

**Defense Acquisition  
Workforce Development Fund  
(DAWDF)**

**FY 2010 Annual Report to Congress**

**10 U.S.C. 1705(f)**



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Cost the Department of Defense a total approximately \$25,000 for the 2011 Fiscal Year.

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**Summary**

Title 10, U.S.C., section 1705, "Department of Defense Acquisition Workforce Development Fund" (DAWDF, the Fund), directed the Department of Defense (DoD) to establish the DAWDF to provide funds, in addition to other funds that may be available, for the recruitment, training, and retention of DoD acquisition personnel. The purpose of the Fund is to ensure that the DoD 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. It directed the Military Departments and Defense agencies (the Components) to remit funding to the Secretary of Defense for crediting to the Fund and required credits in amounts equal to the applicable percentage for a fiscal year of all amounts expended by the Department for contract services for operations and maintenance (O&M). Funds remitted from Components are available for obligation for 3 years. DAWDF appropriated O&M funds (1-year availability) are also credited to the fund.

Title 10, U.S.C., section 1705(f) requires the Secretary of Defense to submit an annual report on the operation of the Fund and to address five major topic areas described in this report. FY 2010 completed the second full year of operations for the DAWDF. The primary use of the DAWDF has been to significantly increase the size of the Defense Acquisition Workforce (DAW). In FY 2010, 2,764 civilian employees were brought on board. Of those hires, 38 percent were in the contracting acquisition career category and 17 percent in the engineering acquisition career field. During FY 2010, three fiscal years of funding were managed (FY 2008-FY 2010; FY 2009-FY 2011; and FY 2010 DAWDF appropriation credits). The FY 2008 funds expired at the end of FY 2010; FY 2009 funds expire at the end of FY 2011; and appropriated FY 2010 funds expired at the end of FY 2010. Total funds obligated in FY 2010 from all funding sources were \$425.3 million (see Figures C & D). As indicated in Figure F, DoD Components executed 99.8 percent of the FY 2008-FY 2010 cumulative funding and 99.6 percent of FY 2010-appropriated funds by the end of FY 2010.

**I. Amounts Remitted/Credited**

Title 10, U.S.C., section 1705(f)(1) requires the Department to report on the operation of the Fund, including amounts remitted to the Secretary for crediting to the Fund by each Component, to include a statement of the amounts credited to the Fund for such fiscal year. All funds displayed in Figure A are FY 2009 DAWDF funds remitted in FY 2010. The Army remitted all FY 2009 funds during FY 2009. Due to availability of overall FY 2008 and FY2009 DAWDF funding, and the subsequent FY 2010 \$100 million appropriation, no FY 2010 collection was required. However, prior fiscal year collections were remitted by some Components in FY 2010.

<i>In \$000</i>	Navy	Air Force	Defense Intelligence Agency	Defense Information Systems Agency	DoD Education Agency	Defense Threat Reduction Agency	Missile Defense Agency	OSD	Total
Amount	\$125,040	\$112,763	\$4,000	\$542	\$702	\$1,352	\$2,222	\$15,246	\$261,867

Figure A. - Prior FY required collections remitted by components in FY 2010

<i>In \$000s</i>	<del>In FY 2008</del>	<del>In FY 2009</del>	<del>In FY 2010</del>	Total
FY08 Funds	\$169,190.0	\$ 85,735.5	\$ 0	\$ 254,925.5
FY09 Funds	\$ 0	\$440,258.0	\$261,867.0	\$ 702,125.0
FY10 Funds (appropriation)	\$ 0	\$ 0	\$ 99,874.0	\$ 99,874.0
Total Funds	\$169,190.0	\$525,993.5	\$361,741.0	\$1,056,924.5

→ Figure B. - Cumulative Credits to the Fund by Year

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**II. FY 2010 Obligations Made from the Fund in FY 2010\*\***

<i>In \$000s</i>	FY 2008 Funds Obligated in FY 2010	FY 2009 Funds Obligated in FY 2010	FY 2010 Funds Obligated in FY 2010	All Obligations Total FY 2010	%
Training and Development	\$ 13,357.6	\$ 92,922.8	\$ 33,484.2	\$ 139,764.7	33%
Retention and Recognition	\$ 6,763.0	\$ 23,784.2	\$ 0	\$ 30,547.2	7%
Recruiting and Hiring	\$ 78,143.6	\$ 110,814.8	\$ 65,984.8	\$ 254,943.2	60%
<b>Total</b>	<b>\$ 98,264.3</b>	<b>\$ 227,521.8</b>	<b>\$ 99,469.0</b>	<b>\$ 425,255.1</b>	

**Figure C. – FY 2010 DAWDF Obligations by Category\***

\* The DAWDF has 3 categories: (1) Training & Development; (2) Retention & Recognition; (3) Recruiting & Hiring

\*\*Numbers may not add due to rounding

<i>In \$000s</i>	FY 2008 Funds Obligated in FY 2010	FY 2009 Funds Obligated in FY 2010	FY 2010 Funds Obligated in FY 2010	All Obligations Total FY 2010
Army	\$ 13,477.0	\$ 33,523.7	\$ 253.6	\$ 47,254.3
Navy	\$ 23,604.9	\$ 40,251.2	\$ 17,748.8	\$ 81,604.9
Air Force	\$ 34,598.9	\$ 28,743.2	\$ 10,500.0	\$ 73,842.1
Defense-wide*	\$ 6,155.2	\$ 25,123.2	\$ 65.0	\$ 31,343.4
DCMA	\$ 16,166.2	\$ 18,993.7	\$ 25,638.4	\$ 60,798.3
DCAA	\$ 1,222.8	\$ 15,467.9	\$ 13,538.9	\$ 30,229.6
DAU	\$ 3,039.4	\$ 65,418.8	\$ 31,724.3	\$ 100,182.4
<b>Overall</b>	<b>\$ 98,264.3</b>	<b>\$ 227,521.8</b>	<b>\$ 99,469.0</b>	<b>\$ 425,255.1</b>

**Figure D. – FY 2010 DAWDF Obligations by Component\***

\* Excludes Defense Contract Audit Agency (DCAA) and Defense Contract Management Agency (DCMA)

\*\*Numbers may not add due to rounding

**III. Improvements to the DoD Acquisition Workforce**

The DAWDF enabled Components to increase hiring by 4,882 personnel, cumulative since inception of the Fund, with 40 percent of those accessions in the Contracting career field and approximately 20 percent in the System Planning, Research, Development and Engineering career field. Components increased acquisition personnel in key strategic areas such as contracting, system engineering, cost estimating, and auditing. Some examples of accomplishments include:

- **Training and Development:** In FY 2010, 33 percent of the obligations went toward training. DAU training capacity was increased by 50 percent by hiring Subject Matter Expert (SME) faculty, which allowed significant increases in course offerings throughout the United States and selected overseas sites. The DAWDF funds expanded DAU training capacity and classroom graduates by 29,013 in FY 2010. There were 74,577 Web-based graduates through 1,284 course offerings. Twenty-five new DAU classroom facilities were added to accommodate increased student throughput. The number of Web-based Continuous Learning Modules increased from 236 to 245 with a total of 624,859 completions, an increase of 26 percent over FY 2009. A key addition was a new 4-week basic contracting course (CON090). There were 33 DAU class offerings, resulting in 837 graduates.
- **Retention and Recognition:** Seven percent of the obligations in FY 2010 went toward retention and recognition. In an effort to encourage retention and recognition of key acquisition workforce employees with “mission critical” skills, competencies, and certifications, the DAWDF provided funding for 2,759 tuition assistance incentives; 1,702

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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 participants; 89 performance awards; 53 other retention incentives; and 1,593 other recognition incentives.

- **Recruiting and Hiring:** Sixty percent of the obligations went toward recruiting and hiring. As indicated in Figure E, 2,764 personnel were added to the DAW in FY 2010 (1,593 interns; 1,138 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. Cumulative DAWDF hires through FY 2010 were 4,882.

	Army	Navy	Air Force	Defense-wide Agencies (*)	DCMA	DCAA	Overall	%
Auditing	0	0	0	0	0	131	131	5%
Cost Estimating	4	19	28	3	18	0	72	3%
Financial Management	0	31	37	19	0	0	87	3%
Contracting	270	169	133	121	361	0	1,054	38%
Facilities Engineering	5	47	0	0	0	0	52	2%
IT Management	12	5	0	11	6	0	34	1%
Industrial/Prop Contract Mgt	0	0	0	0	20	0	20	1%
Life Cycle Logistics	96	84	66	0	11	0	257	9%
Prod, Qual & Mfg.	1	0	0	0	336	0	337	12%
Program Management	8	40	85	53	7	0	193	7%
Systems Planning, Research Development, Engineering	28	134	204	38	65	0	469	17%
Test and Evaluation	48	1	0	0	0	0	49	2%
Other	2	0	0	0	7	0	9	0%
<b>Total</b>	<b>474</b>	<b>530</b>	<b>553</b>	<b>245</b>	<b>831</b>	<b>131</b>	<b>2,764</b>	

Figure E. – DAWDF Funded Employees brought on board in FY 2010 (\*Excludes DCAA, DCMA)

#### IV. Recommendations for Additional Authorities

As part of the President's FY 2012 budget request, the Administration proposed revising title 10, U.S.C., section 1705 to allow all funds credited to the DAWDF to have a 3-year period of availability. Currently, DAWDF-appropriated funds credited to the Fund have a 1-year period of availability. Mixing funds with different availability periods (e.g., 1 year and 3 years) adds significant complexity to management and execution of the fund. For example, FY 2010 appropriations for the DAWDF (\$100 million) were deposited to the fund in April 2010, which left 5 months for obligation. This proposal would enable all funds credited, transferred, appropriated, and deposited to the DAWDF to remain available for expenditure in the fiscal year for which credited and the 2 succeeding fiscal years.

#### V. Unobligated Balance Remaining in the Fund at the End of FY 2010

<i>In \$000s</i>	Cumulative Funds Received	Cumulative Funds Obligated	% Obligated	Remaining Balance
FY 2008-FY 2010 Funds	\$ 254,925.5	\$ 254,458.4	99.8%	\$ 467.1
FY 2009-FY 2011 Funds	\$ 702,125.0	\$ 280,655.0	40.0%	\$ 421,470.0 *
FY 2010 Funds (Direct DAWDF Appropriation)	\$ 99,874.0	\$ 99,469.0	99.6%	\$ 405.0
<b>Overall</b>	<b>\$ 1,056,924.5</b>	<b>\$ 634,582.4</b>	<b>60.0%</b>	<b>\$ 422,342.1</b>

Figure F. – Balance Remaining in the Fund at the End of FY 2010

\*FY 2009-FY 2011 funds carried over to fund FY 2011 requirements