

**Fiscal Year 2012 Budget Estimate  
Department of Defense  
Acquisition Workforce Development Fund  
(DAWDF)**



February 2011

Department of Defense Acquisition Workforce Development Fund (Appropriated Only)  
Operation and Maintenance, DAWDF  
Fiscal Year (FY) 2012 Budget Estimates

(This page intentionally left blank.)

**Department of Defense Acquisition Workforce Development Fund (Appropriated Only)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 Budget Estimates**

Operation and Maintenance, DAWDF (\$ in thousands)

**Budget Activity 1: Acquisition Workforce Development Fund**

|  | Actuals         | Change | Change  | Estimate        | Change | Change | Estimate        |
|--|-----------------|--------|---------|-----------------|--------|--------|-----------------|
| DAWDF (Appropriated)                                     | 99,874          | 659    | 117,433 | 217,561         |        | 87,940 | 305,501         |
| Unobligated Balance<br>Carried Forward,<br>Start of Year | 747,723         |        |         | 421,472         |        |        | 125,033         |
| Receipts   |                 |        |         | 283,000         |        |        | 462,000         |
| Actual/Planned<br>Obligations                            | <u>-425,253</u> |        |         | <u>-797,000</u> |        |        | <u>-800,000</u> |
| Unobligated Balance<br>Carried Forward, End<br>of Year   | 422,344         |        |         | 125,033         |        |        | 92,534          |

\* The FY 2011 Estimate Column represents the FY 2011 Request. The FY 2011 Annualized Funding amount under the Continuing Resolution is \$99,874.

*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.

**Department of Defense Acquisition Workforce Development Fund (Appropriated Only)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 Budget Estimates**

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 (DAW).

To reform how and what is bought the Department has embarked on an initiative to significantly improve the quality and readiness of the DAW 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 10,000 through fiscal year 2015. To achieve this goal, the Department plans to hire approximately 10,000 new workforce members (Funded by DAWDF). 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 it gets what it pays 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 DoD contracts are appropriately priced.

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.

DAWDF allocations enabled Components across the DAW to increase hiring by 4,883 personnel since inception of the Fund, with 40% of those accessions in the Contracting career field and approximately 20% in the System Planning, Research, Development and Engineering career field. DAWDF funds enabled Components to add acquisition personnel in the key strategic areas of contracting, system engineering, and cost estimating.

**Department of Defense Acquisition Workforce Development Fund (Appropriated Only)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 Budget Estimates**

| <b>RECRUITING AND HIRING</b> |                 |                 |
|------------------------------|-----------------|-----------------|
| (\$ in Millions)             |                 |                 |
| FY 2010                      | FY 2011         | FY 2012         |
| <u>Actuals</u>               | <u>Estimate</u> | <u>Estimate</u> |
| \$255                        | \$601           | \$587           |

**Recruiting and Hiring:** Research suggests that approximately 16 percent of acquisition workforce civilians are eligible for full retirement and 18 percent will become eligible in the next five years. Over the next ten years approximately 50 percent will be eligible to retire. Accordingly, the Department has leveraged existing acquisition intern programs and provided funding to develop new, robust acquisition intern, journeymen, and Highly Qualified Expert (HQE) programs. In addition, the DoD has expanded the current Student Career Experience Program (SCEP) participant pool, using the program as a pipeline from which to populate acquisition intern programs and a vehicle through which to increase diversity within the Defense acquisition workforce.

The DAW realized a significant increase of 2,772 personnel in FY 2010 – 1,602 interns, 1,137 journeymen, and 33 highly qualified experts. In certain locations with hard-to-fill positions, DAWDF funded 834 recruiting bonuses. The Components also conducted numerous outreach efforts through job fairs and university visits with 142,035 contacts and attendees.

**Department of Defense Acquisition Workforce Development Fund (Appropriated Only)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 Budget Estimates**

**TRAINING AND DEVELOPMENT**

(\$ in Millions)

| FY 2010        | FY 2011         | FY 2012         |
|----------------|-----------------|-----------------|
| <u>Actuals</u> | <u>Estimate</u> | <u>Estimate</u> |
| \$140          | \$145           | \$160           |

**Training and Development:** DoD components have consistently signaled an annual demand for acquisition training that exceeds the Defense Acquisition University's (DAU's) current capacity. Approximately 10,000 classroom and 25,000 online training seats per year have been added to DAU's annual training capacity as part of the addendum schedule (expanded capacity because of the DAWDF). The Department funded DAU training enhancement and capacity expansion programs to better serve the needs of the Defense acquisition community. The Military Departments and Defense agencies also funded targeted acquisition and leadership training to better prepare their workforce for the future; enhanced information technology capabilities, enabling the Department to quickly analyze, report and react to rapidly changing acquisition career management environments and requirements; and expanded functional skill set development opportunities.

Training capacity increased significantly by hiring Subject Matter Expert (SME) faculty which allowed significant increases in course offerings throughout the United States and strategically selected overseas sites. The DAWDF funds expanded training capacity and classroom graduates by 29,013. There were 74,577 web-based graduates through 1,284 course offerings. 30 new classrooms were added and 6 were completely outfitted with 21st century computer technology and equipment. The number of web-based Continuous Learning Modules increased from 236 to 245 with 624,859 completions, an increase of 26% over FY09. A 4-week Contracting course (CON090) began which offered 33 classes producing 837 graduates.

**Department of Defense Acquisition Workforce Development Fund (Appropriated Only)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 Budget Estimates**

**RECOGNITION AND RETENTION**

(\$ in Millions)

| FY 2010        | FY 2011         | FY 2012         |
|----------------|-----------------|-----------------|
| <u>Actuals</u> | <u>Estimate</u> | <u>Estimate</u> |
| \$31           | \$51            | \$53            |

**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.

In an effort to encourage retention of and recognition for key Acquisition workforce employees with "mission critical" skills, competencies, and certifications, the DAWDF provided funding for: 2,759 tuition assistance incentives; 1,702 student loan repayments; 13 First Duty Station Moves; 162 Permanent Change of Station Moves; 2 Advanced Academic Degrees, 1,031 courses towards advanced academic degrees; 972 Career Broadening Programs; 89 performance awards; 53 other miscellaneous retention incentives; and 1,593 other miscellaneous recognition incentives.

**II. Force Structure Summary:**

Not applicable.

DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

| A. Budget Activity (BA) 1                | FY 2010<br><u>Estimate</u> | Budget<br><u>Request</u> | FY 2011       |                |  | Current<br><u>Estimate</u> | FY 2012<br><u>Estimate</u> |
|--|----------------------------|--------------------------|---------------|----------------|--|----------------------------|----------------------------|
|  |                            |                          | <u>Amount</u> | <u>Percent</u> | <u>Congressional Action</u><br><u>Appropriated</u> |                            |                            |
| <u>Recruitment and Training (\$000s)</u> |                            |                          |               |                |  |                            |                            |
| Recruiting and Hiring                    | 82,175                     | 217,561                  |               |                |  | 217,561                    | 305,501                    |
| Training and Development                 | 17,294                     |                          |               |                |  |                            |                            |
| <b>Total BA 1</b>                        | <b>99,469</b>              | <b>217,561</b>           |               |                |  | <b>217,561</b>             | <b>305,501</b>             |

\* The FY 2011 Estimate Column represents the FY 2011 Request. The FY 2011 Annualized Funding amount under the Continuing Resolution is \$99,874.



DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

| <b>B. <u>Reconciliation Summary</u></b>        | <b><u>Change</u><br/><u>FY 2011/FY 2011</u></b> | <b><u>Change</u><br/><u>FY 2011/FY 2012</u></b> |
|--|---|---|
| <b>Baseline Funding</b>                        | <b>217,561</b>                                  | <b>217,561</b>                                  |
| Congressional Adjustments (Distributed)        |   |   |
| Congressional Adjustments (Undistributed)      |   |   |
| Adjustments to Meet Congressional Intent       |   |   |
| Congressional Adjustments (General Provisions) |   |   |
| <b>Subtotal Appropriated Amount</b>            | <b>217,561</b>                                  | <b>217,561</b>                                  |
| Fact-of-Life Changes (CY to CY Only)           |   |   |
| <b>Subtotal Baseline Funding</b>               | <b>217,561</b>                                  | <b>217,561</b>                                  |
| Anticipated Supplemental<br>Reprogrammings     |   |   |
| Price Changes                                  |   |   |
| Functional Transfers                           |   |   |
| Program Changes                                |   | 87,940  |
| <b>Current Estimate</b>                        |   | <b>305,501</b>                                  |
| Less: Wartime Supplemental                     |   |   |
| <b>Normalized Current Estimate</b>             | <b>217,561</b>                                  |   |

DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

|  | <u>Amount</u> | <u>Totals</u>  |
|--|---------------|----------------|
| <b>C. <u>Reconciliation of Increases and Decreases</u></b>   |               |                |
| <b>FY 2011 President's Budget Request (Amended, if applicable)</b>   |               | <b>217,561</b> |
| 1. Congressional Adjustments   |               |                |
| a. Distributed Adjustments   |               |                |
| b. Undistributed Adjustments   |               |                |
| c. Adjustments to meet Congressional Intent  |               |                |
| d. General Provisions  |               |                |
| e. Congressional Earmarks  |               |                |
| <b>FY 2011 Appropriated Amount</b>   |               | <b>217,561</b> |
| 2. War-Related and Disaster Supplemental Appropriations  |               |                |
| 3. Fact of Life Changes  |               |                |
| <b>FY 2011 Baseline Funding</b>  |               | <b>217,561</b> |
| 4. Reprogrammings (requiring 1415 Actions)   |               |                |
| <b>Revised FY 2011 Estimate</b>  |               | <b>217,561</b> |
| 5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers    |               |                |
| <b>FY 2011 Normalized Current Estimate</b>   |               | <b>217,561</b> |
| 6. Price Change  |               |                |
| 7. Functional Transfers  |               |                |
| 8. Program Increases   |               | 88,781         |
| a. Annualization of New FY 2011 Program  |               |                |
| 1) Defense Acquisition Workforce Development Fund (DAWDF) annualize FY 2011 civilian pay: 312 FTEs (FY 2011 Baseline: \$217,561) | 33,496        |                |
| b. One-Time FY 2012 Increases  |               |                |

DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

| <b><u>C. Reconciliation of Increases and Decreases</u></b>                           | <b><u>Amount</u></b> | <b><u>Totals</u></b> |
|--|----------------------|----------------------|
| c. Program Growth in FY 2012   |                      |                      |
| 1) Funds an additional 733 end strength at 475 FTEs<br>(FY 2011 Baseline: \$217,561) | 55,285               |                      |
| 9. Program Decreases   |                      | -841                 |
| a. Annualization of FY 2011 Program Decreases  |                      |                      |
| b. One-Time FY 2011 Increases  |                      |                      |
| c. Program Decreases in FY 2012  |                      |                      |
| 1) One-less paid day in FY 2012 (FY 2011 Baseline:<br>217,561)                       | -841                 |                      |
| <b>FY 2012 Budget Request</b>  |                      | <b>305,501</b>       |

DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

**IV. Performance Criteria and Evaluation Summary**

**DAWDF Funded employees brought on board in FY10**

|  | Army | Navy | Air Force | Defense-Wide<br>Agencies (*) | DCMA | DCAA | Overall |
|--|------|------|-----------|------------------------------|------|------|---------|
| Auditing   | 0    | 0    | 0         | 0                            | 0    | 131  | 131     |
| Cost Estimating  | 4    | 19   | 28        | 3                            | 18   | 0    | 72      |
| Financial Management                                   | 0    | 31   | 37        | 19                           | 0    | 0    | 87      |
| Contracting  | 270  | 169  | 134       | 113                          | 361  | 0    | 1,047   |
| Facilities Engineering                                 | 5    | 47   | 0         | 0                            | 0    | 0    | 52      |
| IT Management  | 12   | 5    | 0         | 11                           | 6    | 0    | 34      |
| Industrial/Prop Contract Mgt                           | 0    | 0    | 0         | 0                            | 20   | 0    | 20      |
| Life Cycle Logistics                                   | 96   | 84   | 66        | 0                            | 11   | 0    | 257     |
| Prod, Qual & Mfg.                                      | 1    | 0    | 0         | 0                            | 336  | 0    | 337     |
| Program Management                                     | 8    | 40   | 85        | 53                           | 7    | 0    | 193     |
| Systems Planning, Research<br>Development, Engineering | 28   | 134  | 204       | 53                           | 65   | 0    | 484     |
| Test and Evaluation                                    | 48   | 1    | 0         | 0                            | 0    | 0    | 49      |
| Other  | 2    | 0    | 0         | 0                            | 7    | 0    | 9       |
| Total  | 474  | 530  | 554       | 252                          | 831  | 131  | 2,772   |

*\*Excludes DCAA and DCMA*

DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)  
 Operation and Maintenance, DAWDF  
 Fiscal Year (FY) 2012 President's Budget

| <u>V. Personnel Summary</u>                                      | <u>FY 2010</u> | <u>FY 2011</u> | <u>FY 2012</u> | Change<br>FY 2010/<br>FY 2011 | Change<br>FY 2011/<br>FY 2012 |
|--|----------------|----------------|----------------|-------------------------------|-------------------------------|
| <i>The Personnel Summary represents only appropriated funds.</i> |                |                |                |                               |                               |
| <u>Civilian End Strength</u>                                     |                |                |                |                               |                               |
| (Total)  |                |                |                |                               |                               |
| U.S. Direct Hire   | 1,515          | 2,132          | 2,865          | +617                          | +733                          |
| Foreign National Direct Hire                                     |                |                |                |                               |                               |
| Total Direct Hire  |                |                |                |                               |                               |
| Foreign National Indirect Hire                                   |                |                |                |                               |                               |
| Civilian FTEs (Total)  |                |                |                |                               |                               |
| U.S. Direct Hire   | 860            | 2,028          | 2,805          | +1,168                        | +777                          |
| Foreign National Direct Hire                                     |                |                |                |                               |                               |
| Total Direct Hire  | 860            | 2,028          | 2,805          | +1,168                        | +777                          |
| Foreign National Indirect Hire                                   |                |                |                |                               |                               |
| Average Annual Civilian Salary (\$ in thousands)                 | \$95.552       | \$107.279      | \$108.913      | +\$11.727                     | +\$1.634                      |

**DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND (APPROPRIATED ONLY)**  
**Operation and Maintenance, DAWDF**  
**Fiscal Year (FY) 2012 President's Budget Submission**

**VI. OP 32 Line Items as Applicable (Dollars in thousands):**  
**The display represents only appropriated funds.**

|             |  | FY 2010<br><u>Estimate</u> | <u>Change from</u><br><u>FY 2010 to FY 2011</u> |                                 | FY 2011<br><u>Estimate</u> | <u>Change from</u><br><u>FY 2011 to FY 2012</u> |                                 | FY 2012<br><u>Estimate</u> |
|-------------|--|----------------------------|---|---------------------------------|----------------------------|---|---------------------------------|----------------------------|
|             |  |                            | <u>Price</u><br><u>Growth</u>                   | <u>Program</u><br><u>Growth</u> |                            | <u>Price</u><br><u>Growth</u>                   | <u>Program</u><br><u>Growth</u> |                            |
| 101         | Executive, General and Special Schedules     | 82,175                     | 416   | 134,970                         | 217,561                    | 0   | 87,940                          | 305,501                    |
| <b>199</b>  | <b>TOTAL CIVILIAN PERSONNEL COMPENSATION</b> | <b>82,175</b>              | <b>416</b>                                      | <b>134,970</b>                  | <b>217,561</b>             | <b>0</b>  | <b>87,940</b>                   | <b>305,501</b>             |
| 308         | Travel of Persons                            | 6,393                      | 90  | -6,483                          | 0                          |   |                                 | 0                          |
| <b>399</b>  | <b>TOTAL TRAVEL</b>                          | <b>6,393</b>               | <b>90</b>                                       | <b>-6,483</b>                   | <b>0</b>                   |   |                                 | <b>0</b>                   |
| 912         | Rental Payment to GSA (SLUC)                 | 332                        | 5   | -337                            | 0                          |   |                                 | 0                          |
| 920         | Supplies and Materials (non SF)              | 102                        | 1   | -103                            | 0                          |   |                                 | 0                          |
| 922         | Equipment Maintenance by Contract            | 432                        | 6   | -438                            | 0                          |   |                                 | 0                          |
| 923         | Facilities Maintenance by Contract           | 264                        | 4   | -268                            | 0                          |   |                                 | 0                          |
| 925         | Equipment Purchases (non SF)                 | 2,475                      | 35  | -2,510                          | 0                          |   |                                 | 0                          |
| 989         | Other Contracts                              | 7,296                      | 102   | -7,398                          | 0                          |   |                                 | 0                          |
| <b>999</b>  | <b>TOTAL OTHER PURCHASES</b>                 | <b>10,901</b>              | <b>153</b>                                      | <b>-11,054</b>                  | <b>0</b>                   |   |                                 | <b>0</b>                   |
| <b>9999</b> | <b>TOTAL</b>                                 | <b>99,469</b>              | <b>659</b>                                      | <b>117,433</b>                  | <b>217,561</b>             | <b>0</b>  | <b>87,940</b>                   | <b>305,501</b>             |

\* The FY 2011 Estimate Column represents the FY 2011 Request. The FY 2011 Annualized Funding amount under the Continuing Resolution is \$99,874.