

# **Fiscal Year 2017 President's Budget**

## **Department of Defense Acquisition Workforce Development Fund (DAWDF)**



**February 2016**

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**Department of Defense Acquisition Workforce Development Fund  
Operation and Maintenance, Defense-Wide  
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**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)  
Budget Activity 1: Acquisition Workforce Development Fund**

	FY 2015 Actual	Price Change	Program Change	FY 2016 Enacted	Price Change	Program Change	FY 2017 Estimate
DAWDF	380,713	5,561	105,052	491,326	8,360	-28,130	471,556

**I. Description of Operations Financed:**

Description of Operations Financed (\$000's)	FY2015 Actuals	FY2016 Enacted	FY2017 Estimate
Appropriated or Requested	\$83,034	\$0	\$0
Remittance amount	\$0	\$0	\$0
Transfer amount	\$476,966	\$400,000	\$400,000
TOTAL Credited to Account <sup>1</sup>	\$560,000	\$400,000	\$400,000
Carried Forward for Prior Year	\$677,033	\$875,293	\$783,967
TOTAL Oblig Authority <sup>2</sup>	\$1,237,033	\$1,275,293	\$1,183,967
Actual or Planned Obligation <sup>3</sup>	\$380,713	\$491,326	\$471,556
Amount Transferred to Other Accounts for obligation	\$3,800	\$0	\$0

<sup>1</sup> Complies with 10 USC 1705 which authorizes the Secretary of Defense to waive up to 20 percent of the amounts required to be credited to the DAWDF each FY.

<sup>2</sup> Equals the sum of: (1) amounts appropriated in the respective FY, (2) the amount of remittance required to be credited to the account in the respective FY, and (3) transfers from certain unobligated balances .

<sup>3</sup> Amounts obligated, or planned to be obligated from all available periods of availability.

• FY15 actual obligations include: FY15/15, \$78.0M; FY13/15, \$116.8M; and FY14/16, \$185.9M.

• FY16 and FY17 columns represent planned obligations from all available appropriations during the respective FY.

• 10 USC 1705 para. 3-D (6) Duration of availability - Amounts credited to the Fund in accordance with subsection (d)(2), transferred to the Funds pursuant to subsection (d)(3), appropriated to the Fund, or deposited to the Fund shall remain available for obligation in the FY for which credited, transferred, appropriated or deposited and the two succeeding FYs.

The FY 2017 obligation plan of \$471.556 million for the Defense Acquisition Workforce Development Fund (DAWDF) supports the strategic objectives and continuous improvement of

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**I. Description of Operations Financed (cont.)**

the defense acquisition workforce. The purpose of the Fund is to ensure that the Department of Defense acquisition workforce has the capacity, in both personnel and skills, needed to properly perform its mission, provide appropriate oversight of contractor performance, and ensure that the Department receives the best value for the expenditure of public resources. Hiring under this initiative has contributed to creating improved year group staffing to ensure a sufficiently sized and experienced future workforce. The funding levels will support acquisition workforce recruitment and hiring, training and development, and recognition and retention. Funded initiatives support the intent of the Defense Acquisition Workforce Improvement Act (DAWIA), fulfilling strategic workforce planning requirements of 10 U.S.C. 115b, qualification and career path requirements of 10 U.S.C. 1723, and strategic objectives of the DoD Better Buying Power (BBP) initiative.

Defense Acquisition University (DAU) plays a central role in the successful training, education, certification and currency of the acquisition workforce. In FY 2015, DAWDF funding continued to support improvements to training capacity. DAU expanded capacity to over 57,000 classroom seats and distance learning capacity that can support over 160,000 students. Also, the DAWDF was used by DAU to continue enhancements to training curriculum, to include changes in DAU's learning assets to emphasize achieving Better Buying Power, improved business acumen and other workforce capability priorities. Components continued to provide targeted technical, business and professional training and development for their acquisition workforce professionals.

The Defense Acquisition Workforce Development Fund (DAWDF), as enumerated in Title 10 U.S.C. 1705, supports creating and sustaining a right-sized, right-shaped, right-skilled, current and qualified acquisition workforce. The law, as revised by the FY 2016 NDAA, made the DAWDF permanent and requires at least \$500 million in credits to the fund

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**I. Description of Operations Financed (cont.)**

annually. The credits may be a combination of appropriated DAWDF funding, remittances to resource the fund from the military services and defense agencies, and transfers of certain unobligated balances. The law further states that the Secretary of Defense may reduce that amount to no less than \$400 million for a fiscal year if the \$500 million amount is greater than what is reasonably needed that fiscal year.

**RECRUITING AND HIRING**

(\$ in Millions)

FY 2015	FY 2016	FY 2017
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$205.7	\$209.2	\$219.2.9

**Recruiting and Hiring:** The DAWDF has supported workforce shaping of mission critical functions consistent with a strategy to include funding approximately 10,200 cumulative hires through FY 2015. These hires added engineering, contracting and other critical function capacity as part of rebuilding effort from changes in the 1990s' that included downsizing and building the future workforce. A key objective of the DAWDF-funded rebuilding strategy is to reshape and improve the acquisition workforce year groups. Workforce year groups, are determined by the number of Years to Retirement Eligibility. The workforce has been strategically re-shaped to ensure sufficient future year group capacity and experience levels into 2020 and 2030 which is reflected by a better balance across the early, mid and senior career year groups. DAWDF-funded hires also mitigate the impact of extensive experience loss from expected retirements of the senior career workforce. Approximately 50 percent of Defense Acquisition Workforce civilians are or will become eligible for full retirement over the next 10 years. Sixteen percent of acquisition workforce civilians are currently eligible for full retirement, 19 percent

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**I. Description of Operations Financed (cont.)**

will become eligible in five years, and an additional 16 percent will become eligible in 6-10 years.

**TRAINING AND DEVELOPMENT**

(\$ in Millions)

FY 2015	FY 2016	FY 2017
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$148.6	\$230.1	\$199.4

**Training and Development:** The Department will continue implement more rigorous qualification and continuing education requirements. This should enable acquisition workforce employees to contribute to better outcomes and to be fully trained and qualified for success. This supports DoD's Better Buying Power objectives qualification and career path requirements (as specified in 10 U.S.C. 1723). Components will use the DAWDF for on-the-job training as well as other targeted professional, technical and leadership training and development. DoD will use the DAWDF for continued enhancements to DAU's training to include deploying an enterprise training information system and to improve other training for the workforce. DAU will also use the DAWDF to sustain and optimize training capacity improvements.

**RECOGNITION, RETENTION and WORKFORCE DEVELOPMENT**

(\$ in Millions)

FY 2015	FY 2016	FY 2017
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$26.4	\$52.0	\$52.9

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I. Description of Operations Financed (cont.)

**Recognition and Retention:** DoD's Better Buying Power initiative incorporates an objective to improve the professionalism of the total acquisition workforce. This includes increasing the recognition of workforce excellence in acquisition management and use of funding for retention incentives. In combination with the extensive loss of experienced senior career members DoD must retain its recently hired new and future workforce. DoD will continue to use the DAWDF to enhance recognition of acquisition personnel excellence and offer high performing new hires incentives to remain a part of the Defense Acquisition workforce.

II. Force Structure Summary:

Not applicable.

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Not applicable.

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III. Financial Summary (\$ in thousands)

	FY 2016							FY 2017 <u>Estimate</u>
	FY 2015 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Enacted</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
<b>A. BA Subactivities</b>								
<b>1. Recruiting and Hiring</b>	205,709	209,247	0	0.0	209,247	209,247	219,207	
Recruiting and Hiring	205,709	209,247	0	0.0	209,247	209,247	219,207	
<b>2. Training and Development</b>	148,642	230,059	0	0.0	230,059	230,059	199,444	
Training and Development	148,642	230,059	0	0.0	230,059	230,059	199,444	
<b>3. Retention and Recognition</b>	26,362	52,020	0	0.0	52,020	52,020	52,905	
Retention and Recognition	26,362	52,020	0	0.0	52,020	52,020	52,905	
<b>Total</b>	<b>380,713</b>	<b>491,326</b>	<b>0</b>	<b>0.0</b>	<b>491,326</b>	<b>491,326</b>	<b>471,556</b>	

\*FY estimates represent planned obligations from all available appropriations during the respective FY.



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III. Financial Summary (\$ in thousands)

<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2016/FY 2016</u>	<u>Change</u> <u>FY 2016/FY 2017</u>
<b>Baseline Funding</b>	491,326	491,326
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
<b>Subtotal Appropriated Amount</b>	<b>491,326</b>	
Fact-of-Life Changes (2016 to 2016 Only)		
<b>Subtotal Baseline Funding</b>	<b>491,326</b>	
Supplemental		
Reprogrammings		
Price Changes		8,360
Functional Transfers		
Program Changes		-28,130
<b>Current Estimate</b>	<b>491,326</b>	<b>471,556</b>
Less: Wartime Supplemental		
<b>Normalized Current Estimate</b>	<b>491,326</b>	

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

	Amount	Totals
<b>C. Reconciliation of Increases and Decreases</b>		
<b>FY 2016 President's Budget Request (Amended, if applicable)</b>		<b>491,326</b>
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
<b>FY 2016 Appropriated Amount</b>		<b>491,326</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
a. Functional Transfers		
1) Transfers In		
a) Remittance Amount		
b. Technical Adjustments		
1) Increases		
a) Enter Description		
c. Emergent Requirements		
1) Program Increases		
2) Program Reductions		
a) One-Time Costs		
b) Program Decreases		
i) Decreased programmatic requirements		
<b>FY 2016 Baseline Funding</b>		<b>491,326</b>
4. Reprogrammings (Requiring 1415 Actions)		
<b>Revised FY 2016 Estimate</b>		<b>491,326</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
<b>FY 2016 Normalized Current Estimate</b>		<b>491,326</b>
6. Price Change		8,360
7. Functional Transfers		
8. Program Increases		6,400

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

<b>C. Reconciliation of Increases and Decreases</b>	<b>Amount</b>	<b>Totals</b>
a. Annualization of New FY 2016 Program		
b. One-Time FY 2017 Increases		
c. Program Growth in FY 2017		
1) Recruiting and Hiring	6,400	
Supports a projected increase of 80 Civilian FTE.		
(FY 2016 Baseline: \$209,247 thousand; +80 FTEs)		
9. Program Decreases		-34,530
a. Annualization of FY 2016 Program Decreases		
b. One-Time FY 2016 Increases		
c. Program Decreases in FY 2017		
1) Training and Development	-34,530	
Decrease in requirements for Training and Development.		
(FY 2016 Baseline: \$230,059 thousand; +0 FTEs)		
<b>FY 2017 Budget Request</b>		<b>471,556</b>

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IV. Performance Criteria and Evaluation Summary:

Not Applicable.

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<u>V. Personnel Summary</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2015/ FY 2016</u>	<u>Change FY 2016/ FY 2017</u>
<u>Civilian End Strength (Total)</u>	2,628	1,952	2,032	-676	80
U.S. Direct Hire	2,628	1,952	2,032	-676	80
Total Direct Hire	2,628	1,952	2,032	-676	80
<u>Civilian FTEs (Total)</u>	2,628	1,952	2,032	-676	80
U.S. Direct Hire	2,628	1,952	2,032	-676	80
Total Direct Hire	2,628	1,952	2,032	-676	80
Average Annual Civilian Salary (\$ in thousands)	72.9	88.4	80.1	15.5	-8.3

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

<u>OP 32 Line</u>	<u>FY 2015</u> <u>Actual</u>	<u>Change</u> <u>FY 2015/FY 2016</u>		<u>FY 2016</u> <u>Enacted</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	191,702	2,348	-21,567	172,483	2,620	-12,386	162,717
<b>199 Total Civ Compensation</b>	<b>191,702</b>	<b>2,348</b>	<b>-21,567</b>	<b>172,483</b>	<b>2,620</b>	<b>-12,386</b>	<b>162,717</b>
308 Travel of Persons	8,793	149	7,906	16,848	303	-790	16,361
<b>399 Total Travel</b>	<b>8,793</b>	<b>149</b>	<b>7,906</b>	<b>16,848</b>	<b>303</b>	<b>-790</b>	<b>16,361</b>
633 DLA Document Services	11	0	11	22	0	-1	21
<b>699 Total DWCF Purchases</b>	<b>11</b>	<b>0</b>	<b>11</b>	<b>22</b>	<b>0</b>	<b>-1</b>	<b>21</b>
912 Rental Payments to GSA (SLUC)	990	17	890	1,897	34	-89	1,842
915 Rents (Non-GSA)	1	0	1	2	0	-1	1
920 Supplies & Materials (Non-Fund)	74	1	67	142	3	-18	127
921 Printing & Reproduction	58	1	52	111	2	-5	108
922 Equipment Maintenance By Contract	1,161	20	1,044	2,225	40	-104	2,161
923 Facilities Sust, Rest, & Mod by Contract	46	1	41	88	2	-5	85
925 Equipment Purchases (Non-Fund)	102	2	92	196	4	-10	190
932 Mgt Prof Support Svcs	11,364	193	10,217	21,774	392	-1,021	21,145
957 Other Costs (Land and Structures)	1,181	20	1,062	2,263	41	-106	2,198
987 Other Intra-Govt Purch	159,454	2,711	100,042	262,207	4,720	-13,075	253,852
989 Other Services	5,776	98	5,194	11,068	199	-519	10,748
<b>999 Total Other Purchases</b>	<b>180,207</b>	<b>3,064</b>	<b>118,702</b>	<b>301,973</b>	<b>5,437</b>	<b>-14,953</b>	<b>292,457</b>
<b>Total</b>	<b>380,713</b>	<b>5,561</b>	<b>105,052</b>	<b>491,326</b>	<b>8,360</b>	<b>-28,130</b>	<b>471,556</b>