

**DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2011 Budget Estimates**

Operation and Maintenance, Defense-Wide Summary (\$ in thousands)

**Budget Activity (BA) 3: Defense Acquisition Workforce Development Fund (DAWDF)**

	<u>FY 2009</u> <u>Actuals</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2010</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2011</u> <u>Estimate</u>
DAWDF (Appropriated)	0	0	99,874	99,874	2,222	115,465	217,561
Unobligated Balance Carried Forward, Start of Year	237,000	0	0	744,000	0	0	265,000
Receipts	700,000	0	0	0	0	0	283,000
Actual/Planned Obligations	<u>-193,000</u>	<u>0</u>	<u>0</u>	<u>-579,000</u>	<u>0</u>	<u>0</u>	<u>-765,435</u>
Unobligated Balance Carried Forward, End of Year	744,000	0	99,874	264,874	2,222	115,465	0

*This funding table and the accompanying description represent all funds (appropriated and "credits" available to the DAWDF)*

**I. Description of Operations Financed:** The purpose of the Defense Acquisition Workforce Development Fund (DAWDF) is to ensure the Department of Defense (DoD) has the capacity in both personnel and skills needed to perform its acquisition mission, provide appropriate oversight of contractor performance, and ensure that the Department receives best value for expenditure of public resources. The acquisition, technology, and logistics mission in DoD is carried out primarily by an identified set of personnel in the military departments and defense agencies known as the defense acquisition workforce.

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To reform how and what we buy the Department has embarked on an initiative to significantly improve the quality and readiness of the defense acquisition workforce which is dependent upon having adequate numbers of capable personnel on the job, in the right place, and at the right time. The Department's Acquisition Workforce Growth initiative includes increasing the size of the organic workforce by 20,000 through fiscal year 2015. To achieve this goal, the Department plans to hire approximately 10,000 new workforce members (Funded by DAWDF) and in-source approximately 10,000 positions (funded by the Military Departments and Defense Agencies) that were previously being performed by contractor personnel. These actions will create a better balance between the government workforce and contractor support and strengthen the Department's capability to perform inherently governmental functions and provide appropriate oversight of all acquisition activities. As part of this initiative, the Department will grow its contracting and oversight workforce, to include the Defense Contract Management Agency and the Defense Contract Audit Agency. These resources will improve the Department's oversight capability and help ensure we get what we pay for, ferret out waste, and more aggressively combat contract fraud. Additionally, to get the best value for taxpayers, the Department will enhance its cost estimating and pricing capability to improve program estimates and ensure we price our contracts appropriately.

The DAWDF supports these efforts to meet the Department's workforce challenges and restore the organic defense acquisition workforce by funding initiatives in three categories: 1) recruiting and, 2) training and development, and 3) recognition and retention. Funds available to the DAWDF include appropriated funds and funds sourced from other appropriations based on a percent of expenditures for contract services.

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**RECRUITING AND HIRING**  
**(\$ in Millions)**

<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b><u>Actuals</u></b>	<b><u>Estimate</u></b>	<b><u>Estimate</u></b>
<b>\$101</b>	<b>\$376</b>	<b>\$600</b>

**Recruiting and Hiring:** The FY 2011 budget provides for increasing the size of the organic defense acquisition workforce by approximately 1,700 employees. This is part of the overall objective to increase the size of the organic acquisition workforce by approximately 20,000 by FY 2015. Additionally, the Services and Defense Agencies are also addressing acquisition workforce growth outside this account.

**TRAINING AND DEVELOPMENT**  
**(\$ in Millions)**

<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b><u>Actuals</u></b>	<b><u>Estimate</u></b>	<b><u>Estimate</u></b>
<b>\$80</b>	<b>\$161</b>	<b>\$114</b>

**Training and Development:** The Department's top training priority and most pressing area of need for the acquisition workforce is to improve certification levels and ensure a qualified workforce. The Department is enhancing certification standards to ensure the workforce is fully qualified to be successful in an increasingly complex acquisition environment. Certification training requirements have exceeded DAU's training capacity, and DAU must expand to meet forecasted growth. Increased training demand is based on the

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departure of an aging workforce; replenishment hiring for normal workplace turnover; and expanded requirements resulting from planned growth of the workforce. Additionally, there are new training initiatives to include expanded expeditionary training, Contracting Officer Representative training, and requirements training for the workforce. This also includes improved and expanded training for contract specialists and pricing personnel; international cooperation training; expanded program management training; and source selection and risk management training improvements.

**RECOGNITION AND RETENTION**  
**(\$ in Millions)**

<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b><u>Actuals</u></b>	<b><u>Estimate</u></b>	<b><u>Estimate</u></b>
\$12	\$42	\$51

**Recognition and Retention:** The Department is implementing a robust employee retention and talent management strategy to retain acquisition employees with expert knowledge in critical and shortage skill areas. These employees include, but are not limited to, individuals filling Key Leadership Positions. These are especially found in major acquisition programs, such as program managers, engineers, senior contracting officers, life cycle logisticians, cost estimators, and other personnel possessing special expertise that is hard to find or retain. The Department will invest in retention (student loan repayment, tuition assistance, retention bonuses) and recognition incentives to promote retention.

**II. Force Structure Summary: None.**

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III. Financial Summary (\$ in thousands)

The Financial Summary represents only appropriated funds.

	FY 2010						
	FY 2009 <u>Actuals</u>	Budget <u>Request</u>	<u>Congressional Action</u>		<u>Appropriated</u>	Current <u>Estimate</u>	FY 2011 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>			
<b>A. <u>BA Subactivities</u></b>							
1. Recruiting and Hiring	0	100,000	-126	-0.1	99,874	99,874	217,561
<b>Total</b>	<b>0</b>	<b>100,000</b>	<b>-126</b>	<b>-0.1</b>	<b>99,874</b>	<b>99,874</b>	<b>217,561</b>

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<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2010/FY 2010</u>	<u>Change</u> <u>FY 2010/FY 2011</u>
Baseline Funding	100,000	99,874
Congressional Adjustments (General Provisions)	-126	
<b>Subtotal Appropriated Amount</b>	<b>99,874</b>	
Fact-of-Life Changes (CY to CY Only)		
<b>Subtotal Baseline Funding</b>	<b>99,874</b>	
Anticipated Supplemental		
Reprogrammings		
Price Changes		2,222
Functional Transfers		
Program Changes		115,465
<b>Current Estimate</b>	<b>99,874</b>	<b>217,561</b>
Less: Wartime Supplemental		
<b>Normalized Current Estimate</b>	<b>99,874</b>	

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	Amount	Totals
<b>C. Reconciliation of Increases and Decreases</b>		
<b>FY 2010 President's Budget Request (Amended, if applicable)</b>		<b>100,000</b>
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8097 - Economic Assumptions	-126	
e. Congressional Earmarks - Sec 8037 Indian Lands Environmental Impact		
<b>FY 2010 Appropriated Amount</b>		<b>99,874</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact of Life Changes		
<b>FY 2010 Baseline Funding</b>		<b>99,874</b>
4. Reprogrammings (requiring 1415 Actions)		
<b>Revised FY 2010 Estimate</b>		<b>99,874</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		
<b>FY 2010 Normalized Current Estimate</b>		<b>99,874</b>
6. Price Change		
7. Functional Transfers		
8. Program Increases		115,465
a. Annualization of New FY 2010 Program		
b. One-Time FY 2011 Increases		
c. Program Growth in FY 2011		

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**III. Financial Summary (\$ in thousands)**

The Financial Summary represents only appropriated funds.

**C. Reconciliation of Increases and Decreases**

	<b>Amount</b>	<b>Totals</b>
1) The growth continues the transition strategy for the DAWDF from being wholly funded by "credits" from the Components to a "hybrid" funding source of credits and direct appropriations. Specifically, the appropriated funds support 1,716 FTE in FY 2011, which represents an increase of 925 FTE over FY 2010. This supports the SECDEF's initiative to grow the acquisition workforce by 20,000 end strength by FY 2015.	115,465	
9. Program Decreases		
a. Annualization of FY 2010 Program Decreases		
b. One-Time FY 2010 Increases		
c. Program Decreases in FY 2011		
<b>FY 2011 Budget Request</b>		<b>217,561</b>

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**IV. Performance Criteria and Evaluation Summary**

**Recruiting and Hiring:** The growth metric represents increased end-strength to measure progress toward the fiscal year FY 2015 objective of 20,000. This is the critical metric since 70 percent of the planned funding is allocated for growth. Components will track growth by all appropriate acquisition functions based on targeted needs such as contracting oversight, cost estimating, program management, and systems engineering.

Achieving targeted annual growth	FY 2009		FY 2010	FY 2011
	Estimated	Actual	Estimate	Estimate
Annual Hiring Targets - Employees on-board	1,856	1,947	1,580	1,695

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<b>V. <u>Personnel Summary</u></b>	<b><u>FY 2009</u></b>	<b><u>FY 2010</u></b>	<b><u>FY 2011</u></b>	<b>Change FY 2009/ FY 2010</b>	<b>Change FY 2010/ FY 2011</b>
<u>Civilian End Strength (Total)</u>					
U.S. Direct Hire	0	1,580	3,275	+1,580	+1,695
Foreign National Direct Hire					
Total Direct Hire	0	1,580	3,275	+1,580	+1,695
Civilian FTEs (Total)					
U.S. Direct Hire	0	791	1,716	+791	+925
Foreign National Direct Hire					
Total Direct Hire	0	791	1,716	+791	+925
Foreign National Indirect Hire					
Memo: Military Technician Included					
Memo: Reimbursable Civilians Included					
Average Annual Civilian Salary (\$ in thousands)	0	\$126.391	\$126.776	+\$126.391	+\$0.385

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**VI. OP 32 Line Items as Applicable (Dollars in thousands):**

<u>OP 32 Line</u>	FY 2009 <u>Actuals</u>	Change FY 2009/FY 2010		FY 2010 <u>Estimate</u>	Change FY 2010/FY 2011		FY 2011 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	0	0	99,874	99,874	2,222	115,465	217,561
<b>199 Total Civ Compensation</b>	<b>0</b>	<b>0</b>	<b>99,874</b>	<b>99,874</b>	<b>2,222</b>	<b>115,465</b>	<b>217,561</b>
308 Travel of Persons							
920 Supplies/Matl (non fund)							
921 Print & Reproduction							
922 Eqt Maint Contract							
923 Facilities Maint Contr							
925 Eqt Purch (non fund)							
933 Studies, Analysis & Eval							
934 Engineering & Tech Svcs							
989 Other Contracts							
<b>999 Total Other Purchases</b>							
<b>Total</b>			<b>99,874</b>	<b>99,874</b>	<b>2,222</b>	<b>115,465</b>	<b>217,561</b>