OFFICE OF THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

MAR 16 2011

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
COMMANDERS OF THE COMBATANT COMMANDS
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Continuation of Defense Acquisition Workforce Improvement Initiative

The Secretary of Defense strategy to strengthen the capability and capacity of the defense acquisition workforce continues as a major element of acquisition reform. A high quality acquisition workforce is vital to achieving efficiencies, Better Buying Power, and improving acquisition outcomes for the warfighter and taxpayer.

The Department of Defense currently has in place a strategy to increase acquisition workforce capacity by approximately 10,000 civilian Full Time Equivalents (FTE's) by Fiscal Year 2015 as depicted in the attached chart. When the Defense Acquisition Workforce Development Fund (DAWDF) hires are transitioned to FTE positions, those positions are to be supported within existing civilian ceilings, which have been adjusted accordingly. The strategy requires that the Components provide funding for long-term sustainment of the in-sourced positions.

Additional in-sourcing of acquisition functions may be considered. However, all in-sourcing will be on a case-by-case basis, after careful consideration of critical need, whether a function is inherently governmental, and benefit demonstrated by a cost-benefit analysis. Additional insourcing must be supportable within current budget levels, including the current continuing resolution while it remains in place. If added insourcing would breach the existing civilian ceilings, then the proposal and associated justification must be provided to the Director, AT&L Human Capital Initiatives prior to execution. The proposal will be reviewed by the two Under Secretaries signing this letter and approved by the Deputy Secretary of Defense.

Ashton B Carter

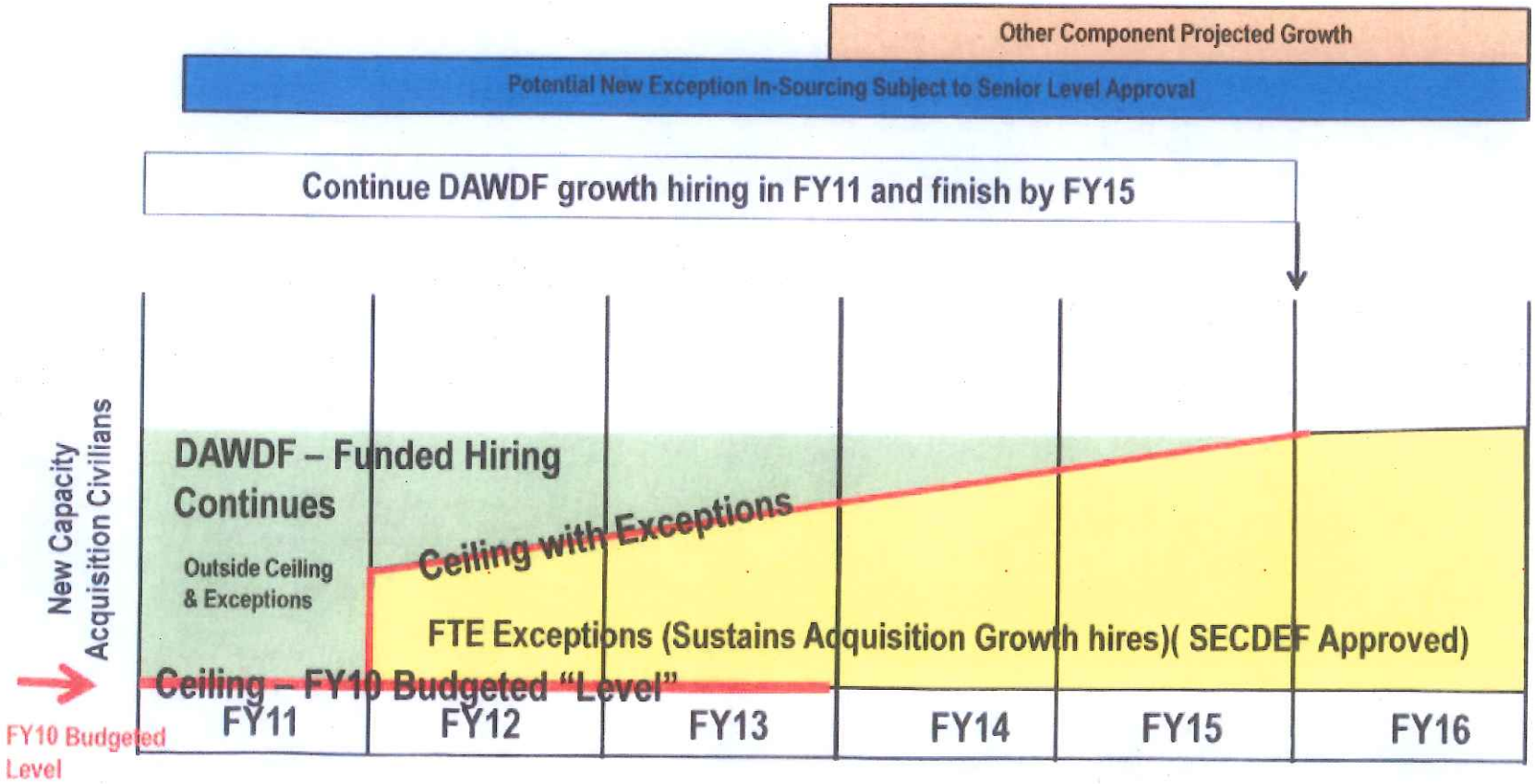
Ashton B. Carter
Under Secretary of Defense
(Acquisition, Technology and Logistics)

Robert F. Hale

Robert F. Hale
Under Secretary of Defense
(Comptroller/Chief Financial Officer)

Attachment:
As stated

DOD is holding the civilian workforce at FY10 levels for three years with limited exceptions such as the acquisition workforce.*



Not to scale

*SECDEF 16 Feb 2011 Budget Hearing
& page 5-4 FY-12 DoD Budget Overview

Attachment