars in the 20th century is that the country pays with casualties in time of war for neglecting its Armed Forces during times of nominal peace. Given the reach and lethality of modern ordnance, the penalty for lack of preparedness for such a war could be devastating. Conversely, the reward for peace-time investments in readiness will reduce unnecessary causalities.

Modernization, then, is an integral part of readiness—tied directly to managing equipment tempo. Quality of life also extends to providing U.S. fighting forces with the best of equipment and the latest technology. This technological edge gives them a head start which will contribute directly to ultimate victory on future battlefields.

8. Non-Deployable Policies: Deployable units must be able to do just that—*deploy*. If not every member of these units can deploy, someone has to do double duty.

Concern: The realities of maintaining a ready military force of individuals necessarily includes taking caring of any Service members prevented from deploying with their units by unexpected circumstances. In its report to the President and the Congress, the Department of Defense emphasized this point as an important aspect of readiness:

> *The Department is strongly committed to studying the issue of nondeployability and its impact on readiness. To address this issue . . . under the leadership of the Assistant Secretary of Defense (Force Management Policy) the Department contracted the Logistics Management Institute to perform a comprehensive analysis of the impact of nondeployable personnel on readiness and equity. This study also will look at the degree to which individuals in Active component units, who are not deployable, are adversely affecting readiness. The Department is totally committed to studying nondeployables aggressively with the Services to facilitate an analysis for future reports.*

Strategy: The Department of Defense should enforce non-deployable policies. All personnel must be screened carefully for deployability before being assigned to highly deployable units.

In some instances, funding could be made available for the CINCs to consider drawing from a pool of Reservists (individuals and units) available on a volunteer basis to fill in for non-deployable Active Component personnel. Careful management of assignments will be key in identifying personnel who cannot be deployed because of skill mismatches, gender prohibitions, and inadequate dependent-care plans.

9. **Allowances: Although the department's ability to control contingency deployments is limited, it can better manage the financial impact of such deployments by properly compensating individual Service members.**

Concern: Clothing and separation allowances need attention. The Clothing Maintenance Allowance is provided to all enlisted Service members regardless of their occupational specialty. The fatigue or utility uniform costs about $60.00 to replace, but the clothing maintenance allowance is $50.00—for the entire year. Many occupational specialties do receive work uniforms at no cost to them. For example, pilots and aircrew members receive flight suits, tankers and armored vehicle crewmen receive nomex tanker suits, and warehousemen and mechanics receive coveralls. However, for many other Service members, fatigues or utility uniforms are their only uniform. As an example, Service members from the 25th Infantry Division and 3rd Marines said they wear out a pair of boots and several uniforms every time they train in the Pakoloa Training Area. The replacement of uniforms becomes critical for personnel who deploy frequently and wear out or ruin uniforms during routine, rigorous training, maintenance, and work-related duties. Their clothing allowance for the entire year does not equal the cost of one replacement fatigue or utility uniform.

Another concern is the manner in which family separation allowances are paid—starting only after the thirtieth day away.

Strategy: The Task Force recommends the direct exchange of unserviceable fatigues, utility uniforms, and boots throughout the Services for operational forces and supporting units at no cost to the individual Service member.

Payment of separation allowances should also be changed to begin on the first day of the deployment, and be paid for each day away rather than waiting for a 30-day accumulation.

RECOMMENDATIONS - OPERATIONS TEMPO

- **Negotiate procedures with the Congress to allow advance funding or quick reimbursement of costs—not off-sets—exclusively for contingency operations.**

- **Negotiate procedures with the Congress to allow funding for existing, modern equipment upgrades and maintenance.**

RECOMMENDATIONS - OPERATIONS TEMPO (continued)

- **The Department of Defense (particularly the Joint Chiefs of Staff) should judiciously manage non-contingency training activities by assessing the added value of every training exercise, deployment, and temporary duty assignment generated by the CINCs and the Military Departments. To that end, Service Chiefs should ensure that as much of their *Service-unique* training as possible is concurrent with joint training. The Chairman of the Joint Chiefs of Staff should also establish a Readiness and Training Oversight panel co-chaired by the Vice Chairman of the Joint Chiefs of Staff and a Service Chief to provide senior oversight of the Military Departments' joint exercises and inspection activities.**

- **The Department of Defense should standardize the methodology of counting deployed time using the formula: *1 day away = 1 day away.***

- **Quarterly reports by the CINCs to the Secretary of Defense (with copies to the Joint Chiefs of Staff) should include actions the Combatant Commanders are taking (and planning) to right size joint exercises. These reports should also include actions to capitalize on using the Reserve Component and outside contractors to reduce operations tempo.**

- **Capitalize on modern technology (e.g., distance learning, simulation, and gaming) in all training and exercises to reduce personnel turbulence and cut travel and deployment costs.**

- **The Department of Defense should enforce non-deployable policies—particularly for personnel assigned to highly deployable units.**

- **The Department of Defense should increase allowances and provide direct exchange for work uniforms to cushion the financial impact of deployments on individual Service members.**

- **The Department of Defense should increase allowances for family separation to be paid for each day away rather than waiting for a thirty day accumulation.**

RESERVE COMPONENT

Introduction

When the Secretary of Defense directed the Task Force on Quality of Life to identify ways of reducing personnel tempo and turbulence, he asked that the Task Force specifically look at how the National Guard and Reserve might by used to reduce the personnel tempo of the Active Force.

The year 1973 marks the most significant policy decision in the history of the Reserve Component. The Department of Defense established a Total Force Policy designed to integrate

Reserve and Active Forces, and to ensure a more capable and balanced overall force structure. Within this framework, the U.S. Army, for example, adopted the "*roundout*" concept of tying together Active Components and Reserve Component brigades to achieve full or Total Force battle readiness. The concept helped achieve closer integration and better training and trust—all necessary for war-time missions.

Without question, this Total Force Policy has brought the Active Component and the Reserve Component closer together than at any other time in history. Although a review of the results of this policy may produce a mixed assessment, facts show that adequate resources and training opportunities should be appropriately shared among Total Force partners. Such resources and opportunities are needed to ensure that the Reserve Component is ready and able to deploy seamlessly with the Active Component at any time.

Today the Defense Department has strong leadership and a strong mandate:

> *As the Armed Forces of the U.S. are being drawn down in accordance with our National Security Strategy, we continue to ask the Active Components to meet increasingly demanding operational requirements. We need to better leverage our National Guard and Reserve forces, which are well qualified and capable of performing some of these missions. In the Cold War, the emphasis for the Active Components was on fulfilling operational requirements, and the focus for the Reserve Components was on training for mobilization.* ***We need to reorient our thinking and plan to capitalize on Reserve Component capabilities to accomplish operational requirements while maintaining their mission readiness for overseas and domestic operations.*** SECRETARY OF DEFENSE MEMORANDUM, "Increased Use of Reserve Forces in Total Force Missions".

Yet significant obstacles still block the full use of Active and Reserve Components. Despite more than twenty years under the Total Force Policy, misconceptions about the Reserves and National Guard persist. Most Americans, for example, do not realize that thousands of Reserve Component volunteers serve on active duty every day in the United States and abroad. Many Americans are unaware that a substantial number of men and women in the Reserve Component are veterans of the Active Component. These members provide a wealth of valuable experience to their units at a fraction of the usual enlistment and training costs.

National Guard and Reserve units provide unique and essential core competencies to Commanders-in-Chief throughout the world. The Reserve Component contributes more than 120 crucial capabilities to the Active Force—21 of which represent 100 percent of that capability in the Total Force. Some of these 120 crucial capabilities are listed in Exhibit 3-3 (below):

EXHIBIT 3-3 **EXAMPLES OF RESERVE CONTRIBUTIONS TO THE TOTAL FORCE**

National Guard and Army Reserve	37 Civil Affairs Units 13 Medical Brigades 29 Combat Heavy Engineer Battalions 24 Attack Helicopter Battalions 2 Special Forces Groups

EXHIBIT 3-3 EXAMPLES OF RESERVE CONTRIBUTIONS TO THE TOTAL FORCE CONTINUED

Naval Reserve	15 Cargo Handling Battalions 12 Mobile Construction Battalions (SeaBees) 6 Fleet Hospitals 1 Carrier Air Wing 9 Maritime Patrol Squadrons
Air National Guard and Air Force Reserve	5,069 Aeromedical Evacuation Crewmembers 250 Tactical Airlift Aircraft 627 Tactical Fighters 15 Special Operations Aircraft 36 Tactical Reconnaissance Aircraft 6 Airborne Warning and Control (AWACS) Crews (in training)
Marine Corps Reserve	2 Tank Battalions 1 Light Armored Infantry Battalion 5 Artillery Battalions 2 Light Attack Helicopter Squadrons 4 Fighter Attack Squadrons 2 Attack Squadrons
Coast Guard	351 Deployable Port Security Unit personnel

Although there are other examples, the success of the Total Force Policy is best exemplified by Desert Storm. In that operation, the 142nd Field Artillery Brigade of the Arkansas Army National Guard moved 350 kilometers in four days and fired more than 422 tons of ordnance in support of the British 4th Armored Brigade during the ground campaign. The British Commander recalled: "I was able to see the bombardment laid down in front of me. It was a sight I shall remember the rest of my days . . . the 142nd was firing over my head. For 45 minutes there was what I can only describe as a running roar as MLRS sub-munitions exploded . . . . By golly, they were good!"

Charlie Company, 4th Tank Battalion, U.S. Marine Corps Reserve, made the transition from M-60 to M-1 tanks in 18 days, deployed to Saudi Arabia only 5 days later, and fought and won. Another 4th Tank Battalion unit, Bravo Company, fought with M-60s and was credited with destroying 30 Iraqi armored vehicles and tanks.

During the Cold War, America's Reserve Component trained for mobilization readiness. Today, they maintain a higher state of readiness and capability than many regular forces of other nations. Such readiness is required to support current military operations around the world.

Recent and Current Operations

The role of the National Guard and the Reserves has continued to increase with the downsizing of the Total Force. In helping reduce the operational burdens of the Active Component force, its importance is growing.

During Desert Storm, about 250,000 Guardmembers and Reservists were called to duty in the largest and most successful mobilization and deployment of Reserve Component forces since the Korean War. More than 105,000 deployed to the Persian Gulf. Some of them saw combat, but the majority served in support roles.

In 1994, Reserve members were activated (or volunteered) to support the following operations: Restore Democracy (Haiti), Provide Promise and Deny Flight (Bosnia), Southern Watch (Southern Iraq), and Provide Comfort (Northern Iraq). During Restore Hope in Somalia, the Air National Guard and the Air Force Reserve provided all of the air medical evacuation of the wounded. Nearly 4,500 Guardmembers and Reservists were called to active duty in Haiti for Operation Uphold Democracy. Essential peacekeeping support included Creole linguists, civil affairs, military police, port security, aerial refueling, logistics operations, and medical evacuation.

Army and Air Force Guardmembers and Reservists also fought fires in the western United States using Army Reserve helicopters and Air National Guard and Air Force Reserve C-130 aircraft. The Marine Corps Reserve provided security for refugees in Cuba and operated and maintained equipment for deployed Active Component forces during Restore Democracy.

The current level of Reserve Component support to military missions is substantial. In operation Provide Promise in Bosnia, two thirds of the airdrop and air/land sorties were performed by Reservists. A composite unit of volunteers from the Air National Guard and the Air Force Reserve flew combat missions in Deny Flight over Bosnia for several months, using individual Guardmembers and Reservists on 20-to-60 day tours of duty. Additionally, a Naval Reserve tactical electronic warfare squadron recently returned from a 4-month deployment aboard the *USS Theodore Roosevelt* where it was integrated into United Nations air operations for Deny Flight over Bosnia..

In July 1995, a South Carolina National Guard engineer battalion, a Naval Reserve construction brigade, and Marine Corps Reserve engineers and security forces deployed to Albania to participate in Exercise Uje Kristal (Clear Water)—a Partnership for Peace humanitarian project. These Reserve members worked side-by-side with active duty Navy SeaBees and Albanians:

> *We fight together, so we've got to train together,* commented the National Guard colonel who commanded this joint task force. *Every problem we solve . . . brings us much closer to a joint mind-set. If we get used to working together, we won't have to keep reinventing the wheel each time we get together.*

The specific mission was to overhaul a run-down military trauma hospital. The exercise provided an opportunity for Reserve Component and Active Component personnel to work together on a common mission, combining the strengths and skills of each. It also demonstrated a successful Total Force approach to commanding and staffing a multiservice, multinational operation.

Employing National Guard and Reserve forces reduces Active Component personnel requirements, accesses unique capabilities available in the Guard and the Reserves, and builds credibility and trust between the two components—a Total Force approach.

Other deployments included:

- An Army composite battalion (72 percent National Guardmembers, 8 percent Reservists, 20 percent Active Component—including the Commander!) which recently deployed to the Sinai for six months to support the Camp David Peace Accords. This composite force serves as a model for Reserve Component integration. However, the Panel notes that although there is a trend toward the use of composite units, such as in the Sinai, this does not indicate that there is a backup composite battalion to replace the one coming off duty.

- Regular deployments of Naval Reserve ships, aircraft, and personnel to support counterdrug operations off the South Florida coast.

The Services also depend on other Reserve Component members for specialized duties:

- *Army.* Despite limited funds, the Army employs Reserve chaplains, contract and environmental law specialists, automation specialists, biotechnology experts, pathologists, and marketing and media relations experts to meet a diverse range of requirements that cannot be met as efficiently by Active Component personnel alone.

- *Navy.* The Navy employs Reserve members in special programs for telecommunications support, dental support at Active Component facilities, scientific and technical research at the Naval Research Laboratory and the Office of Naval Research, and legal assistance (in international and civil law litigation and claims) at Naval legal services offices worldwide.

- *Air Force.* The Air Force employs Reservists to provide intelligence, medical, legal, engineer, and public affairs support. Guardmembers and Reservists with foreign language and computer skills also support counterdrug and special operations. Reserve Component chaplains have supported special requirements, such as establishing a computer link between the Office of the Chief of Chaplains and the Air Force Chaplain School at the Air University, and designing an industrial style ministry for base closure operations while supporting the requirements of many religious denominations.

In the 1980s, the Commander-in-Chief of the Southern Command (SOUTHCOM) broke with the traditional 2 week Reserve Component rotation limitation by relying heavily on Reserve forces to accomplish in-theater missions in what has become know as the *Panama Paradigm*. Reserve training dollars and scheduled unit training in SOUTHCOM provides a Reserve Component presence on a rotational basis in remote areas to accomplish engineering, humanitarian, civic action, and medical and dental assistance missions as part of annual training. SOUTHCOM's success in using Reserve forces serves as a model for expansion into other commands to support theater objectives and to reduce the personnel demands on the Active force. Through the extensive use of overseas deployment training, Reserve units gain unique and valuable training opportunities in mobilization, deployment, employment, and redeployment skills. Presently, most Guard and Reserve units in overseas environments usually perform this service on 21 day tours.

The integration of the Air National Guard and Air Force Reserve into the day-to-day operations of the Air Force provides an excellent example of increased use of the Reserve Component in Total Force missions. Key Air Force capabilities—aerial refueling, theater and

strategic airlift, and tactical reconnaissance—are performed by National Guard and Reserve forces. For example, the Air Guard and Air Reserve provide support for at least a third of the Air Mobility Command's airlift and daily air refueling mission requirements. Other examples of operational mission support include intelligence, medical, engineering, public affairs, and joint augmentation of unified commands and various agencies.

The National Guard Bureau sponsored the Army National Guard's maintenance and repair facility presently established to maintain heavy equipment at Kaiserslautern, Germany using unit rotations. Additionally, the National Guard Bureau took the lead in the Equipment Retrograde Program using unit rotations to repair 9,000 vehicles for shipment back to the United States from Europe.

The Department of Defense will continue to leverage the cost-effective contributions of the Reserve Component to compensate for a smaller Total Force. Reserve Component capabilities can be provided by using a mix of part-time and full-time personnel, training dollars, and Reserve active duty tours to provide humanitarian assistance, disaster relief, and support for regional contingencies—as well as day-to-day operational missions.

Effects of Increased Missions on the Reserve Component

The role of the National Guard and the Reserves has continued to increase with the overall downsizing of the Total Force. It can become increasingly important in reducing the operational burdens on the Active force. *But these opportunities do not offer a panacea.*

The Office of the Assistant Secretary of Defense (Reserve Affairs) recognizes that taking on more missions affects Guardmembers' and Reservists' quality of life. Reserve members must be included as integral members of the Active Component command. They must be provided disability protection and other important active duty benefits during their transition into and out of active status. Because most Guardmembers and Reservists have full-time jobs, effective and persuasive ways have to be found to encourage employer support and to minimize conflicts between military members' service and their obligations to civilian employers. Perhaps most important, Service members' families need support while their sponsors are on active duty—especially access to the same types of services as families of Active members (e.g., commissary; counseling; medical treatment; financial assistance; and morale, welfare, and recreational facilities).

As reliance on the National Guard and the Reserves increases, quality-of-life and hardship issues will also gain in importance. Even short-term deployments can hurt. Reserve members endure separations from family, friends, and community. In the extreme, their decision to serve their country can jeopardize their civilian job security and add the burden of increased personal expenses as a direct result.

A Contribution Recognized

Reserve Component forces have won recognition as a credible and effective element of the Total Force package. Their unique core competencies enhance and enable the National Security Strategy. Through training exchanges, exercises, engineering projects, and the like, the Reserve Component has made enormous contributions. In the process, it has become indispensable to the Army, Navy, Air Force, and Marine Corps.

However, even as their accomplishments are praised, Reserve personnel and units are excluded from exercises and deployments because Active Component Commanders lack adequate funds to cover Reserve Component costs, or do not fully understand Reserve members' unique skills and capabilities.

Perhaps more disturbing is the lack of understanding and trust between the Reservists and Active members that hinders seamless integration of the Total Force. Some in the Active forces firmly believe that the Reserve Components are simply not sufficiently trained to accomplish their war time missions. At the same time, many in the Reserve Components look on their Active counterparts and advisors as incapable of understanding their unique problems, which are compounded by chronic underfunding for training and equipment modernization. Reserve personnel feel that they are evaluated by the Active Component using unrealistic standards not even enforced in the most specialized Active Component units.

These attitudes, though not representative of the majority, do deserve attention. Only when the Reserve Component becomes a full partner in the Total Force—when Reserve units are afforded commensurate training opportunities, funding, equipment, and benefits—will these attitudes be eliminated. The burden is on both Components to strive—as a fundamental principle—to integrate and validate the Total Force philosophy.

Because the missions and roles assigned to Guard and Reserve forces should and will increase, defense strategies and contingency plans must realistically reflect a fully developed and integrated force mix. As Active levels are constrained by declining budgets and drawn to a point consistent with the needs of the National Security Strategy, America's Guardmembers and Reservists will be asked to accomplish even more. President Clinton pledged to "fight to ensure the troops we send into battle are the best in the world" and in this, he said, "as we scale back our military in the aftermath of the Cold War, a strong role for the National Guard and the Reserve . . . makes more sense, not less" *(Army Reserve Special Report, 1993).*

Finally, because of the shrinking military population, fewer people have direct contact with military Service members. The significant decline in military experience of the American public and legislative members poses the risk of having an All Volunteer Force isolated from the general population, or worse, alienated. The Reserve Component historically has played (and can continue to play) a significant role in assuring a better understanding of the need for military forces and developing support for military members within the states and communities.

CONCERNS AND STRATEGIES

What will make the Total Force concept a reality? The Department of Defense must make a concerted effort to leverage effective use of the Reserve Component: integration, restructuring, support requirements, compensating leverage, awareness of and strategic rationale for using Reserve Component forces, specialized missions, personnel availability, funding (to include deployment costs), and employer support. Only then can Reserve Component forces be used effectively to relieve Active personnel and operational tempo.

1. **Integration: The most effective Reserve Component units have strong, recurring association, cooperation, and trust with the Active Component:**

> *[I]issues concerning the role of the Reserve Components, principally the employment and structure of the Army National Guard and Army Reserve, continue to be unresolved. Currently, linkages between their proposed structure and potential use in the National Military Strategy lack clear definition. We must determine how their capabilities can be best employed in any future conflict or in operations other than war and what those capabilities should be. Additionally, redundancy with the Reserve Components should be examined. While progress has been made toward improving Reserve Component readiness, the lack of concise rationale for integration of the Reserve Components with the active Army impedes the effort.*— TASK FORCE ON READINESS MEMORANDUM, August 23, 1995

Concerns: Greater cooperation is required between the Active and Reserve Components to effect a seamless integration of the Total Force. Reserve units and individuals, however, should be used only when they are crucially required.

Strategy: Association, cooperation, and trust between Active and Reserve personnel will enhance the effectiveness of the Total Force. If Reserve members are to be effectively employed in more and varied roles, equality in benefits comparable to those of Active Component personnel is needed. Active and Reserve Component management systems must also be compatible.

2. Restructuring: As with Active Component forces, the Reserve Component needs to be streamlined and refocused.

Concern: As unanticipated threats to U.S. interests materialize, the *Two Major Regional Conflict* concept may be replaced by other concepts that require more mobilization capabilities; hence, the Reserve Component should be capable of deploying quickly.

Strategy: Restructure select Guard and Reserve forces to ensure that they are strategically relevant. This can be done by eliminating unnecessary redundancies and by focusing their training on valid missions. This enables them to maintain a level of professionalism and performance equal to that of Active Component forces:

> *During the 1994 William Tell Air-to-Air Weapons Meet at Tyndall AFB, Florida—which measures fighter units' abilities to accomplish their air-superiority and strategic defense missions—the "Top Team" unit was the 119th Fighter Group (Air National Guard) from Fargo, North Dakota. The 158th Fighter Group (Air National Guard) from Burlington, Vermont, also had first-place finishes in the Weapons Director, Maintenance, and Munitions Load Team competitions.*—AIR FORCE MAGAZINE, January 1995

A return to the R*oundout* concept of the Cold War years would permit the Army to retain conventionally structured forces (divisions, brigades, and the like) and enhance the close working relationships essential to fulfilling wartime or crisis missions. Moreover, the Army

would be able to direct resources toward expanding mobile forces that are smaller, but more technologically capable of producing combat multipliers.

There is validity in the argument suggesting that the Reserve Component structure should mirror that of the Active Component, so that depth and flexibility are available to the Services—particularly the Army. For example, if the Army has armored and mechanized divisions, the National Guard should have a comparable organization reflected in the Guard. Close relationships between the Active Component and Guard units of like kind will permit Reserve Component personnel to augment Active Component units during peak operational periods.

3. **Requirements to Support the Active Component: The Active and the Reserve Components must plan as far in advance as possible for support to the Active Component to relieve personnel tempo.**

Concern: The specialized skills of Reserve units *and particularly highly skilled individual Reservists* are not effectively employed. This situation exists due to the accessibility of the Reserve Component. Guard and Reserve personnel are impacted by both their civilian profession and military obligation—and in the case of the National Guard, their state obligations as well. Though willing, members and units of the Reserve Component are not always accessible on short notice. However, with advance planning—and giving the Guard and Reserve overall missions to accomplish rather than the specifics of how to fulfill them—the Reserve Components and its members could become more accessible.

Strategy: The Active and Reserve Component should work closely to plan the most effective means to support active duty missions as far in advance as possible (6 months to 1 year minimum). The Air Force—the Department of Defense standard in this regard—consistently integrates Reserve units with successful results. The key to their success is that the Air Force assigns the mission, and the Air National Guard or the Air Force Reserve is given the autonomy to decide how best to accomplish the mission.

4. **Compensating Leverage: *Compensating leverage* is the use of Reserve forces in practical experience-gaining tasks as opposed to repetitious home-station training. Such leverage provides essential training ingredients—practical experience in realistic environments under demanding physical conditions.**

Concern: This leveraging concept can adversely affect the quality of life of Reserve members if it is not adequately planned to give timely notice to Service members so that they can maintain a cooperative, sensitive relationship with their employers and families. In many instances, Reserve members are involved in operations beyond the normal two-week period of annual training.

Strategy: The Reserve Forces Policy Board stresses the need to break the Reserve Component's iron matrix of one-weekend a month, two-week annual training for unique or special requirements. An excellent example of what may be accomplished with a little flexibility and innovation is found in the Defense Intelligence Agency. "Every Friday evening at 5 p.m. a crew of Reserve Component intelligence specialists take 24-hour responsibility for

the National Military Joint Intelligence Center until relieved by an active-duty crew the following Sunday evening." The Board continues:

> *Peacetime interface, operational requirements, and Reservist accessibility demands greater flexibility, the encouragement of split drills, unconventional drill times and days, and varying periods of time during which annual training can be performed.* — RESERVE FORCES POLICY BOARD, *FY 1994 Report*

Individual Guardsmen and Reservists with highly specialized skills should be free to fulfill duty obligations on a man-hour, rather that drill day basis. This flexibility will help smooth employer relationships and maximize effective use of scarce resources.

Administrative record-keeping and pay problems, which were obstacles to splitting drills and equivalent training in the past, can be overcome today with computerization. The Reserve Component Automation System Program concept affords an ideal mechanism to expand the Reserve Component's role in providing for seamless transition from one component to the other.

Use of the Reserve Component substantiates America's defense strategy by employing Reserve members in selected roles that provide necessary training and experience. Such employment allows Reserve units to incorporate overseas missions into their annual training and deployment plans:

> *What we need is a paradigm shift away from the Cold War stance of training for the sake of training to a post Cold War stance of doing more operational missions with training as an important by-product*—ASSISTANT SECRETARY OF DEFENSE (RESERVE AFFAIRS)

Value can be added to the Total Force by enhancing the Individual Mobilization Augmentee Program, originally based on an Air Force concept. This program allows Selected Reserve individuals to augment Active units upon mobilization or in times of national emergencies.

The program was modified in 1994 to expand use of Individual Mobilization Augmentees, permitting Service Secretaries to authorize (case-by-case) billets required to maintain military capability that depends on specialized, technical, scientific knowledge or experience.

Department of Defense policy provides that Individual Mobilization Augmentees be trained members of the Selected Reserve. These individuals are assigned to Active Component billets that must be filled on or shortly after mobilization. They also support contingency operations and pre-post mobilization augmentation requirements. These individuals participate in training activities on a part-time basis with an Active Component organization in preparation for recall to active duty when needed.

The Services are concerned that trained Individual Mobilization Augmentees are inaccessible because of the existing policy on their use and funding. There is further concern that the term "case by case" is subject to varied interpretation, and that implementation of the program varies widely by Service.

The Office of the Assistant Secretary of Defense for Reserve Affairs (Manpower and Personnel) is conducting a study of alternatives to the current Individual Mobilization Augmentee Program. Changes will be drafted to *Department of Defense Directive 1235.11*, and the revised directive will be reviewed by the Services and the Joint Staff. Emphasis will be on making changes related to peacetime requirements.

5. **Awareness of and Strategic Rationale for Reserve Component Use: Active Component leaders are not fully aware of Reserve Component capabilities and how best to employ these units and individuals.**

Concern: Reserve Component awareness is not emphasized in military education.

Strategy: Newly selected Active and Reserve flag officers should be better educated on the capabilities of the Reserve Component. The Capstone Program may provide an excellent conduit.

Additionally, Service schools and war colleges should require specific courses or include more course material that relates to the Reserve Component. This would ensure that future senior leaders are aware of Guard and Reserve capabilities and the relationships between the Active Component and the Reserve Component.

The Joint Chiefs of Staff, with input from commanders in chief, should also develop alternative strategic rationales for the Reserve Component, including force structure options.

6. **Specialized Missions: The Reserve Component accomplishes many specialized missions that relieve Active Component tempo. All federally supported Reserve training is focused on enhancing warfighting skills. Although Reserve units and individuals are employed in varied tasks that do not detract from the principal mission of fighting (such as local emergencies and youth-at-risk training), these activities are separately funded by the federal and state governments at no expense to the required warfighting training of Reserve Component individuals and units.**

The Panel focused on three key issues in Reserve Component specialization—joint operations, drug interdiction, and medical support—which can directly relieve personnel tempo in the Active Component:

- ***Joint Operations***: The Reserve Component must be structured to ensure that it can effectively support America's warfighting strategy.

Concern: The Reserve Component must keep pace with America's strategic emphasis on joint operations. There are currently only a few joint units in the Reserve Component.

Strategy: Reserve Component units, organized into skill packages tailored to Active Component joint mission requirements, would increase joint training opportunities and ensure a balance of skill levels appropriate for joint operations in the post–Cold War. For example, in Special Operations Command, the use of Reserve Component skill packages in joint operations is ongoing and crucial:

> *The use of Joint Special Operations Command Reservists is the best way to tap into skills which are difficult to maintain in the Active force. Specific professions brought to Haiti by the Reserve Component, for example, include attorneys, judges environmental engineers, transportation specialists, bankers, financial advisors, and civil engineers. These skills proved very helpful in the countryside where Special Forces operated at the "grassroots" level.*— CHIEF, SPECIAL OPERATIONS DIVISION, U.S. SPECIAL OPERATIONS COMMAND

These unique skill packages tailored to joint operations are critical if the Guard and Reserve are to contribute effectively in today's joint Total Force.

- ***Drug Interdiction***: The drug-interdiction mission is one in which the National Guard can substantially reduce Active Component personnel involvement by assuming a larger role. The Task Force is aware that the National Guard, in their state role, are not subject to the statutes under *posse comitatus* as is the Active Component.

Concern: Drug-interdiction missions are an ongoing adjunct to the mission-intensive workload of the Active Component.

Strategy: Insofar as the participation by the Department of Defense is concerned, the National Guard should assume greater responsibility for the ground-based, internal U.S. War on Drugs because of their unique state mission. The personnel control, planning, training, and leadership skills practiced by Guardmembers in such programs enhances military qualities. This program not only contributes to defense strategy, but also demonstrates the ability of the Reserve Component to assume responsibility for entire military programs.

- ***Medical Support:*** Large numbers of skilled medical personnel in the Reserve Component can augment Active Component medical forces in the United States and abroad.

Concern: A structured program is needed to coordinate Active Component requirements (in worldwide locations) and Reserve Component capabilities. For example, the National Guard conducts physical and dental screenings in remote locations. These activities not only have political benefits, but also provide excellent training with live training aids. Both units and soldiers gain valuable experience unavailable elsewhere. This support can be expanded in all of the Services at little cost and with high payoff to the quality of life of the Active Component.

Strategy: Regenerate and fund the Key Personnel Upgrade Program to enable Reserve Component medical personnel to share the Active Component workload. Management of personnel and resources to operate this program should be centralized to control costs, transportation, orders, and the like. For many years, the Army National Guard sponsored the Key Personnel Upgrade Program (other Services and Components had similar programs with different titles), which funded the Guard to dispatch individuals or small teams for days, weeks, or months throughout the world to satisfy Active Component requirements.

7. **Accessibility: It is imperative that war planners are assured immediate access to the Reserve Component so that plans can be activated as soon as a crisis occurs.**

Concern: Currently, it is difficult—and necessarily time consuming—to mobilize and activate Reserve Component forces. In the ever-changing global environment American forces are faced with today, certain critical skills and highly skilled individuals in the Reserve Component could enhance the capability of the Active Force to accomplish their worldwide missions. Greater accessibility of the Reserve Components would facilitate a faster and more efficient transition of Reserve forces to active duty in times of National Emergency.

Strategy: As a precedent, the Secretary of Transportation has mobilization authority to call up the Coast Guard Reserve under Title 14, Section 712, U.S. Code: Active Duty for Emergency Augmentation of Regular Forces. Section 712 provides for the emergency augmentation of Regular Coast Guard forces by ordering Coast Guard Reserve and auxiliary units or members to active duty for up to 30 days in any 4 months, and not more than 60 days in any 2-year period.

The Secretary of Defense should have similar authority to call up to 25,000 Reserve Component personnel for mobilization. With this authority, the Secretary can ensure that the war planners and warfighting CINCs will have immediate access to the critical skills of Reservists who will be available to meet worldwide crises.

Changes must be made in Title 10 and Title 32 which restrict Reserve members to no more that 180 days on active duty before being forced to return to their units, or less than 31 days to be eligible for Active component benefits. These restrictions are further complicated by varying deployment requirements placed on Reserve Component units by individual CINCs. For instance, the Panel was advised that one Major Command does not allow Air Force Reserve Component combat units to deploy into the theater for less than 90 days.

Furthermore, a disparity exists between the way each Service orders Reserve members to active duty. Title 10 authorizes the federal government to call up the Reserve Component to perform federal duties. While on Title 10 orders, regardless of the length of time, Reserve members and their families should be afforded all rights and privileges provided Active members and their families.

8. **Funding Incentives for Overseas Deployment: Funding incentives are crucial in encouraging the use of Reserve Component personnel and units, especially in offsetting transportation costs for overseas deployments.**

Concern: Limited funding inhibits the use of Reserve units and individuals to lighten the workload of Active units in overseas locations.

Strategy: Use of Reserve personnel can be increased by initiating funding incentives (permanent Operation and Maintenance dollars under the Office of the Secretary of Defense) and asking for additional overseas host-nation support to enable Commanders-in-Chief to integrate Reserve forces into operations. Further, Reserve Component training funds should be separated from augmentation funds and allocated directly into Reserve Component accounts.

The Office of the Assistant Secretary of Defense (Reserve Affairs) suggests implementing an incentive program using money allocated by the Secretary of Defense in Fiscal Year 1996. This money could be pooled as colorless money and redeemed by Commanders-in-Chief to

cover incremental costs, thereby encouraging the use of Reserve units and individuals in Active Component missions.

9. **Employer Support: Employer support for the Reserve Component is key to long term stability and effective employment of the Total Force concept.**

Concern: Many employers are reluctant to support a Guardmember or a Reservist's request for military leave.

Strategy: The Assistant Secretary of Defense (Reserve Affairs) proposes that money be set aside in the Fiscal Year 1997 Quality of Life wedge for a Department of Defense contingency fund to reimburse the general treasury for the cost of an employer tax credit to employers of National Guard and Reserve employees who are called to active duty in support of a contingency.

RECOMMENDATIONS—RESERVE COMPONENT

- **Restructure the Reserve Components for the post–Cold War National Security environment.**

- **Draft changes to the Individual Mobilization Augmentee program (emphasizing peacetime requirements) in** Department of Defense Directive 1235.11, **or develop new programs in order to utilize the skills of individual Guardmembers and Reservists.**

- **Incorporate the concept of compensating leverage to provide Reserve Component use beyond the normal two-weeks of annual training, when possible, and allow greater flexibility in the performance of Reserve duty by specialized units.**

- **Develop alternative strategic rationales for the Reserve Component, including force structure options. Task the Department of the Army to revalidate the *Roundout* concept with a view toward restoring it as a means to improve Reserve Component readiness and strengthen the trust between Active and Reserve forces.**

- **Grant the Secretary of Defense authority to call up to 25,000 Reserve members to meet worldwide crises.**

- **Seek changes in Title 10 and Title 32 (which restrict Reserve members to no more that 180 days on active duty before being forced to return to their units, and require more than 30 days of active duty to be eligible for Active Component benefits) to ensure that Reserve members on Temporary Active Duty for less than 31 days have the same benefits (e.g., medical, disability insurance) as active-duty personnel.**

- **Direct the CINCs to standardize the deployment policies for use of Reserve Component units and personnel.**

RECOMMENDATIONS- RESERVE COMPONENT (continued)

- **Provide funding to the Joint Chiefs of Staff to promote use of Reserve personnel by increasing funding incentives (permanent Operation and Maintenance dollars at the Office of the Secretary of Defense), and develop an initiative earmarking a predetermined dollar amount for the CINCs use in designating Reserve Component units and personnel for specified missions.**

- **Separate support and augmentation funding from training resources used by the Reserve Components to conduct Active or Reserve Component training. This money should be allocated directly to Reserve Component training accounts.**

- **Regenerate the Key Personnel Upgrade Program to enable highly qualified medical and dental personnel, and Reserve members with other specialty skills, to serve with Active Component personnel of all Services.**

- **Earmark money in the Fiscal Year 1997 quality-of-life wedge for a Department of Defense contingency fund to reimburse the general treasury for the cost of an employer tax credit to employers of Guardmembers and Reservists when these employees are called to active duty in support of an operational contingency.**

CONTRACTING

As the Army becomes smaller and more dependent on technology . . . contract personnel will become even more important to its readiness and success.—THE SECRETARY OF THE ARMY

INTRODUCTION

In his tasking to the Quality of Life Task Force, the Secretary of Defense requested recommendations for ways of increasing the use of civilian contractors to alleviate some personnel tempo problems. In recent Operations Other Than War (e.g., Somalia, Rwanda, and Haiti), the Corps of Engineers, Trans-Atlantic Division, contracted for many essential support services (e.g., trash disposal, food services, and transport of water). Additionally, at Incirlik, Turkey, all base operations functions are now accomplished by contractors.

Contracting for support services within the Department of Defense has many precedents. Right after the Gulf War, civilian contractors were used extensively in Kuwait to rebuild infrastructure. In cooperation with the Corps of Engineer's Kuwait Emergency Reconstruction Office and the Defense Reconstruction Assistance Office, contractors rebuilt schools, plants, and highways; extinguished more than 700 oil-well fires; and disposed of countless land mines and pieces of unexploded ordnance.

Within financial, legal, and security constraints (and the readiness implications of contracting out an *entire* skill), personnel tempo can be significantly reduced by letting contracts in specific military and civilian functional areas, particularly in overseas locations:

> *More than a quarter of a million DoD employees engage in commercial-type activities that could be performed by competitively selected private companies. Experience suggests achievable cost reductions of about 20 percent. DoD should outsource essentially all wholesale-level warehousing and distribution, wholesale-level weapon system depot maintenance, property control and disposal, and incurred-cost auditing of DoD contracts. In addition, many other commercial-type activities, including those in family housing, base and facility maintenance, data processing, and others could be transferred to the private sector. Finally, DoD should rely on the private sector for all new support activities.*— REPORT OF THE COMMISSION ON ROLES AND MISSIONS OF THE ARMED FORCES

Increased contractor support will also have a major impact on other quality-of-life issues. Hiring contractors overseas to replace active duty personnel would reduce housing, community, and family service requirements—in the United States as well as overseas—and would fit in with already planned reductions in active duty personnel. The Task Force identified several major corporations already providing support which gave convincing assurances of cost savings. They also said they would meet contract obligations for wartime.

CONCERNS AND STRATEGIES

1. **Host Nation Support: Host nations should support facilities maintenance, upgrades, and employee costs—to include sharing costs for employment of foreign nationals working for the United States.**

   Concern: While most host-nations do provide funds in these areas, some do not—at least not to the degree required.

   Strategy: If the allies derive a tangible benefit from a U.S. military presence overseas, the nations benefiting most from it should be persuaded to contribute more support. The Republic of Korea, for instance, should be urged to provide host-nation support in the form of much needed construction of barracks, family housing, and recreational facilities.

2. **Contractor Deployment: When performing a service for the Department of Defense, a contractor takes on a unique requirement to continue to provide that service or support function in time of war.**

   Concern: Some critics of contractor support see contractors placing the Services at risk in supporting the Commanders-in-Chief if the contractors do not meet the full range of needs during contingencies.

   Strategy: In most general contracting situations, the Defense Department should make certain that contract personnel will deploy with Active Forces if needed. From Task Force discussions with major contractors, it appears that contracts can be structured to assure deployment and retention in crises.

3. **Zero-Sum Gains: Personnel involved in providing contractor support for the Department of Defense can relieve personnel and operational tempo, but cannot add to the overall force structure and must be viewed as zero-sum gains.**

Concern: The Task Force finds some resistance to increased use of contractors—even if they cost less than Active Forces—because it would lead to reductions in active duty end strength, cuts in civilian employees, or both.

Strategy: The Department of Defense must encourage the use of contractors to help reduce the personnel and operational tempo of both Active and Reserve Components. Contract personnel must not, however, be counted as gains to the force structure (freeing-up personnel to augment high operational tempo units).

4. **Contracting Incentives: The Department of Defense must create contracting incentives to encourage use of contractor personnel throughout the Services.**

Concern: Incentives to the Services are needed from the Office of the Secretary of Defense to increase contractor support to help to alleviate some areas of high personnel and operations tempo.

Strategy: The Office of the Secretary of Defense could offer a *cost share* for worthwhile contractor support proposals from the Military Departments to help overcome some of the natural resistance to additional contracting. These should be fixed-price incentive contracts (as applicable) or other contract types appropriate for the services required.

Additionally, during the Program Objectives Memorandum (POM) cycle, the Office of the Secretary of Defense could offer the Military Departments a budget *plus-up* if they justify that contractor support would, in fact, lead to lower costs and reduce personnel tempo. This plus-up could help to offset any start-up costs associated with adopting contractor support.

5. **Reserve Component Contracting: Contracting services should be extended to cover National Guard and Reserve functions (e.g., administration and facilities management) associated with Table of Distribution and Allowances (TDA)/non-deployable units (state Headquarters and Reserve Commands).**

Concern: Reductions are needed in the number of Reserve Component Civil Service employees, Military Technicians, and other personnel in non-deployable positions.

Strategy: Contracting for services previously performed by uniformed Reserve Component personnel would help reduce the tempo in Reserve Component units that are participating in support of Active Component operations.

6. **Legislative Changes: The Panel concurs with the proposals of the Commission on Roles and Missions concerning legislative changes to initiate some contracting options, and urges that those necessary recommendations be thoroughly examined.**

RECOMMENDATIONS—CONTRACTING

- **The Secretary of Defense should direct studies by the Military Departments to examine methods of increasing contractor support.**
- **To minimize wartime risks, *entire* skills or military core competencies should not be totally contracted out.**
- **The Secretary of Defense should seek additional host-nation support for facilities maintenance, upgrades, and employee costs, to include cost sharing for employment of foreign nationals working for the United States.**
- **The Military Departments must, in general contracting situations, ensure that contractor personnel will deploy with Active Forces should contingency needs require.**
- **The Military Departments must view contract personnel as a zero-sum adjunct to the base force.**
- **The Military Departments should design fixed-price incentive contracts (as applicable) or other contract types appropriate for the services required.**
- **The Office of the Secretary of Defense should provide incentives to the Services to do more with contractor support by *cost sharing* worthwhile contractor support proposals from the Military Departments to help overcome some of the natural resistance to additional contracting.**
- **The Military Departments should expand contracting services to National Guard and Reserve functions (such as administration, facilities management, etc.) associated with Table of Distribution and Allowances (TDA)/non-deployable units (state Headquarters and Reserve Commands).**
- **The Panel concurs with the proposals of the Commission on Roles and Missions concerning legislative changes to initiate some contracting options, and urges that those necessary recommendations be thoroughly examined.**

CONCLUSION

The Defense Department must manage Service personnel tempo and operational tempo to achieve a right sized balance between readiness requirements and people's needs. This balance will help to keep trained, top-quality service men and women and their families in the Armed Forces. A high standard of living and reasonable personnel tempo are key parts of a good quality of life for

service men and women. Retaining these *people*—the department's most important asset—will assure the readiness of the All-Volunteer Force well into the 21st century.

CHAPTER 4 COMMUNITY AND FAMILY SERVICES

Military people stay in the service because they like being part of something special. They won't stay long, however, if families aren't treated well.
—GENERAL JOHN M. SHALIKASHVILI
Chairman of the Joint Chiefs of Staff,
May 1995

INTRODUCTION

The advent of the All Volunteer Force in the early 1970s changed the basic make-up of the Armed Forces by changing young people's reasons for enlisting. No longer would it be largely a force of short-term enlistees, who viewed military service at best as a period of patriotic duty to the Nation and at worst a waste of time. New recruits would be encouraged to believe they were embarking on an enlistment that would be professionally worthwhile, rewarding and should the services so agree, a military career. The Gates Report, in 1970, stated that "the viability of an all volunteer force ultimately depends upon . . . [the ability of] the military services to maintain . . . [the] attractive conditions of military service." To sustain high levels of readiness in an increasingly complex combat environment demands the retention of the best qualified Service members. The Services would therefore have to address the quality of life of their members. Immediate attention was directed toward pay, housing and community and family services.

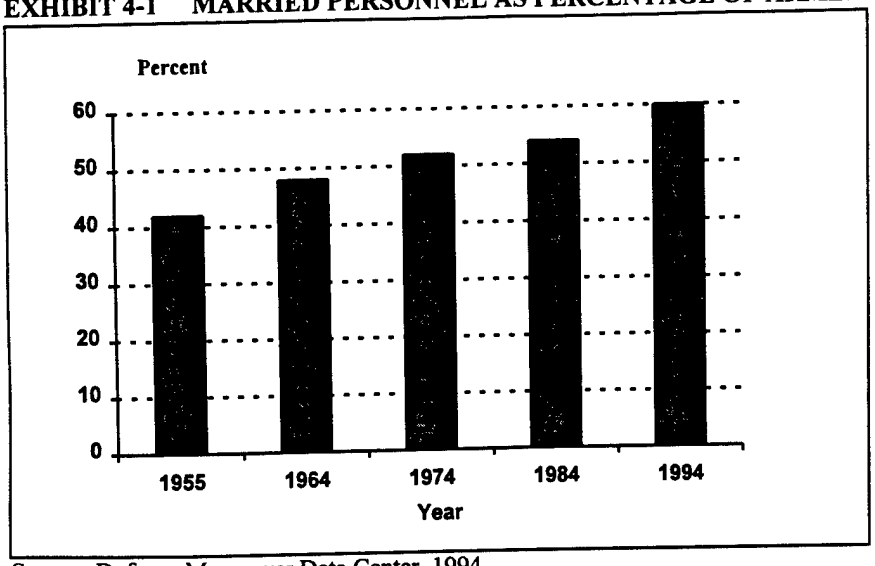
Through the 1980s and early 1990s, the Services did in fact attract and retain highly qualified individuals. Today, however, young adults are less interested in the Armed Forces and less likely to enlist, according to recent data. They are going to college, or as opportunities for civilian employment expand, taking jobs other than those relating to military service. Unless the Services act now to enhance the quality of military life, they may soon be unable to attract and retain enough volunteers.

With this background in mind, the Community and Family Services Subpanel members visited more than 25 installations and spoke to hundreds of Service members and spouses. They examined five areas or "baskets" during their review of quality of life issues: child care; family support programs, educational services; morale, welfare and recreational programs; and transportation services. A section of this chapter is devoted to each group of issues. A sixth group, "Other Issues," addresses an assortment of organizational and policy concerns.

Background

The mission of the U.S. military today is the same as it always has been: *to maintain the peace and, when required, fight and win the Nation's wars.* U.S. military personnel are motivated and dedicated and, when they know their families are being adequately cared for, they can concentrate on their jobs and accomplish their missions. As one Air Force sergeant said during a site visit in Germany: "Sir, we are ready to go anywhere as long as you take care of our families." In recent years service personnel have experienced great change during transition and drawdown and, in many career areas, unprecedented deployment demands.

EXHIBIT 4-1 MARRIED PERSONNEL AS PERCENTAGE OF ARMED FORCES



Source: Defense Manpower Data Center, 1994.

The Services, therefore, are perhaps more obligated today than ever before to ensure the care of their Service families.

The demographics of the military have changed since the establishment of the All Volunteer Force in 1972. More Service members are married today than ever before in the history of the Armed Forces (see Exhibit 4-1).

Each new generation of Americans entering the military has mirrored the changes in U.S. society. Women are more integrated into the military, filling roles unimagined a generation ago. The single military parent, a rare phenomenon 30 years ago, is much more common today (5.7 percent of Army personnel; 4.3 percent of Marines). Like corporate America, the Services have devoted more resources toward quality of life issues. Child care services, family programs, tuition assistance and many other programs have been initiated to keep up with shifting needs and desires of Service members. These programs have preserved readiness by playing a key role in recruiting and retaining quality personnel.

In addition more military spouses today work (about 65 percent) and many families find both spouses must work in order to make ends meet. As traditional roles, personal expectations and force demographics have changed, the need for Community and Family Services has grown.

Current Environment

To improve its quality of life programs, the Defense Department should review its regulations and come up with new ideas and new ways to apply them. As the Task Force gathered data during site visits, members made several overarching observations that framed their assessments. These observations reflect challenges the department has to confront to stay responsive to today's realities.

The force drawdown has been a source of uncertainty and anxiety for military personnel, but it is nearing completion. *The Task Force finds* that the present moment offers an excellent opportunity to plan and allocate resources, now that the size, shape and permanent location of the forces have been clarified.

As a result of base closures, unit realignments and organizational consolidations, many military installations have changed significantly. Some have grown rapidly while installations scheduled to close or be realigned have displaced thousands of families. In this environment, innovative community and family service programs assume unprecedented importance. Yet child development centers, fitness centers and other morale, welfare and recreational activities and family programs are subject to a number of systemic constraints.

Base commanders and program managers report particular frustration concerning budget rules and the use of appropriated funds to cover Non-appropriated Fund Instrumentality manpower and program costs. These rules adversely affect all community and family services.

One such issue, *full time equivalency limits* (a ceiling on the number of man-years an agency is authorized) may be resolved by Congress. The proposed Defense Authorization Act for Fiscal Year 1996 would prohibit the use of full-time equivalent personnel ceilings in the management of the department's civilian work force. This would enable installation commanders to manage quality of life programs more effectively. Specifically, commanders would not be restricted by numerical manpower constraints and could hire required help when funds are available. Historically, appropriated funds were used to reimburse non-appropriated expenses, such as staffing for recreational and child care centers. However, this practice was terminated by Congress in 1991 after the Defense Department failed to issue uniform guidance to the Service branches.

Today, appropriated funds may not be used to reimburse non-appropriated salaries. This budgetary limitation, coupled with the civil service manpower ceilings, has diminished management flexibility. Installation commanders and military leadership have repeatedly asked for the reinstatement of *appropriated fund reimbursement* (now referred to as Enhanced Support Practice) and relief from full-time equivalency limits. Both the House and the Senate have approved language that will lift these restrictions. If enacted, this should consistently allow some programs, especially morale, welfare and recreation, and child care to spend all their allocated manpower funds.

These changes require no new money. They enable commanding officers properly to execute their funding, thus maximizing quality of life services.

VISION, STRATEGIES AND GOALS

With these observations in mind, Task Force members confirmed the need for new perspectives to shape efficient and effective community and family services programs.

A full range of services that are available, affordable, equitable, and accessible to Service members and their families must also be tailored to recipients' needs. A fivefold strategy should be followed for the delivery of these services:

- Determine the true need. Validate departmental goals and requirements to ensure they represent the level and type of service wanted in the field.

- Develop methods to measure program effectiveness. Community and Family Service programs are in direct fiscal competition with operational, training and capitalization needs,

as well as other quality of life areas. The ability to measure program effectiveness will be critical to ensure consistent, appropriate funding.

- Balance the use of public and private resources. Select a balance of government and private resources that offers the most efficient, effective means of delivering desired services and seek partnerships with civilian communities and agencies.

- Seek legislative changes. In some areas, legislative change will be needed to provide budget and manpower flexibility to best meet quality of life requirements.

- Sustain funding. Sustain funding to ensure coherent programs.

Child Care

The military family is quite different today from what it was a generation ago, as is society at large. With about two-thirds of military spouses gainfully employed outside the home—most of them full time—many children need non-parental daycare. Parents want and need this care to be safe, affordable, convenient and of high quality.

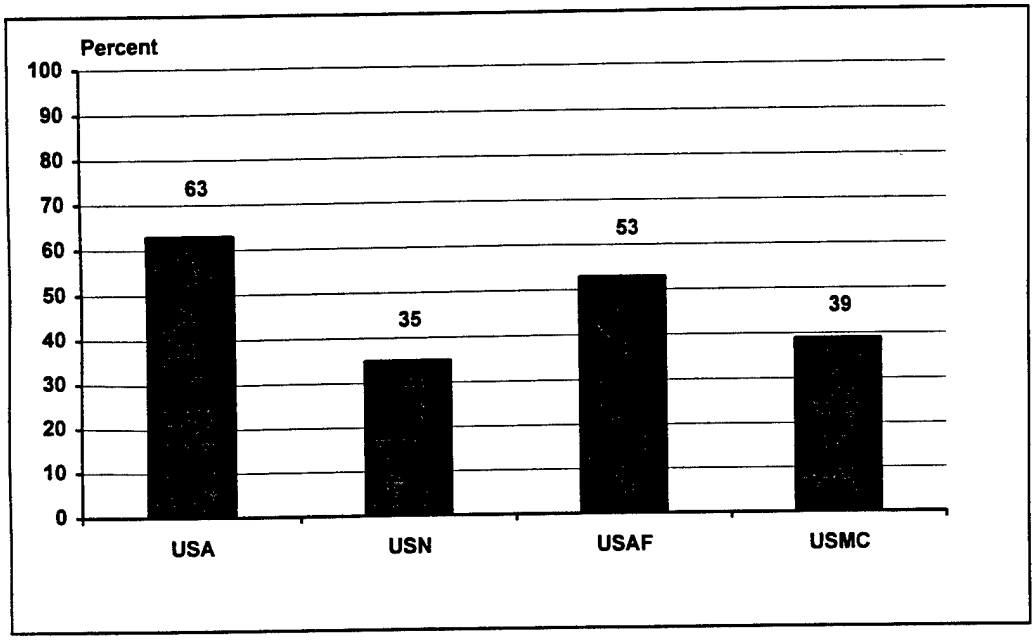
Background

Active duty Service members have approximately 1 million children younger than 12 years of age, most of them needing some form of care. Programs offered include child development centers, family child care, private day care referrals, school-age care and military youth programs. For some families these programs are the only source of child care.

Since the All Volunteer Force began, the number of dependent preschool children in the Services has steadily grown, reaching more than 575,000 in December 1994. The development of child care programs, however, lagged in the 1970s and 1980s, despite an early warning (1982) from the General Accounting Office in its report, *Military Child Care: Progress Made, More Needed.* Subsequent departmental reviews and the Military Child Care Act of 1989 required periodic reports on progress in this area.

Both single parents and dual military couples with children rely on some sort of child care. Child care is considered a Category B (Basic Community Support) Morale, Welfare and Recreation program. *Department of Defense Instruction 6060.2* stipulates that Child Development Programs exist to "assist commanders and families in balancing the competing demands of family life and the military mission." Of the population served, 81 percent of Service preschoolers live in families where only one parent is on active duty but both work full time. Dual military couples represent 9 percent. The Defense Department provides child care at 346 locations with 155,311 spaces.

EXHIBIT 4-2 SUPPORT PROVIDED BY SERVICE AS PERCENTAGE OF CALCULATED NEED (July 1995)



Source: Office of the Assistant Secretary of Defense.

Child care, a Morale, Welfare and Recreation program, receives substantial appropriated fund support—at least equal to the amount of collected user fees. The Fiscal Year 1995 departmental outlay of appropriated funds was $260 million. User fees, set by the Defense Department, are based on income.

Issues

Most issues affecting the quality, quantity and cost of providing child care affect all Services and locations.

ISSUE 1: THE DEMAND FOR CHILD CARE

Service members identified child care as a top concern during installation visits by Task Force members. The waiting lists for available child care showed that demand far exceeds supply, 143,967 spaces short, according to Office of the Assistant Secretary of Defense briefing sheet, July 1995.

DISCUSSION: Military child care programs provide about 52 percent (299,278 spaces) of the estimated requirement in Child Development Centers, Family Child Care homes and School Age Care programs. The department calculates the need for child care spaces on the number of dependent children under 12 years of age whose parents work outside the home, and who, based on statistics, may need some type of child care. The department's aim is to meet 65 percent of

the demand by Fiscal Year 1997 and 80 percent by Fiscal Year 1999. Exhibit 4-2 shows the current child care spaces provided by Service in relation to the spaces needed.

The Military Child Care Act of 1989 charged the Defense Department with enhancing the family unit's economic viability by improving the quality and accessibility of care. The department has made big improvements in child care since 1989 and is recognized for high quality by the majority of users. Further planned improvements include: increasing the number of spaces in Child Development Centers; expanding the use of Family Home Care and improving the subsidy; enlarging care options, including off base; continuing military construction and improving management of waiting lists and demand.

Child care needs are met through a combination of full-time developmental care, part-time hourly care and school age care programs. Changes in demand make flexibility in these programs critical. Although installation commanders have the necessary program authority to address child care needs, they often do not have the financial resources. Therefore, it is important to maximize current resources by accurately assessing needs and educating users about available services.

The formula for computing child care needs involves estimating "the number of dependent children age 0-12 whose parents work outside the home and who may need child care." However, the *Task Force finds* that this formula may underestimate the number of working spouses. Specifically, this formula may be too limited in scope and may overlook unique local situations. This is especially true for child care programs serving more than one installation (e.g., Alaska and Okinawa.)

RECOMMENDATION 1. Ensure the formula for calculating child care need is current and reflects the local situation; sustain appropriated funding for child care programs; and educate unit commanders and families thoroughly regarding child care services offered, especially the use of family child care providers.

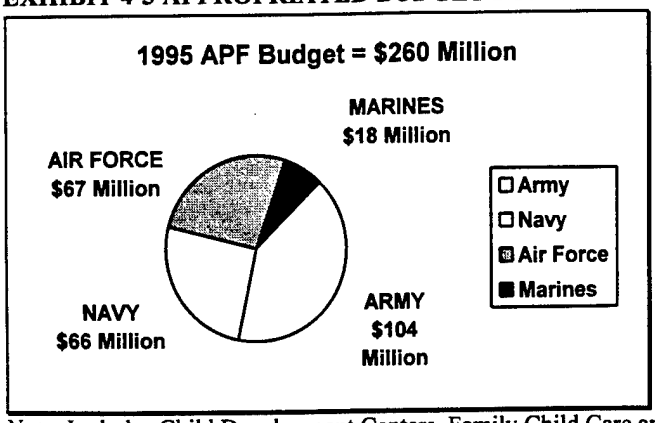
ISSUE 2: THE COST OF QUALITY CHILD CARE

Task Force members were repeatedly told the cost of providing child care is too high. Child care, especially infant care, is labor intensive. Center operations, curriculum management, administration and professional education also affect cost.

DISCUSSION: Appropriated fund subsidies provide about half the operating costs of child development centers; fees collected from parents provide the other half. Fiscal Year 1995 appropriated budgets provided $260 million for child care (Exhibit 4-3).

Appropriated funding support is critical to meet departmental goals for child care and since 1989, the Services have had to increase appropriated fund outlays steadily to meet their goals.

EXHIBIT 4-3 APPROPRIATED BUDGET FOR CHILD CARE, BY SERVICE, FISCAL YEAR 1995



Note: Includes Child Development Centers, Family Child Care and School Age Care.

In Fiscal Year 1995, the cost per space in child development centers was $6,200, split between parents and the department. Budget shortfalls have historically been eliminated by using non-appropriated fund subsidies. However, in recent years, Congress and the department have insisted that the Services reduce the amount of non-appropriated fund subsidies. Exhibit 4-4 provides a history of non-appropriated subsidies for child care:

EXHIBIT 4-4 ALL CHILD DEVELOPMENT PROGRAMS NON-APPROPRIATED FUND SUBSIDY
($ million)

Service	FY90	FY91	FY92	FY93	FY94	June 95
Army	8.4	13.4	24.6	17.0	5.0	1.8
Navy	4.3	0.0	4.1	3.2	.4	0.0
Air Force	(3.4 [a])	6.0	6.7	4.7	1.3	(.427 [a])
Marines	1.3	1.1	2.1	1.5	0.0	0.0
Total	10.6	20.5	37.5	26.4	6.7	1.8

Source: OASD.
a. (. . .) = profit, i.e., fees collected exceeded operational costs.
Source: Office of the Assistant Secretary of Defense.

Many people are unaware that non-appropriated fund subsidies provide a minimal part of child care funding. In the field, the misperception persists that non-appropriated funds generated by the base bowling alley pay for the child care center at the expense of services for the single soldier.

As stated earlier, child care programs are labor intensive and manpower costs are the biggest part of child care budgets. Cost studies have shown that if the developmental aspect of day care was deleted and day care returned to a non-developmental program as in the 1970s, costs would be reduced by only 8 percent to 10 percent. Staff-to-child ratios, which vary with different age

groups, are the key drivers of labor costs. For example, infant care requires 1 care provider for every 4 infants; whereas 3 to 5 year olds require 1 provider for every 12 children.

The Military Child Care Act required the Department of Defense to adopt national standards for professional staffing and safety. Its standards today are much like those used to run any other well organized, professionally staffed, commercial day care center. Its staff-to-child ratios mirror the collective norm in state regulations. However, trying to expand their child care programs, commanders often run into manpower ceilings and budget limitations. Specifically, because civilian manpower is capped by "man-years" and rules concerning full-time equivalency, a commander may be unable to hire staff for additional child care, regardless of need. In addition, rules concerning the use of appropriated funds to reimburse non-appropriated funded organizations often stifle creative solutions to local problems.

RECOMMENDATION 2: Seek relief from manpower Full Time Equivalency rules for child care programs and reinstate the practice of reimbursing child care programs with appropriated funds.

ISSUE 3: HOURLY CARE

Hourly care is child care provided to parents who need short-term services from time to time. Task Force members heard a great deal about the lack of hourly care. Current policy dictates that Child Development Centers should address hourly care needs "whenever possible."

DISCUSSION: Parents need hourly child care for many reasons including employment, emergencies, medical appointments, shopping, volunteer work and parental respite. Programs have addressed needs through a combination of spaces in Child Development Centers and the placement of children with in-home Family Child Care providers. Because hourly care is not a "constant" in the formula for predicting child care needs, allocating resources to meet hourly demand is difficult. Often program managers must make tough decisions concerning the resources they dedicate for hourly care in a Child Development Center and the amount they subsidize Family Child Care providers.

To get a better idea of the need for hourly care, the department tasked the Services with a survey of the current hourly care environment. Some 268 Child Care Programs were surveyed from mid-June 1995 through mid-July 1995. Preliminary results have proven interesting:

- Some 48,307 requests for hourly care were received during the survey period; 93 percent (45,014) of the requests were filled.

- The most common placement was in Child Development Centers: the Army 82 percent; the Air Force 97 percent; the Navy 93 percent and the Marines 92 percent.

- Of the 7 percent who did not receive care, nearly one third were offered care and refused it.

This survey suggests that sufficient hourly care is available throughout the Services. However, its methodology may have been flawed for it relied on "requests" for child care. Some

parents may not have contacted the Child Development Center for care, assuming space limitations. The timing of this survey may also have affected its outcome since it was completed in the summer when both college and high school students are readily available for child sitting.

RECOMMENDATION 3: Establish a requirement for a periodic survey and analysis of hourly care using a methodology that encompasses the entire parental population. Use the findings to: educate installation commanders on their existing options to meet hourly care needs including the use of subsidies for Family Child Care providers and referral to other agencies; encourage installations to coordinate hourly care scheduling with the medical facility appointments desk; and develop a model program with Defense Department seed money for installations seeking innovative ways to satisfy demand for hourly care.

ISSUE 4: CONTRACTING CHILD CARE

In September 1994, Congress directed the Defense Department to investigate child care alternatives that would provide "appropriate services" at lower cost (Fiscal Year 1995 Appropriations language). Congress stated that it was aware of private sector proposals that would obviate, or reduce, the need to build new military Child Development Centers. Congress referred to a Navy initiative at Barbers Point Naval Air Station, Hawaii.

The Navy is acting as the department's executive agent to test a program of child care services under private contract. Two contracts will be awarded in Fiscal Year 1996 for demonstration projects at Norfolk, Virginia, and Oahu, Hawaii. The initiative will be expanded to: Jacksonville, Florida; Seattle, Washington; and San Diego, California. Families whose children are placed in these civilian centers will pay the same rates they would be charged at a Navy Child Development Center. The Navy will pay the difference if actual fees exceed normal DoD rates.

Contracting for child care services may reduce costs, but some realities may present significant obstacles. First, there may be too few qualified companies to meet demand, especially for infant care. Second, increased demand may place stress on local communities as the military takes over a finite number of qualified child services. Finally, corporate experiences with downsizing suggest caution before replacing one set of management problems (manpower and facilities) with another (contracting for human services).

RECOMMENDATION 4: The Defense Department should share its evaluation of the results of the Navy demonstration project with the other Services. If contract services prove effective and cost effective, the Services should switch to contract service where practical and economic. In addition, child care partnerships are sometimes available with such organizations as the Armed Services Young Man's Christian Association (See "Other Issue 4").

Family Support Programs

Family Support Programs are another outgrowth of the changing demographics within the Department of Defense. The stress that families experience during military service is unique. Frequent relocation, separation and other circumstances generate uncertainty, anxiety and fear. To help families cope with the rigors of military life, the Services instituted Family Support Programs.

Background

Family Support Programs assist in relocation, parenting, spousal employment, personal financial management, counseling and other services. Generally speaking, Family Support Programs are well received by the military community and provide much needed support and assistance not only to families but to the single Service members as well. However, the Task Force did identify certain issues that need to be addressed if the Services are to remain responsive to needs.

ISSUE 1: PERSONAL FINANCIAL MANAGEMENT PROGRAMS

Department of Defense *Instruction 1342.22* directs that Personal Financial Management Programs become a core requirement for all Department of Defense Family Centers. Personal Financial Management Programs generally include: consumer education, advice and assistance on budgeting and debt liquidation, retirement planning, saving and investment counseling, and income tax preparation assistance.

The quality of Personal Financial Management Programs varies widely; but the need for such services remains constant and urgent. From the standpoint of order and discipline, financial mismanagement by military personnel is a serious problem for the Department of Defense. The following reports are telling:

- *Bad checks.* In Fiscal Year 1994, 408,000 checks were returned for insufficient funds totaling $34,584,000, Headquarters, Army/Air Force Exchange Service reports. Every month the Norfolk Navy Exchange reports $340,000 worth of bad checks.

- *"Major concern."* Financial problems, especially among the junior enlisted, were identified by the Air Force First Termer Study and the Community Needs Assessment.

- *"Most frequent counseling problem."* Financial difficulties were reported as the most frequent counseling problem in a 1995 Air Force survey of Commanders and First Sergeants.

- *Bankruptcies.* Sailors in Jacksonville, Florida and San Diego, California were filing for bankruptcy more often than the civilian population, according to *A Statistical Analysis of Active Duty Bankruptcies,* a Masters Thesis at the Navy Postgraduate school (1991). The

Family Service Center in Norfolk, Virginia estimates that 800 bankruptcies are filed a year by its Service members.

- *Financial irresponsibility.* Denial of security clearance can be based on financial irresponsibility.

Most Family Centers have a "full-time" staff member responsible for Personal Financial Management Programs, but some are only part time. Other centers utilize volunteers.

A good financial counselor needs proficiency in many areas of personal finance, including budgeting, checkbook maintenance, debt reduction, consumer protection and credit issues. The quality of Personal Financial Management Programs varies considerably from installation to installation, because not every "counselor" has the necessary skills.

Personal Financial Management education is not required of Service members until they get into difficulties. Thus, the program is reactive, rather than proactive. To correct this, *the Task Force finds* that the focus of counseling should change to preventive action as an enhancement to family functioning.

RECOMMENDATION 1: The Department of Defense should implement an effective, proactive personal financial management program within its Family Centers. The program must use qualified counselors and should be uniformly available during basic training and at the Service members' first permanent duty station. The Services should mandate education of all troops on basic money and credit management; commanding officers and senior enlisted personnel should ensure compliance; and spousal participation should be encouraged.

ISSUE 2: CONNECTIVITY BETWEEN FAMILY SERVICE CENTERS

Military Family Centers provide a variety of services to clients worldwide. Public Law 101-189 required the Department of Defense to establish an automated relocation information system. This legislation directed the system be interactive and networked throughout the department to ensure two-way communication.

DISCUSSION: Site visits and interviews revealed that the system, inclusive of the Standard Installation Topic Exchange Service and the Defense Information Systems Network, is difficult to operate because of telecommunication connectivity problems. Also, the information in the Standard Installation Topic Exchange is only updated quarterly.

A truly responsive and integrated system should possess at least three attributes. First, it should permit rapid inter-Service data transmission to support family requests in emergencies. For example, information regarding the evacuation of family members from Clark Air Base after the eruption of Mount Pinatubo was processed quickly using the Air Force FAMNET system when operational networks were overloaded. Second, it should provide easy interactive access to all military installations worldwide for use during reassignments. This would permit, for example, an Air Force member to communicate directly with his or her Army sponsor when preparing to move to a joint assignment. Third, it should protect privacy when sensitive or

personal family information is transmitted to counselors, chaplains or mental health professionals. This would help to ensure seamless treatment during relocation.

RECOMMENDATION 2: Select standard, inexpensive and user friendly communication systems capable of interneting among all Services. The systems must meet Family Center functional, accessibility, customer service, training and security requirements. They must also have an electronic mail capability so that Family Centers can dialogue and share information.

ISSUE 3: FAMILY ADVOCACY PROGRAMS

The Defense Department Family Advocacy program was designed to prevent, identify and treat family violence. Initiated in the 1970s, it was a response to a report by the General Accounting Office calling for improved child abuse and neglect programs. The department has a full range of staff at Family Centers and medical treatment facilities that can assist in these cases.

DISCUSSION: The program identified 28,020 substantiated cases of family violence in 1994. However, field interviews revealed military families often have a negative perception of the Family Advocacy Program.

Based on these observations, *the Task Force concluded* that, like Personnel Financial Management Programs, Family Advocacy needs to be more proactive. Initiatives currently underway, such as the New Parent Support programs within the Navy and Marine Corps, should be highlighted and continued. By offering support and assistance early, before problems begin, Family Advocacy can reduce the stigma currently associated with the program.

RECOMMENDATION 3: The Family Advocacy program within the Department of Defense should place greater emphasis on prevention to include resources. Programs should attempt to educate those who may be at-risk to reach families residing outside the boundaries of the military installations and to interact with military families before problems arise. Commanders should encourage participation by highlighting prevention efforts and should work to erase the perception that the Family Advocacy program is punitive.

ISSUE 4: SPOUSAL EMPLOYMENT

Family Centers operate employment programs to help civilian spouses find compatible work. These programs are often used during the transition between duty stations.

DISCUSSION: During several town meetings, military spouses expressed considerable dissatisfaction with spousal employment opportunities in the CONUS and particularly overseas. Although adequate Civil Service rules are in place concerning spousal preferences, opportunities for such work are extremely limited. In Italy, for example, the Status of Forces Agreement regulates the hiring of foreign nationals and limits an installation commander's hiring choices. Military spouses are often precluded by these agreements from taking jobs. Additionally,

civilian full-time equivalency ceilings further restrict commanders from offering employment even if they have funds to cover it.

Without relief to these hiring impediments, commanders are limited in offering employment opportunities to spouses overseas. *The Task Force finds* that altering employment ceilings would address some of the concerns voiced regarding the staffing of Morale, Welfare and Recreation facilities.

RECOMMENDATION 4: Seek relief from manpower Full Time Equivalency rules to allow additional hiring. The Defense Department needs to ensure adequate training for spousal employment counselors.

ISSUE 5: WOMAN, INFANTS, AND CHILDREN PROGRAM OVERSEAS

The Department of Agriculture administers the Women, Infants, and Children program (WIC). This program is a health, nutrition and education program for low-income families. Most important, it provides vouchers for infant formula and nutritious foods. At town meetings overseas, military families complained that this program was not available.

DISCUSSION: Eligibility for this program is based on gross family income and nutritional need; most families in grade E-4 and below are eligible. In Fiscal Year 1994, stateside Defense Commissaries redeemed $16.7 million in Women, Infants, and Children vouchers.

The benefit of the program to junior enlisted families is significant. These families understand the program and often use these benefits. However, under current guidelines, the Agriculture Department is not administering the program overseas. Agriculture disagrees with the clause in the Defense Authorization Act stating that "the Secretary of Agriculture shall make available to the Secretary of Defense . . . the same payments and commodities as are made for the special supplemental food program in the United States under the Child Nutrition Act of 1966" (which instituted the Women, Infants, and Children program).

The Task Force finds that the funding of this program for overseas families is the Agriculture Department's responsibility. The current system is not equitable and penalizes military families serving outside the United States. The Defense Department Office of Family Policy estimates that about 11,000 overseas families are eligible but denied this benefit—valued at approximately $4.8 million. Eligible military families are entitled to program benefits no matter where they serve. The inequity of the current system should be rectified.

RECOMMENDATION 5: The Secretary of Defense and Secretary of Agriculture should take measures to ensure that program eligible military families living overseas receive their entitlement.

ISSUE 6: RESERVE COMPONENT CHAPLAINS

An increased chaplain presence is needed at most military installations to minister to families.

DISCUSSION: In general, chaplain strength is based on the authorized numbers of military personnel at the installation—not the number of family members. Consequently, an installation seldom has a sufficient number of chaplains to counsel families. The use of Reserve forces chaplains could be beneficial.

RECOMMENDATION 6: The Department of Defense should investigate greater use of Reserve Component chaplains for ministry to Service members and families.

EDUCATIONAL SERVICES

Training and education opportunities are most frequently cited by survey respondents for enlistment. According to the 1993 Youth Attitude Tracking Survey, educational benefits were identified by 28 percent of men as the primary reason for enlisting; whereas 29 percent of women identified educational benefits as the primary reason. Respectively, job training was identified 25 percent and 15 percent of the time.

A well-educated and trained force enhances performance, and educational opportunities aid in retention. Similarly such opportunities motivate Service members, increase their self-confidence, and positively affect their "quality of life."

The issues, comments, and recommendations in this section focus on four areas: Tuition Assistance programs; Distance Learning; college credit for military training; and the Impact Aid Program which affects the education of military children. These areas are indicative of the emotional tone found by the *Task Force* at town meetings and reflect perceived inequities between the Services. *The Task Force identified* measures that could improve the way the Department of Defense operates these programs.

ISSUE 1: TUITION ASSISTANCE

Tuition Assistance programs are a very effective recruiting incentive; however, because of limited funding and a dynamic personnel tempo, many Service members cannot use their educational benefits once on active duty. Differences in funding and credit-hour authorizations among the Services compound frustrations.

EXHIBIT 4-5 UNDERGRADUATE TUITION ASSISTANCE PROGRAMS WITHIN DOD

Service	Policy and limits	FY95 budget ($ million)	Per capita cost ($)
Army	75 percent reimbursement up to maximum of $60/$85 per credit hour (higher rate for upper level courses).	34	66
Navy	75 percent reimbursement up to maximum of $125 per credit hour, or $285 per course.	25	55
Air Force	75 percent reimbursement up to maximum of $250 per credit hour. No limit on courses; however, no more than 15 hours per week.	60	149
Marines	75 percent reimbursement not to exceed $2150 per Fiscal Year.	9.6	55

Source: **Service Program Managers.**

Differences between tuition assistance benefits offered by the Services is a key disincentive in the minds of the troops (see Exhibit 4-5). For example, the Army has a limit of $60 to $85 dollars per credit hour, the Air Force $250 and the Navy $125. *The Task Force finds* that tuition assistance reimbursement levels should be standardized throughout the Department of Defense.

RECOMMENDATION 1: The reimbursement rates for tuition assistance programs should be standardized within the Defense Department. Differences in program operations should not produce inequities in reimbursement provided to military members.

ISSUE 2: DISTANCE LEARNING

Another issue deserving increased priority is *distance learning*, learning programs for deployed Service members. An excessive personnel tempo (e.g., deployments, long hours or other operational requirements) curtails too many Service members' educational opportunities. Thus, large numbers of Service members are frustrated in their desire to pursue additional education. These educational programs cover the spectrum from associate degrees to graduate work.

DISCUSSION: The Services have some Distance Learning initiatives in place that should be expanded, *the Task Force finds*. The Army's Distance Learning Program uses emerging technologies, such as video teletraining and CD-ROM, to deliver "cost effective standardized training to soldiers and units at the right place and the right time." This program is being used by the Army in the Sinai.

Similarly, the Navy's Program for Afloat College Education (PACE) is a contracted program that serves deployed ships and remote sites overseas using both electronic technology and live instructors. Future plans for this program include serving 10 landbased remote sites by the end of Fiscal Year 1996. A Program for an Afloat College Education site costs between

$12,000 and $15,000 to establish and enroll the first 10 students. Additional students cost between $300 and $500 each depending on curriculum. With a focus on undergraduate education, this program supported almost 21,000 sailors in Fiscal Year 1995 and was funded at $7.8 million.

RECOMMENDATION 2: The Defense Department should encourage Distance Learning programs and explore opportunities to expand successful programs.

ISSUE 3: COMMUNITY COLLEGE FOR THE ARMED FORCES

The Task Force evaluated the community college concept as a way to emphasize education efforts that are directly related to the individual's contribution to the military mission. One possible approach would be similar to the Community College of the Air Force (CCAF) which has been offering Associate Degrees in Applied Science to the enlisted force since 1973.

DISCUSSION: The Community College of the Air Force is designed to meet the needs of the All Volunteer Force and assist enlisted personnel in their military professional development. The mission of the college is to offer degrees that enhance mission readiness and provide recruiting incentives. This program is a voluntary, off-duty educational program that combines civilian course work with professional military education. In 1994, it conferred more than 11,000 associate degrees.

Course work consists of 64 semester hours of technical education, general undergraduate studies and program electives. Many of the credit hours are transferred from civilian institutions while the remainder are granted by military professional and technical training. Active duty promotion results show that Community College of the Air Force participants are twice as likely to advance as non-participants.

The benefit of the Community College of the Air Force is not just to the individual receiving course work. Senior enlisted supervisors believe the program is important in developing professional Non-Commissioned Officers. And supervisors identify graduates as "producing higher quality work, possessing better written and oral communication skills, and being more supportive of their unit." Further, Community College of the Air Force graduates display stronger allegiance to the Air Force mission.

According to officials of the Community College of the Air Force, program administration costs about $10 per student (not counting the salaries of the airmen enrolled). This estimate is based on the annual cost of administering the program ($4 million) for 400,000 Air Force personnel (including eligible Reservists and Air National Guard).

The Community College of the Air Force is offered as an example of the kind of program the Task Force supports which links military training and an associated degree. Part of the strength of the program is that it is inclusive of the entire enlisted population and underscores the value of military training as well as a degree.

RECOMMENDATION 3: The Department of Defense should support associate degree programs that grant credit for military training.

ISSUE 4: IMPACT AID

The Federal Impact Aid program, administered by the Department of Education, is underfunded nationwide and is a continual source of concern for local school districts and military families.

DISCUSSION: The program compensates public school districts, including those serving military installations where residents are exempt from school tax (property tax). The program serves about 1.7 million students, 548,000 of them Defense Department related.

Over the past two years the Defense Department has provided supplemental Impact Aid funding directly to local districts heavily affected by a military population. However, the program is a Department of Education responsibility.

The Task Force finds that military families are fully aware of the Impact Aid Program and its intent. Families believe Impact Aid not only assists the districts they are forced to use but also helps to ensure that local districts address the needs of the military child. They are concerned that funds earmarked for their children's education are under attack.

Children for whom school districts are reimbursed are divided into two categories: "A" children who live on federal property; and "B" children who live in the community but remain in the district only for the Service member's tour of duty. The first category is reimbursed at a higher rate.

Funding the program to include all Defense Department children in both categories, would cost an estimated $900 million a year. The Fiscal Year 1994 Impact Aid apportionment for military children was only $350 million. Additionally, the Department of Defense provided only $48 million in "Supplemental Aid."

Funding for Impact Aid is established by using an intricate formula and involves a complex application process. The complexities of this process have hindered program administration.

These issues are illustrated most dramatically in small school districts affected by a military installation. For example, this year the Tinton Falls Board of Education began exploring legal options to reclaim the non-reimbursed expense associated with providing education for 350 new students absorbed from Naval Weapons Station Earle, New Jersey. Since their Impact Aid allotment was inadequate, Tinton Falls is considering two options: the annexation of other communities to raise funds; or forcing the children from the Naval Weapons Station to attend school in another district. Other jurisdictions are threatening adverse actions if this matter is not resolved.

Legislative support is tepid, but military families believe Impact Aid is critical to ensuring the best possible education for their children and that if Impact Aid is not funded, their children's needs are not valued.

RECOMMENDATION 4: The Department of Defense should become a strong advocate for continued funding of Impact Aid.

Morale, Welfare And Recreation

The variety, quality, and availability of Morale, Welfare and Recreation programs within the Department of Defense has substantial impact on the well being and morale of the single Service member as well as Service members with families. Considering the inherent rigors of Service life, emphasis on strong Morale, Welfare and Recreation programs is crucial.

Background

Morale, Welfare and Recreation programs have historically focused on providing "healthy diversions" for what was largely a single force by emphasizing the use of gymnasiums, recreation centers and clubs. The increase in married personnel and Service members with children should in no way weaken this traditional emphasis. Although a variety of other functions have been added to Welfare and Recreation programs over the years, *the Task Force finds* that core services that benefit single, junior enlisted personnel are extremely important and must be emphasized.

Dr. E. W. Kerce's 1995 study of the quality of life in the Marine Corps identified the junior enlisted population as the least satisfied with their overall quality of life and leisure activities. "Working out" was found to be second only to "listening to music" as their preferred leisure-time activity. The study further found disaffection with their quality of life affected job performance, personal readiness and retention.

ISSUE 1: FACILITY SHORTFALLS

There are too few quality fitness centers on Department of Defense installations, despite their importance to quality of life in general and to single, junior enlisted personnel in particular. Serious long-term solutions will require additional funding and possible rearrangement of priorities for funding existing programs.

DISCUSSION: Despite declining budgets, quality of life should be enhanced for the largest population possible. Two main obstacles to this goal are the limitations in Military Construction, and Operations and Maintenance funding. The Task Force saw many old, cramped, inconveniently located and poorly equipped fitness centers. Commanders complained that funding to operate and upgrade these facilities was inadequate.

Even more striking were the facilities seen on amphibious ships. Marines and sailors complained about outdated and broken equipment.

The Task Force finds that fitness centers encourage positive individual values, aid in personnel recruitment and retention, and directly benefit mission readiness and productivity. Improving fitness centers is especially critical to the satisfaction of single, junior enlisted Service members.

RECOMMENDATION 1: Action should be taken to ensure that high-quality fitness centers are available to all Service members and their families, with the needs of single, junior enlisted personnel being paramount. This action will entail: providing funding to build additional, and upgrade existing, fitness centers; locating fitness centers where they

are most needed (i.e., ships, deployment sites, barracks, etc.) and where they are most accessible to single, junior enlisted personnel; extending their open hours, and promoting their use. Ensure that adequate funds are directed to afloat facilities as well.

ISSUE 2: STAFF SHORTFALLS

Fitness centers are category A, mission-essential activities. Department of Defense policy directs that they be operated with appropriated funds.

DISCUSSION: Because of limited appropriated funding, many fitness centers are operated with the assistance of military personnel who are taken from other duties. Other personnel are paid with non-appropriated funds. With the increased emphasis on the use of fitness centers staffing problems are likely to grow.

RECOMMENDATION 2: Re-engineer the operation of fitness centers to maximize the productive, efficient use of manpower resources. Adopt enhanced support practices; minimize the use of active duty military personnel who have other primary responsibilities.

ISSUE 3. YOUTH SERVICES

Installation programs for military youth, ages 6 to 18, have emphasized sports, recreation, classes and social activities such as dances.

DISCUSSION: The department has broadened these programs to include a focus on at-risk behaviors, social issues and prevention programs. This initiative is in response to a perceived increase in youth violence, "gang-related" behavior and other problems some youth have in functioning and adjusting.

Together, Youth Activities, Youth Athletics, and Youth Employment programs provide young people with an array of meaningful experiences as they make the transition to adulthood. At town meetings, the Task Force heard many comments regarding the need for improved employment opportunities for youth, especially during summer months. These comments correspond to a 1993 survey of Army and Air Force teens that identified employment as a major need. Nonetheless, employment opportunities for young people have diminished considerably. Full-time equivalency limits and reduced budgets have limited installation commanders' ability to provide employment.

The Task Force finds that youth employment programs provide a meaningful learning experience for teens and are a deterrent to delinquency. Summer employment programs would counter many parents' concerns about "gang problems," where older children on the base would assemble because there was "nothing to do."

Youth activity programs address those school age children who do not require child care. These activities are mostly social and recreational but the growing awareness of the needs of pre-adolescents and teens has initiated new ventures. Installation commanders in 1994 cited as major concerns the increase in youth violence, the failure of the program's responsiveness to youth, and the social isolation that youth experience following relocation. Recent initiatives within youth

activity programs target prevention of family violence, alcohol and drug abuse, teen pregnancy, school violence and gang activity.

Task Force findings underscore the value of the youth programs, particularly initiatives that focus on study-skill enhancement, volunteerism, and programs for youth-at-risk. *The Task Force finds* that the Services should support youth activities and encourage new ideas in this area. Some laudable examples include the tutoring programs by young Air Force personnel at Randolph Air Force Base and by Air Force Academy cadet volunteers who teach remedial math and science in San Antonio, Texas.

RECOMMENDATION 3: Adopt Enhanced Support Practices so installation commanders can offer youth employment to teens. At the same time, support and encourage Youth Activity Programs that address study-skill enhancement and youth-at-risk behavior. Youth Activities, Youth Athletics and Youth Employment address an emerging problem area.

Transportation Services

The Task Force encountered several concerns about current travel and transportation benefits.

ISSUE 1: SHIPMENT OF HOUSEHOLD GOODS

DISCUSSION: The Defense Department recently reviewed the recommendation by the Military Traffic Management Command's Personal Property Re-engineering Working Group that the department abandon the current personal property shipment program and adopt a commercial standard. This would include full-value liability coverage, direct claims settlement and vastly improved customer relations. The current program costs about $1.1 billion, is extremely cumbersome and has a claim rate of 23.4 percent compared to 14 percent in the private sector. This represents a great deal of unsatisfactory service. The Military Traffic Management Command hopes to improve service and simplify the process by having the military customer deal directly with the commercial contractor. A test program using new procedures has the potential of realizing significant savings.

RECOMMENDATION 1: The Defense Department should accept the findings of the Military Traffic Management Command's Personal Property Re-engineering Working Group to drop the current personal property shipment standard and adopt a commercial standard.

ISSUE 2: STORAGE OF PRIVATELY OWNED VEHICLES

Military personnel assigned to certain overseas locations are prohibited from taking their motor vehicles with them. Additionally, personnel placed on extended deployment are often forced to store their motor vehicles for the duration.

DISCUSSION: Service members must either sell the vehicle or pay for private storage during their tour. The department does not pay for storage. Military members told the Task Force about the financial hardship this requirement often causes. The Task Force finds that the Services should cover storage expenses for these privately owned vehicles to alleviate a significant financial burden for their owners.

RECOMMENDATION 2: The Task Force supports the Defense Department's proposed legislation (FY97 Unified Legislation and Budgeting Initiatives) which provides for the storage of privately owned vehicles for permanent change of station moves. The Department should consider providing similar storage for personnel on extended deployments.

ISSUE 3: SPACE "A" TRAVEL FOR DEPENDENTS

Current rules place unnecessary restrictions on dependents of military members flying on military aircraft on a Space Available basis without their military sponsor.

DISCUSSION: The Air Force has recommended expanding Space Available travel for dependents of Service members assigned overseas to travel unaccompanied within the overseas area and to and from the CONUS. However, there are restrictions such as dependents under 18 must be accompanied by the military sponsor, or the sponsor's spouse. The Joint Chiefs and Unified Commanders have endorsed the idea.

RECOMMENDATION 3: The Defense Department should adopt the Air Force recommended expansion of Space Available travel for unaccompanied as well as accompanied military family members.

Other Issues

ISSUE 1: LEAVE POLICY

Leave is a major form of compensation and its use can substantially benefit the health, morale, and welfare of Service members and their families. The accumulation of 30 days of leave a year and its regular use are intended to offset the rigors and demands commonly associated with military life. Service members who regularly use their leave are likely to be more productive, and have a greater sense of wellness and a more favorable view of military service than members who do not take leave.

DISCUSSION: The Department of Defense Directive on Leave and Liberty provides basic policy guidelines. It requires that policies and procedures of the Military Departments be uniform, but allows each Service to establish its own leave policy. Differences in interpretations between the Services have caused morale problems in some joint commands.

One command visited by the Task Force cited an example where the Air Force and Navy do not charge leave for a Service member who leaves home station on a non-duty day (e.g., a Sunday)—chargeable leave begins the next day (the same applies to the Marine Corps). In the Army a soldier is charged leave effective the day of departure from home station, unless he or she leaves on a duty day and has worked over half the normally scheduled hours.

Although there are justifiable reasons in the way the Services handle some administrative personnel issues, the method of charging leave should not be one of them. This is of particular importance in view of the increased jointness of military operations where members of two or more services are expected to serve together and would expect to have common policies for the methods used to calculate and charge leave. The current disparity in Service rules concerning the charging of leave is confusing, leaves an impression of inequity and creates morale problems.

RECOMMENDATION 1: The Department of Defense should establish policies that are uniform in the manner that chargeable leave is computed for members of all services.

ISSUE 2. MAGISTRATES OVERSEAS

Installation leaders in Okinawa and Korea articulated a real need to assign Federal Magistrates to handle crimes by dependents, contractors and civilian employees. This issue is subject to Status of Forces agreements and international negotiations.

RECOMMENDATION 2: The Department should investigate the possibility of placing magistrates in Okinawa and Korea.

Issues 3, 4 and 5 refer to organizations affiliated with, but not directly managed by the Department of Defense. Because of their long-standing traditions of serving U.S. military personnel and their commitment to improving the quality of life, the *Task Force finds* that these organizations deserve continued endorsement by the Defense Department.

ISSUE 3: IN-KIND CONTRIBUTIONS TO THE USO

The USO mission is, and has been for its almost 55 years, to "enhance the quality of life of personnel within the military community and to create a partnership between US military and civilian communities worldwide." (*DoD Directive 1330.12*).

DISCUSSION: The USO receives limited in-kind assistance from the Defense Department installations. Such assistance is permitted by statute (Public Law 96-165), regulation (*DoD Directive 1330.12*) and is consistent with the policy issued by the Secretary of Defense (SECDEF memo SUBJ: DoD Partnership with USO, 18 Oct 94). When the department provides less than optimum in-kind assistance, the USO has to spend more of its own money. This is especially true for overseas staff support. Those resources would better serve the military if spent on services and recreational opportunities for them. According to the USO, increased in-kind assistance would realize over one half-million dollars annually that could be reprogrammed into direct services for the military.

RECOMMENDATION 3: Provide in-kind support for the USO where permitted by law.

ISSUE 4: ARMED SERVICES YMCA

The Armed Services YMCA, associated with the YMCA of the United States, is composed of 14 branches and 4 affiliates that operate 50 program centers serving military families exclusively. The programs include social and recreational opportunities for married and single members, children's programs, skill-building workshops and classes, and hourly child care. These are in fact, most of the programs recommended in this chapter.

DISCUSSION: A Memorandum of Understanding was signed in 1984 between the Armed Forces YMCA and Defense Secretary Weinberger. The Memorandum delineates the relationship between the two organizations. The Subpanel endorses the programs and services offered by the Armed Services YMCA and applauds its commitment to military members and their families.

RECOMMENDATION 4: The Secretary of Defense should update and renew the 1984 Memorandum of Understanding.

ISSUE 5: STARS AND STRIPES

The publication *Stars and Stripes* has a daily circulation of 70,300 and provides military personnel deployed overseas with stateside information and a necessary connection to home.

DISCUSSION: American Forces Information Service, which operates the paper, reports that the publication is in "dire financial straits," as a result of troop drawdown overseas and the removal of profitable bookstores from the parent organization's structure. *The Task Force finds* that Stars and Stripes is a morale booster both for deployed troops and those permanently stationed overseas.

RECOMMENDATION 5: The Defense Department should support the Armed Forces Information Service in its effort to sustain *Stars and Stripes.*

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ANNEX 4-A MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding
between the Department of Defense and
The Armed Services YMCA of the USA

The Armed Services YMCA of the USA -- incorporated under the laws of the State of Illinois -- is a non-profit organization operated solely to support the young Service men and women of the Armed Forces. As it has throughout its long history, the Armed Services YMCA focuses it programs and services on young military personnel, primarily in the junior enlisted community in the paygrades of E-5 and below. Programs are provided to single and married personnel, as well as to their families.

A 501(c)(3) charitable organization, the Armed Services YMCA is associated with the National Council of the YMCA of the USA, operating independently to supplement and complement the quality of life programs provided by the Department of Defense. It enjoys a long tradition of support to the Armed Forces, having provided services continuously since the Civil War.

Program and Funding

Programs and services provided by the Armed Services YMCA are conducted in cooperation with local commands to ensure that the YMCA programs extend and complement the support provided by local military installations. The community-based programs, which are provided by trained Armed Services YMCA staff and volunteers, enhance the quality of life of young Service members away from their families, their hometown friends and the support systems normally available to young adults.

Activities and services include social and recreational opportunities for both married members and single members, school age child care, hourly child care, pre-school care, networking opportunities for young parents and skill-building workshops and classes.

Program sites are both off installations in locations that are convenient to the large numbers of young families who live in civilian housing compounds and in facilities which are provided by military installations where in-kind support enhances community charitable funding.

Programs are supported by United Way and Combined Federal Campaign drives, donations from individuals and businesses, government contracts, donated services and materials and by fees charged for certain programs. The Department of Defense recognizes the need for fund raising activities by the Armed Services YMCA. In addition, proceeds from an endowment, established during World War II, specifically to be used for work with the Armed Forces provide an ongoing core of stability to Armed Services YMCA programming.

Armed Services YMCA branches and programs are open to all military personnel and military family members regardless of gender, ethnic background, race, creed or national origin.

Department of Defense Policy

The Department of Defense (DoD) welcomes community support in its efforts to enhance the quality of life of young men and women in the Armed Forces, including community-based programs such as those provided by branches of the Armed Services YMCA. The Department recognizes the value of civilian community involvement in the lives of Service members, large numbers of who live in private sector housing off the military installations.

Therefore, the Secretary of Defense enters into this Memorandum of Understanding with the Armed Services YMCA of the USA. The Department of Defense, to the extent compatible with its primary functions, will continue to make in-kind resources available to the Armed Services YMCA to enable that organization to carry out its cultural and social responsibilities.

In accepting the services of the Armed Services YMCA, it is understood and agreed that the Armed Services YMCA activities shall be carried forward under the following terms:

1. Armed Services YMCA is responsible for the operation and coordination of its branches and satellite program centers.

2. Armed Services YMCA will coordinate activities with civilian agencies to ensure that local community services contribute to the best interests of Service personnel and the military communities involved.

3. Armed Services YMCA will be responsible for the quality of its programs and services and for the training and competency of both paid and volunteer staff.

4. The Under Secretary of Defense (Personnel and Readiness) is designated liaison between the Department of Defense and the Armed Services YMCA. All policy matters shall be referred to the DoD liaison officer.

5. The Armed Services YMCA serves its constituents through branches, program centers, satellite programs and outreach activities in areas that are convenient to those being served. While the Armed Services YMCA is responsible for establishing or closing branches or programs centers, such actions are to be conducted in consultation with appropriate command representatives.

6. In previous times of conflict, YMCA programs have been conducted in overseas areas. If such services are needed in the future, they will be the subject of separate arrangements between the Armed Services YMCA and the Department of Defense.

7. Unified and specified commanders may negotiate directly with the Armed Services YMCA of the USA for the establishment of temporary services. The Under Secretary of Defense (Personnel and Readiness) shall be advised of these actions.

Command Review of Programs

Installations commanders shall maintain a continuing review of facilities, programs and services operated by the Armed Services YMCA that impact on their areas of responsibility. This review shall include program need and effectiveness, adequacy of facilities and competence of staff personnel.

In-Kind Services

It is Department of Defense policy to provide in-kind services to the Armed Services YMCA where it is in the best interests of the military community, and where, in the judgment of local commanders, such support furthers the quality of life of both married and single Service members.

Other Agencies

This Memorandum of Understanding shall not affect relationships between the Department of Defense and other agencies that DoD may invite to provide services.

Review

The Armed Services YMCA and the Department of Defense shall review this Memorandum of Understanding as necessary and make changes to it as may be mutually agreed upon. This MOU may be terminated by either the Armed Services YMCA or the Department of Defense upon written notification of the other party.

_____ _____

Secretary of Defense

National Executive Director
Armed Services YMCA of the USA

Date_____

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APPENDIX 1 SEPARATE VIEWS

SEPARATE VIEWS OF JOHN O. MARSH JR, CHAIRMAN, AND OTHER MEMBERS OF THE TASK FORCE ON QUALITY OF LIFE AS LISTED BELOW

We believe the Task Force has provided substantive responses and recommendations on the matters outlined by Secretary Perry for our inquiry. With respect to military housing, the Task Force has set out a continuum of recommendations which, if taken in whole, could provide the framework for substantially improving both the quality and quantity of military housing.

In the field of community and family services, the Task Force has outlined a number of recommendations that can make an important contribution to this significant aspect of quality of life for military personnel.

As to the tempo our military personnel are experiencing and the toll that it may be taking, the Task Force has also identified a number of steps and made a set of recommendations that can assist the Department of Defense in alleviating some of the intensity which our personnel are experiencing in deployments and other operational commitments. We believe these recommendations will make a significant contribution.

There is a matter that, in our judgment, needs to be addressed that is not within this Task Force's charter.

Based on the Task Force's inquiry into personnel tempo and the role the reserve components might play in alleviating this situation we have decided to offer an additional recommendation that is beyond the charter given the Task Force, but nonetheless critically relevant to providing a complete answer to this question.

In our judgment, the most fundamental question that needs to be addressed with respect to use of the reserve components is "What is the appropriate role for the reserve components in our national security posture in the post Cold War future?"

The role of the reserve components is a matter that has been addressed in a long succession of studies in the past, but the situation is so markedly altered that those studies, and even the laws and regulations that currently govern the reserve components, are no longer relevant to the future we are contemplating. We believe that the judgment that an answer to this question is needed is supported by comments contained in the work of the Readiness Task Force and the Commission on Roles and Missions, each of which in different ways raised questions about the role of the reserve components. Our conclusion to this effect was also reinforced by conversations with a wide range of current and former senior civilian and military officials during the course of the Task Force's work.

Most of the difficulty in addressing how and in what manner to further utilize the reserves emanates from the Cold War framework in which they have developed, their force structure that

still reflects this situation, and Cold War era rules governing the manner in which they may operate. The time is right to reconsider these matters and develop a framework for the reserve component that is re-engineered in keeping with the emerging circumstances and the future. In our judgment there are real opportunities for our national security posture that could emanate from such a re-evaluation.

It is critical to ensure that such a review be conducted in conjunction with the Congress, in an appropriate manner, because of the particular relation that exists both in law and in fact between the reserves and the responsibilities invested in the Congress with respect to the reserve component, and of course the military as a whole.

What should be the role of the reserve component in the future? Should it be enhanced in keeping with the normal precedent of our history in which we have maintained a small standing military and relied heavily on a militia? Or, will the reserve component be reduced substantially to assist in providing funds for a high quality active force? Is some combination of these approaches the better choice? More pragmatically, how can we not conduct such a re-evaluation in the midst of the various revolutions (the political revolution in what was the Warsaw Pact, similar but less dramatic evolutions throughout the Third World, the revolution that is occurring in information and communications) that are occurring throughout our world.

Already the character of employment of our military forces has changed with the increased emphasis on operations other than war. Such requirements, both domestically and overseas, may be better dealt with after this review.

Certainly, a part of this re-evaluation should include consideration of the linkage the reserve force provides to the civilian community and how this relationship should be fostered as a part of our national security fabric. While some have criticized the degree to which civilian influence is evident in the reserve community, there are many who suggest that it is exactly this linkage that provides a critical bellwether for our national security activities and which catalyzes the national commitment so necessary in military activities that was absent in Vietnam.

In our judgment, such a re-evaluation needs to encourage non-traditional thinking. Old ideas and ways of doing things die hard. To be successful, this effort must find a way to avoid some of the attitudinal problems in evidence in many active duty personnel, as well as the defensive position taken by many in the reserve community.

While the type of questions that should be addressed in such a study can only be suggested in part, they should include such matters as the following:

- the role of the reserves in our national security posture, and from this the force structure and size for these forces,
- the manner in which the relationship with the civilian community should be established,
- what should be the role of the reserves in operations other than war,
- can reserve forces in large unit configurations perform an effective military role where the mission is in large part "presence" as it is in Europe,

- how can we take better advantage of the individual skills resident in the reserve component,

- what opportunities do advances in information technology, and in particular simulation capabilities, provide with respect to utilization of reserve forces,

- how can the reserve component reduce the time necessary before deployment,

- how can reserve forces take better advantage of individuals leaving active service,

- to what extent should efforts to more fully integrate reserve and active forces be re-emphasized such as the "round-out" concept now dormant in the Army,

- how can tours be shortened and rotations increased synergistically to lessen the burden of deployments on reserve component personnel,

- where are there opportunities to turn an entire mission over to the reserve component and encourage them to address the mission requirements creatively to seek innovative solutions,

- can the success evident in the integration of the Air Guard and Reserve into the active Air Force be used as a model for realizing greater utilization of aviation units in the Navy and the Marine Corps, and

- what are the appropriate training requirements for the reserve component that should be established in law. This question could also be expanded to compensation matters in general.

The time is right for a comprehensive review of the future role of the reserve component. Without this base, it will be not only difficult, but also highly contentious to make decisions concerning the size and utilization of the reserves that inevitably must be made.

The following Members of the Task Force concur in these views:

Honorable Edward C. Aldridge
Former Secretary of the Air Force

Gen John A. Shaud
General, USAF (Ret)

LtGen Edgar A. Chavarrie Mr.
Lieutenant General, USAF (Ret)

MajGen Robert S. Delligatti
Executive Director
Major General, USAF (Ret)

James M. DeFrancia
President, Lowe Enterprises
Mid-Atlantic Inc.

Dr. Barbara P. Glacel
CEO, VIMA International, Inc.

MajGen Donald R. Gardner
Major General, USMC (Ret)

Honorable John O. Marsh
Former Secretary of the Army

ADM William D. Smith
Admiral, USN (Ret)

LTG Herbert R. Temple, Jr.
Former Chief National Guard Bureau

Honorable G. Kim Wincup
Former Asst Secretary of Army/Air Force

Ms. Claire E. Freeman
CEO, Cuyahoga Metropolitan Housing Authority

SgtMaj Charles A. McKinney
Sergeant Major, USMC (Ret)

RADM Roberta L. Hazard
Rear Admiral, USN (Ret)

Mrs. Sylvia E. J. Kidd

Honorable Sean O'Keefe
Former Secretary of the Navy

Gen John A. Wickham
Former Chief of Staff Army

MajGen John L. Matthews
Major General, USAF (Ret)

Chaplain (MG) Matthew A. Zimmerman
Major General, USA (Ret)

MCPON William H. Plackett
Former Master Chief Petty Officer of the Navy

Mrs. Dorene N. Butler

CSM William J.H. Peters
Command Sergeant Major, USA (Ret)

CMSAF Sam E. Parish
Former Chief Master Sergeant of the Air Force

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THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION AND TECHNOLOGY

DEC 0 9 1994

MEMORANDUM FOR CHAIRMAN, DEFENSE SCIENCE BOARD

SUBJECT: Terms of Reference--Defense Science Board Task Force on Quality of Life

You are requested to form a Defense Science Board Task Force to examine Quality of Life issues as they apply to active and reserve component military personnel, their families and civilian employees of the Department of Defense. The scope of your effort should be directed into three main areas: improving the way we house our people (on post/off post; married and single); improving the way we deliver community and family services; and improving the way we manage our people to reduce personnel turbulence. The Task Force may also report and make recommendations, as appropriate, on other matters or concerns, such as availability of medical care, which may be raised during the course of its deliberations. Specific attention should be paid to the following general areas:

(1) Identify off budget actions that can improve quality of life--such as improving base housing, family quarters or other housing, or community and family services;

(2) Identify ways of improving personnel tempo and reducing turbulence--such as making more extensive use of the Guard and Reserve in over-extended military specialties;

(3) Explore setting DoD-wide standards for components of quality of life--e.g., housing;

(4) Identify high leverage items for use of appropriated funds to improve quality of life--such as family services, child care programs, and self-help programs.

The Task Force will concentrate its efforts on generating practical ideas that can be quickly implemented. The Task Force will function in close coordination with the DoD Quality of Life Executive Committee, chaired by the Assistant Secretary of Defense for Force Management Policy. The DoD Executive Committee will serve as an internal Department action body, supporting the DSB Task Force, implementing the approved recommendations of the Panel and any related Program Decision Memoranda, and surfacing new ideas from inside and outside the system for consideration.

The Under Secretary of Defense (Acquisition and Technology) will sponsor this Task Force, providing funding and other support as may be necessary. The Honorable John O. Marsh will serve as the Task Force Chairman. Lieutenant Colonel David Witkowski, USAF, from the Office of the Assistant Secretary of Defense for Force Management Policy, will serve as Executive Secretary, and Lieutenant Colonel Keith Larson, USAF, will serve as the Defense Science Board Secretariat representative.

The Task Force will be operated in accordance with the provisions of P.L. 92-463, the "Federal Advisory Committee Act," and DoD Directive 5105.4, the "DoD Federal Advisory Committee Management Program."

It is not anticipated that this Task Force will need to go into any "particular matters" within the meaning of Section 208 of Title 18, U.S. Code, nor will it cause any member to be placed in the position of acting as a procurement official. The Task Force will submit periodic interim reports, and a final report when the Task Force effort has been completed.

Paul G. Kaminski

APPENDIX 3 SITES VISITED

Region	Site
Eastern United States	• Norfolk Naval Center • Fort Bragg • Pope Air Force Base
Central United States	• Fort Sam Houston • Lackland Air Force Base • Randolph Air Force Base • Fort Hood • Tinker Air Force Base • Cannon Air Force Base
Western United States	• Fort Lewis • McChord Air Force Base • Miramar Naval Air Station • Camp Pendelton • San Diego Naval Base
Pacific Theater	• Pearl Harbor Naval Base • Marine Corps Base Kaneohe • Schofield Barricks • Camp Butler • Camp Schwab • Kadena Air Base • Camp Casey • Yongson • Osan Air Base • Joint Security Area (DMZ)
European Theater	• Kaiserslauten Military Community • Mildenhall/Lakenheath Military Community • Aviano Air Base • Naples Naval Support Activity • Sigonella Naval Air Station

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APPENDIX 4 GLOSSARY

Acceptable Housing	A term used to describe housing that satisfies criteria identified in DoD Housing Management, September 1993 (DoD 4165.63M). Acceptable community family housing is countable as an asset in determining housing requirements. Acceptable permanent party unaccompanied personnel housing is reportable as adequate and assignable on a mandatory basis to junior enlisted personnel.
Active Duty	Full-time duty in the active military service of the United States. This includes members of the Reserve Component serving on active duty or full-time training duty, but does not include full-time National Guard duty.
Active Duty for Training	A tour of active duty used for training members of the Reserve Component to provide trained units and qualified persons to fill the needs of the Armed Forces in time of war or national emergency and such other times as national security requires. It includes annual training, special tours of active duty for training, school tours and the initial duty for training performed by non-prior service enlistees.
Adequate family housing	Military Family Housing that is specifically designated adequate and for which full housing allowances are withheld when assigned.
Adequate barracks	Barracks that meet minimum space, privacy and environmental standards of acceptability.
Appropriated Funds	Funding provided by Congress for the operation of the government.
Bachelor Housing	Housing for single and unaccompanied personnel, including government-owned barracks and off-base residences rented or owned in the local community.
Barracks	On base, government-owned housing for single and unaccompanied personnel. Also known as unaccompanied personnel housing, dormitories and bachelor quarters.
Chairman	Unless otherwise stated, refers to the Chairman, Joint Chiefs of Staff.

Child Development	The program within the Department of Defense that provides care and/or resource and referral services for military families with children ages 0-12. The Child Development Program includes Child Development Centers, Family Child Care Programs and Hourly Child Care initiatives.
Child Development Centers	A facility on a military installation where child care services are provided for members of the Armed Forces, or any other facility where child care is provided and operated by the Secretary of a Military Department.
Combatant command	See *Unified command.*
Commander in Chief	The President of the United States. Also, when used with a geographical or functional designation, the Commander of one of the unified combatant commands established by the President.
Community housing	Private housing in the vicinity of the installation.
Compensating leverage	The use of Reserve forces in practical experience-gaining tasks as opposed to repetitious home-station training.
Contingency	An emergency involving military forces caused by natural disasters, terrorists, subversives or by required military operations.
Contingency contracting	Contracting performed in support of a peacetime contingency in an overseas location pursuant to the policies and procedures of the Federal Acquisition Regulatory System.
Contingency Plan	A plan for major contingencies that can reasonably be anticipated in the principal geographic sub-areas of a command.
Contract Maintenance	The maintenance of materiel performed under contract by commercial organizations (including prime contractors) on a one-time or continuing basis, without distinction as to the level of maintenance accomplished.
Counterdrug	Active measures taken to detect, monitor and counter the production, trafficking and use of illegal drugs.

Defense agency	An organization designated by the Secretary of Defense to provide services or supplies common to more than one department (e.g., Defense Information Systems Agency, Defense Intelligence Agency, and Defense Logistics Agency).
Deployment	The relocation of forces and materiel to desired areas of operations. Deployment encompasses all activities from origin or home station through destination, specifically including intra-continental United States, inter-theater and intra-theater movement legs, staging and holding areas.
DoD components	Major organizational elements of the Department of Defense, such as the Services, agencies and unified commands.
DoD Directive 5100.1	The order promulgating the responsibilities and functions of the Department of Defense.
Enhanced Support Practice	A proposed tool that will allow the use of appropriated funds to reimburse certain non-appropriated fund activities, such as Child Development Services.
Executive Agent	Authority delegated (normally to a Military Department or combatant commander) by the Secretary of Defense to act on his behalf with respect to certain activities and/or resources.
Family Advocacy Program	The Department of Defense program that provides for the prevention, intervention and treatment of spousal abuse, child abuse and neglect and child sexual abuse. Family Advocacy specialists are located at Family Centers and Medical Treatment Facilities on Defense Department installations.
Family Child Care	Home-based child care services provided for members of the Armed Forces by an individual who is certified by the local Child Development Program and who regularly provides such services for compensation.
Family Support Programs	Programs provided on a military installation to assist military families by offering information and referral services, relocation assistance, parenting classes and other programs that help families in cope with the demands of military life.

Field Activity	An organization designated by the Secretary of Defense to provide services or supplies common to more than one department (e.g., Defense POW/MIA Office and Washington Headquarters Services).
Forward presence	See *Presence.*
Full-Time Equivalency Limits	A ceiling on the number of person-years a Department of the government is authorized to hire. These limits apply to civil service positions.
Functional CINC	Unified Commander in Chief who is assigned a specific worldwide support function. Currently, these are Special Operations Command (SOCOM), Headquarters at MacDill Air Force Base, Florida; Strategic Command (STRATCOM), Headquarters at Offutt Air Force Base, Nebraska; Transportation Command (TRANSCOM), Headquarters at Scott Air Force Base, Illinois; and Space Command (SPACECOM, Headquarters in Peterson Air Force Base, Colorado.
Geographic CINC	Unified Commander in Chief who is assigned a regional/geographic area of responsibility (AOR). Currently, these are Atlantic Command (ACOM), Headquarters in Norfolk, Virginia; Central Command (CENTCOM), Headquarters at MacDill Air Force Base, Florida; Pacific Command (PACOM), Headquarters in Camp Smith, Hawaii; European Command (EUCOM), Headquarters in Stuttgart, Germany; and Southern Command (SOUTHCOM), Headquarters in Rodman, Panama.
Goldwater-Nichols Act	The Department of Defense Reorganization Act of 1986. The original Bill was sponsored by Senator Goldwater and Congressman Nichols.
Host Nation	A country where representatives or organizations of another state are present because of government initiation and/or international agreement.
Hourly Child Care	Child care provided to military families on an *intermittent*, or *as needed* basis. Examples of hourly care needs include medical appointments, job interviews or respite care for stressed families.

Impact Aid Program	Department of Education program that compensates local school districts when adversely impacted by the presence of a federal activity, such as a military installation. The program is intended to compensate a school district for school taxes not received from tax-exempt persons who use the system.
Individual Mobilization Augmentee (IMA)	An individual Reservist attending drills who receives training and is preassigned to an Active Component organization, a Selective Service System or a Federal Emergency Management Agency billet that must be filled on, or shortly after, mobilization.
Individual Ready Reservist	A member of the Ready Reserve not assigned to the Selected Reserve and not on active duty.
Inter-Service	Between Services. Example: Inter-Service training is that which is provided by one Service to members of another Service.
Joint Duty Assignment	An assignment to a designated position in a multi-Service, or multinational command or activity, that is involved in the integrated employment or support of the land, sea and air forces of at least two of the three Military Departments.
Joint operations	Military operations involving integrated force packages from more than one Military Department.
Marine Expeditionary Force (MEF)	The principal Marine Corps warfighting organization, particularly for a larger crisis or contingency, and can range in size from less than one to multiple divisions and aircraft wings together with one or more force service support groups.
Military Departments	The Departments of the Army, Navy and Air Force.
Military Family Housing	Family housing owned, leased or acquired and operated by the military Services.
Military housing	Family housing and barracks owned, leased or acquired and operated by the military Services.

Military Services	The Army, Navy, Air Force, Marine Corps and Coast Guard in time of war.
Missions	The tasks assigned by the President or Secretary of Defense to the combatant commanders.
Mobilization	The process by which part or all of the Armed Forces are brought to a state of readiness for war or other national emergency. This includes activation of Reserve Component as well as assembling and organizing national resources to support national objectives in time of war and for military operations other than war.
National Command Authority	The President and the Secretary of Defense or their deputized alternates or successors. Also called the NCA.
National Security Strategy	The art and science of developing, applying and coordinating the instruments of national power (diplomatic, economic, military and informational) to achieve objectives that contribute to national security.
Nonappropriated Funds	Funds generated by DoD for military and civilian personnel and their dependents and used to augment funds appropriated by Congress to provide a comprehensive, morale-building welfare, religious, educational and recreational program, designed to improve the well-being of military and civilian personnel and their dependents.
Operations and Maintenance (O&M)	Funds programmed for activities such as training and maintenance of equipment and facilities and civilian pay.
Operations Other Than War (OOTW)	An aspect of military operations that focus on detering war and promoting peace.
Operational Tempo	Operational tempo is divided into National Command Authority-directed operations—such as Provide Comfort in Northern Iraq, Uphold Democracy in Haiti and Deny Flight in Bosnia—and combat training.
Operational Training	Training that develops, maintains or improves the operational readiness of individuals or units.

Outyears	Used in fiscal programming for those fiscal years beyond the budget exhibits.
Personal Financial Management	Programs provided at Defense Department Family Centers that provide proactive advice and information on issues such as consumer education, family and personal budgeting, debt management, credit problems and savings and investment counseling.
Personnel Tempo	A comparison of days in home port (home station) to days not in home port (home station) over a specific period of time, as well as time spent in deployed field activities while in home port or home station.
Presence	The ability of the United States military forces to exert influence abroad during peacetime because they are located in an area, or they have the capacity to get quickly to the scene, also their peacetime engagement activities with foreign nations.
Quarters	All living accommodations.
Ready Reserve	The Selected Reserve and Individual Ready Reserve liable for active duty as prescribed by law (10 U.S.C. 268, 672, and 673).
Reserve Component	The Reserve Components of the Armed Forces of the United States are: The Army National Guard, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air National Guard, the Air Force Reserve and the Coast Guard Reserve.
Roles	Broad and enduring purposes specified by Congress in law for the Services and selected DoD components.
Round-out concept	A war-planning concept in which certain high-priority Reserve and National Guard Brigades have a preplanned wartime role as integral parts of active Army units.
School Age Care	Supervision of children before and after school, on school holidays and during school vacations.
Scoring	A budgetary term, unique to the Federal Government, that refers to accounting for long term liabilities.

Secretariat	The staff of the Secretary of a Military Department (currently separate from the staff of the Service Chief of Staff).
Selected Reserve	Units and individuals within the Ready Reserve designated by their respective Services and approved by the Joint Chiefs of Staff as so essential to initial wartime missions that they have priority over all other Reserves. The Selected Reserve also includes persons performing initial active duty for training.
Service Chief	Senior military person in a Service—Chief of Staff of the Army, Chief of Naval Operations, Commandant of the Marine Corps, Chief of Staff of the Air Force and Commandant of the Coast Guard.
Spouse Employment Program	A program offered by Family Centers to help spouses of active duty personnel find employment.
Substandard Family Housing	Military Family Housing, specifically designated by Congress as not adequate and is occupied subject to a "rent" equal to its fair market value not to exceed 75 percent of the resident's Basic Allowance for Quarters.
Theater	As used in this report, the area of operations of a geographic CINC.
Tiered Training	A training process consisting of, at the highest level, training to global and theater strategies. The middle level trains for Joint Task Force activities. The bottom tier involves *Service-unique* training.
Title 10, United States Code	Title 10, United States Code, contains the organic law governing the Armed Forces of the United States and providing for the organization of the Department of Defense, including the military departments and reserve component.
Tuition Assistance	Financial aid to Service members on active duty who successfully complete college course work.
Unified command	A command established by the President with a broad, continuing mission under a single commander and composed of forces from two or more Military Departments.

Unsuitable housing	Housing that fails to meet condition, size or configuration standards, or acceptability criteria defined earlier.
Voluntary training	Training in a non-pay status for Individual Ready Reservists and active status Standby Reservists.
Women, Infants, and Children (WIC) Program	A Department of Agriculture program that provides health and nutrition education, and vouchers for formula and nutritious foods to low income families. In the Defense Department, most E4 and below families are eligible for WIC.

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