



DEPARTMENT OF THE ARMY
WASHINGTON, D.C. 20310

28 OCT 2013

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: 2013 Focus Area Review Group Decision Implementation

1. On 14 August 2013 we chartered the 2013 Army Focus Area Review Group to provide us recommendations to reduce and consolidate organizations, programs, and functions in expectation of dramatically reduced funding levels.

2. On 27 September 2013 we considered the initial recommendations and made decisions to implement certain recommendations and to further review others (see attachment).

3. The attachments contain a summary of the recommendations and associated decisions. For those recommendations approved for implementation (see Attachment 1), the following guidance is provided:

a. The HQDA Principal Official or Commander of the identified lead organization is responsible for planning and executing our approved decisions. You will provide a detailed implementation plan for approval to the Under Secretary of the Army and Vice Chief of Staff of the Army NLT November 15 2013.

b. Implementation plans will include the preparation and submission of necessary authorization document changes to codify military and civilian personnel reductions, as well as the necessary changes applicable to regulations and policies. Formats and timelines for submission of the appropriate documentation will be published separately.

c. With exception of the three FY 2015 decisions, all remaining decisions will be documented within Army POM 2016-2020. For those approved recommendations identified for execution in FY 2017 through FY 2019, spread personnel reductions equally across the period. Reductions may be front loaded. They should not be "back-loaded" into the last program years

4. We will continue the Focus Area effort to address the remaining recommendations by 5 December 2013 (see attachment 2). Additional guidance pertaining to Phase Two is as follows:

a. All Army Headquarters led by a Major General or member of the Senior Executive Service and above will be reduced by 25 percent in strength for military and civilian authorizations. Funding for contracted capabilities will be reduced by at least

SUBJECT: 2013 Focus Area Review Group Decision Implementation

25% as well. Reductions in Army Reserve and Army National Guard Headquarters will be taken from full-time personnel.

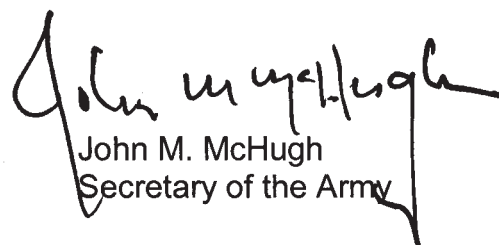
b. The Institutional Headquarters and the Operational Headquarters Focus Area Review Groups will continue their work to determine the remaining reductions needed to satisfy the directed 25% reductions of Army headquarters, taking into account decisions made in Phase One, NLT 12 October 2013. The Under Secretary of the Army and Vice Chief of Staff, Army will be the approval authority for these recommendations.

5. Mr. Thomas Hawley and LTG Thomas Spoehr will continue to lead this effort. Please address your questions to Mr. Hawley at thomas.e.hawley3.civ@mail.mil or LTG Spoehr at thomas.w.spoehr.mil@mail.mil.

Encls



Raymond T. Odierno
General, United States Army
Chief of Staff



John M. McHugh
Secretary of the Army

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Attachment 1

Phase 1 Recommendations Approved for Implementation



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Phase 1 Implement NLT FY16 (1 of 3)

PROPOSAL	SAVINGS			Implement -ation Timeframe	SA/CSA Decision	Lead for Action	Supporting ORGs/CMDs
	FY19 \$ (M)	MIL	CIV				
Information HQs							
Eliminate HQDA TFs: (Aviation, LandWarNet, Air & Missile Defense) by 80% Remaining 20% remain with parent org or move to another organization	\$2.4	32	16	NLT FY16	Approved	G3/5/7	CIO/G6
Reduce & Standardize Initiative Groups: SA/CSA to 6 auths, USA/VCSA to 4 auths, ASAs & ARSTAF to 2 auths each	\$0	TBD	TBD	NLT FY16	Approved	DAS	HQDA Principal Staff Organizations
Materiel Enterprise HQ Reductions: Implement AMC Study (AMC/HQ only)	\$300M		600-800	NLT FY16	Approved	AMC	
Acquisition Workforce							
Single Contracting Command –implement Phase 1 & Phase 2	\$250	TBD	66	NLT FY16	Approved	AMC	
Consolidate Program Executive Offices	\$135-180	2	175-230	NLT FY16	Approved	ASA (ALT)	



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Phase 1 Implement NLT FY16 (2 of 3)

PROPOSAL	SAVINGS			Implement -ation Timeframe	SA/CSA Decision	Lead for Action	Supporting ORGs/CMDs
	FY19 \$ (M)	MIL	CIV				
Operational HQs							
<p>Regional and Mission Tailored Reductions (ASCC retains CCP) ASCCs: Develop implementation plan to brief to USA/VCSA NLT 15 NOV 2013 for redesigned HQs, including CCP structure, based on approved percentage cuts and guidance.</p> <p>TRADOC: Develop Division and Corps HQ design IAW approved Division (500) and Corps) (650) authorization limits. Brief design to USA/VCSA NLT 15 NOV 2013.</p> <p>FORSCOM: Coordinate with TRADOC on Corps and Division design. FORSCOM to brief implementation of designs to USA/VCSA NLT 15 NOV 2013</p>	\$95	3500	900	NLT FY16	Approved	G-3/5/7	TRADOC FORSCOM ASCCs



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Phase 1 Implement NLT FY16 (3 of 3)

PROPOSAL	SAVINGS			Impleme nt-ation Timefra me	SA/CSA Decision	Lead for Action	Supporting ORGs/CMDs
	FY19 \$ (M)	MIL	CIV				
Proposed							
Sustain POM B: Adjust AC Training Strategy FY15-FY18; Bridge to FY19 *	\$1,008	0	0	FY15	Approved	G-3/5/7	
Mitigate Cancelled MCTC Rotations with Enhanced Leader Training Program	0	0	0	FY15	Approved	G-3/5/7	
TRADOC Restructure and Realignment: Adjust Institutional Training Processes, Consolidate 91B AIT at Ft. Lee, and relocate Recruiting & Retention School to Ft. Knox	\$69	0	0	FY15	Approved	G-3/5/7	TRADOC
JMTC Rebalance	0	94	0	FY16	Approved	G-3/5/7	
Reduce National Training Center (NTC) Opposing Forces; Augment for Rotations	0	125	0	FY16	Approved	G-3/5/7	
Optimized Force Structure and Manpower							
Optimal Army Force Mix (AC & RC)		-6.3K		NLT FY16	Continue to refine the options and present final recommendations to SA in time to produce an updated force file for POM 16-20 by 1 Dec 13.	G-3/5/7	



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Phase 1

Implement FY17 and beyond (1 of 2)

PROPOSAL	SAVINGS			Implement- ation Timeframe)	SA/CSA Decision	Lead for Action	Supporting ORGs/CMDs
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)				
[REDACTED]							
Training and Readiness Management Oversight - Reduce 1st Army by 50%-phased reduction	~\$11M	114	130	FY17-FY19	Approved	FC	
Reduce MSEs & transfer authorizations/missions to SMC Corps & Division on Augmentation TDA	\$14.0M	0	158	FY17-FY19	Approved	FC	
Installation Overhead Reductions: <i>Merge/Realign Functions between ASA(IE&E) & ACSIM; Reduce IMCOM HQ & Merge w/ CONUS Regions; retain small IMCOM HQ forward presence at OCONUS locations (EUR & PAC)</i>	\$27.1M	0	319	FY17-FY19	Approved. Additionally, conduct a study to recommend whether ACSIM/CG IMCOM should be separate positions or retained as a single position and whether further consolidation between ACSIM & IMCOM is appropriate	TBD	
Reduce OTSG by 25%	\$1.5M	9	9	FY17-FY19	Approved	OTSG	



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Phase 1

Implement FY17 and beyond (2 of 2)

PROPOSAL	SAVINGS			Implement -ation Timeframe)	SA/CSA Decision	Lead for Action	Supporting ORGs/CMDs
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)				
Army CIO and Cyber							
INSCOM 25% Reduction	\$10	22	60	By FY18	Approved	INSCOM	
ITA 25% Reduction	\$27	0	19	By FY18	Approved	OAA & CIO/G-6	
G-2 25% Reduction	\$5	12	36	By FY18	Approved	G-2	
CIO/G-6 25% Reduction	\$13	7	58	By FY18	Approved	CIO/G-6	



Phase 2 Recommendations



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Phase 2 Recommendations (1 of 4)

PROPOSAL	SAVINGS			Functional Area Review Group Oversight	Functional Lead	Supporting CMD/ORG
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)			
Intelligence Hqs						
Capabilities and Requirements restructure (G3/5/7, G8 and TRADOC ARCIC). Institutional Focus Team Lead to ensure that recommendation addresses necessary "checks and balances;" ensure both resourcing and military requirements are considered as part of new requirements process	\$10.9	68	85	Institutional	G8	G3/5/7, TRADOC
Optimize Army Financial Mgmt operations: ASA FM&C to conduct brief to SA	\$225M	0	~1100 includes Non-Hqs reductions)	Institutional	ASA (FM&C)	
Reduce HQDA Logistics Innovation Agency (LIA): G4 to provide tiered reduction and risk assessment plan with 25%-80% range reduction	\$3.5M	1	24	Institutional	G4	ASA (ALT)/ AMC
Army Analysis Capabilities <i>Centralize C2 of TRAC, CAA & AMSAA and reduce overhead by 25%</i>	\$36.9M	39	166	Institutional	G8	OBT/ TRADOC/ AMC
Reshape/Reduce DAMO-TR Training and Strategy. Institutional team to reexamine recommendations	\$ 7.6M	25	52	Institutional	G3/5/7	TRADOC
Reduce Enlisted Aides & LNOs; DAS Study & Recommendations	\$0M	TBD	0	Institutional	DAS	G1



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Phase 2 Recommendations (2 of 4)

PROPOSAL	SAVINGS			Functional Area Review Group Oversight	Functional Lead	Supporting CMD/ORG
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)			
Institutional HQs						
Personnel Management Overhead: (1 of 3) <i>Streamline Gen Force Manpower Mgmt Processes including Civilian and Military, processes and functions</i>	\$4.9M	1	45 (1000 interns)	Institutional	ASA (M&RA)	G1
Personnel Management Overhead: (2 of 3) Optimize Civilian HR Products, Services and Organizations	\$35.4M (G1 /CHRA) \$43.6M CMDS	Minimal	325 G1/ CHRA 400 CMDS	Institutional	G1	ASA (M&RA)
Personnel Management Overhead: (3 of 3) Streamline Redundant & NVA Military HR capabilities, functions & authorities	\$6.5-15.3	TBD	60-140	Institutional	G1	ASA (M&RA)
COMPO 2 & 3 HQs Reductions: (Reduction of COMPO 2/3 HQ must be full-time personnel authorizations.)	TBD	TBD	TBD	Institutional	OCAR / ARNG	
Satisfy remaining balance via proportional reduction on all Army HQs. Identify targets for command and HQ reductions NLT 12 Oct 13	TBD	TBD	TBD	Review Group	Institutional HQ team	G3/G8
Acquisition Workforce						
Single Contracting Command (Phase 3-4) MEDCOM, USACE, ARNG	\$250	TBD	66	Acquisition Workforce	ASA (ALT)	AMC/ MEDCOM /USACE/ ARNG



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Phase 2 Recommendations (3 of 4)

PROPOSAL	SAVINGS			Functional Area Review Group Oversight	Functional Lead	Supporting CMD/ORG
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)			
Army C3I and Cyber						
NETCOM HQ co-located and rationalized with ARCYBER/2nd Army HQ –CIO/G6 to provide brief to SA/CSA	\$15	45	135	C3I/Cyber	CIO/G-6	G-3/5/7 ARCYBER, NETCOM
Installation Services and Investments						
Reduce Appropriated Funds (APF) used to support Non-Appropriated activities	\$184	N/A	N/A	Installation	ACSIM	ASA (IE&E)
Reduce Garrison Support Operations	\$120	N/A	N/A	Installation	ACSIM	OPMG ASA (IE&E)
Focused Installation Reduction	\$50-74	N/A	N/A	Installation	ACSIM	G3/5/7 ASA (IE&E)
Reduce selected Soldier and Family Readiness Programs	\$42	N/A	N/A	Installation	ACSIM	G1 ASA (IE&E) ASA (M&RA)
Reduce space allocations to match 15% reduction in end-strength	\$440	N/A	N/A	Installation	ACSIM	ASA IE&E IMCOM
Reduce Public Works Services	\$340	N/A	N/A	Installation	ACSIM	ASA IE&E IMCOM
Reduce Military Construction by 30% across All Components	\$334	N/A	N/A	Installation	ACSIM	ASA IE&E IMCOM
Streamline NEC	\$28	N/A	340	Installation	CIO/G6	ASCIM
Reduce the Army’s leased non-tactical vehicle (NTV) fleet by 7000	\$11	N/A	N/A	Installation	ACSIM/ G4	ASA IE&E



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Phase 2 Recommendations (4 of 4)

PROPOSAL	SAVINGS			Functional Area Review Group Oversight	Functional Lead	Supporting CMD/ORG
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)			
Readiness						
Sustain POM B: Adjust RC Training Strategy FY15-FY18; Bridge to FY19	\$515	0	0			G-3/5/7
Sustain POM B: Reduce Undergraduate and Graduate Flight Training; Inactivate Low Priority CABs early	\$184	0	0			G-3/5/7
Operational HQs						
Reductions to 2-star level Support Commands (TSC,ESC. Others not previously considered)	TBD	TBD	TBD	Operational HQ	G-3/5/7	FORSCOM/ASCC/ TRADOC



Attachment 3

Discontinue Recommendations



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Discontinue

PROPOSAL	SAVINGS			Recommended Way-Ahead (Implementation Timeframe)	SA/CSA Decision	Lead for Action
	FY19 \$ (M)	Military (Spaces)	Civilian (Spaces)			
Institutional HQs						
Combine PAE and DASA-CE into Army Cost Analysis & Program Evaluation organization.	\$1.8M	0	12	Discontinue	Discontinue	OBT
Army C3I and Cyber						
NETCOM 25% Reduction –incorporated into Phase 2 recommendation on combining NETCOM/ARCYBER	\$8	35	99	Discontinue	Discontinue	NETCOM
ARCYBER 25% Reduction incorporated into Phase 2 recommendation on combining NETCOM/ARCYBER	\$	11	35	Discontinue	Discontinue	ARCYBER