

**Defense Acquisition
Workforce Development Fund**

FY 2011 Annual Report to Congress

10 U.S.C. 1705(f)



**Office of the Under Secretary of Defense for
Acquisition, Technology, and Logistics**

October 2012

Preparation of this report/study cost the Department of Defense a total
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Summary

Section 1705, of title 10, U.S.C., “Department of Defense Acquisition Workforce Development Fund” (DAWDF), 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.

The law requires the Military Departments and Defense agencies (the Components) to remit amounts to the Secretary of Defense for crediting to the Fund and requires credits in amounts equal to the applicable percentage for a fiscal year of all amounts expended by the Department for contract services from amounts available for operations and maintenance (O&M). Amounts credited to the fund are available for obligation in the fiscal year for which credited, transferred, appropriated, or deposited, and the 2 succeeding fiscal years. DAWDF appropriated O&M funds (1-year availability) are also credited to the fund.

10 U.S.C. § 1705(f) requires the Secretary of Defense to submit an annual report on the operation of the Fund and to address the five specified topic areas described in this report. FY 2011 completed the third full year of operations for the DAWDF. A primary use of the DAWDF has been to rebuild the capacity and size of the Defense Acquisition Workforce (DAW).

In FY 2011, 1,652 civilian employees were brought on board with the DAWDF. Of those hires, 31 percent were in the contracting DAWDF career category and 14 percent in engineering and science. During FY 2011, three types of funding were managed (FY 2009 – FY 2011, FY 2011 – FY 2013, and FY 2011 DAWDF appropriation credits). The FY 2009 funds expired at the end of FY 2011; the FY 2011 funds expire at the end of FY 2013; and appropriated FY 2011 funds expired at the end of FY 2011. Total funds obligated in FY 2011 from all funding sources were \$633.8 million (see Figures C and D). As indicated in Figure F, DoD Components executed 99.7 percent of the FY 2009 – FY 2011 cumulative funding, 3.5 percent of the FY 2011 – FY 2013 funding and 99.2 percent of FY 2011-appropriated funds by the end of FY 2011.

The source of all financial figures in this report is the Defense Finance and Accounting Service (DFAS) 1002 monthly Appropriation Status by FY Program and Subaccounts Report.

1. Amounts Remitted/Credited

10 U.S.C. § 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

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include a statement of the amounts credited to the Fund for such fiscal year. All funds displayed in Figure A are FY 2011 DAWDF funds remitted in FY 2011. Additional FY 2011 DAWDF funds remitted in FY 2012 are not included in this report but will be addressed in the upcoming FY 2012 DAWDF report.

<i>In \$000</i>	Army	Navy	Air Force	OSD	Defense-wide Agencies*	Total
Amount	\$65,000.0	\$52,808.0	\$31,995.0	\$5,555.0	\$70,770.5	\$226,128.5

Figure A – FY11 required collections remitted by components in FY 2011

* Remittances provided at Appendix A

<i>In \$000s</i>	in FY 2008	in FY 2009	in FY 2010	in FY 2011	Total
FY08 Funds	\$ 169,190.0	\$ 85,735.5			\$ 254,925.5
FY09 Funds		\$ 440,258.0	\$ 261,867.0		\$ 702,125.0
FY10 Funds			\$ 0.0		\$ 0.0
FY10 Funds (appropriation)			\$ 99,874.0		\$ 99,874.0
FY11 Funds				\$ 226,128.5	\$ 226,128.5
FY11 Funds (appropriation)				\$ 208,767.0	\$ 208,767.0
Total Funds	\$ 169,190.0	\$ 525,993.5	\$ 361,741.0	\$ 434,895.5	\$ 1,491,820.0

Figure B –Credits to the Fund by Year

2. FY 2011 Obligations* Made from the Fund in FY 2011

<i>In \$000s</i>	FY 2009/2011 Funds Obligated in FY 2011	FY 2011/2011 Funds Obligated in FY 2011	FY 2011/2013 Funds Obligated in FY 2011	All Obligations Total FY 2011	%
Training and Development	\$ 115,628.8	\$ 32,101.7	\$ 943.3	\$ 148,673.8	24%
Retention and Recognition	\$ 25,005.0	\$ 1,488.3	\$ 300.4	\$ 26,793.7	4%
Recruiting and Hiring	\$ 278,293.1	\$ 173,446.8	\$ 6,629.9	\$ 458,369.8	72%
**Total	\$ 418,927.0	\$ 207,036.7	\$ 7,873.6	\$ 633,837.3	

Figure C – FY 2011 DAWDF Obligations by Category***

* Expenditures provided at Appendix B

** Numbers may not add due to rounding

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

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<i>In \$000s</i>	FY 2009/2011 Funds Obligated in FY 2011	FY 2011/2011 Funds Obligated in FY 2011	FY 2011/2013 Funds Obligated in FY 2011	All Obligations Total FY 2011
Army	\$ 82,984.2	\$ 21,694.6	\$ 0.4	\$ 104,679.2
Navy	\$ 61,357.8	\$ 46,791.5	\$ -	\$ 108,149.3
Air Force	\$ 87,744.2	\$ 34,950.1	\$ 4,722.7	\$ 127,417.1
Defense-wide*	\$ 25,369.7	\$ 21,346.7	\$ 599.0	\$ 47,315.4
DCMA	\$ 69,240.7	\$ 41,040.3	\$ 1,949.1	\$ 112,230.0
DCAA	\$ 23,324.6	\$ 18,780.9	\$ 13.6	\$ 42,119.1
DAU	\$ 68,905.7	\$ 22,432.6	\$ 588.8	\$ 91,927.1
** Overall	\$ 418,927.0	\$ 207,036.7	\$ 7,873.6	\$ 633,837.3

Figure D – FY 2011 DAWDF Obligations by Component***

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

** Numbers may not add due to rounding

*** Expenditures provided at Appendix B; obligations and expenditures provided by component at Appendix C

3. Improvements to the DoD Acquisition Workforce Resulting from Expenditures from the Fund

The DAWDF enabled Components to increase hiring by 6,498 personnel, cumulative since inception of the Fund. Components increased acquisition personnel in key strategic areas such as contracting, system engineering, cost estimating, and auditing. Examples of accomplishments include:

- Training and Development:** Twenty-four percent of the obligations in FY 2011 went toward training. In FY 2011, DAU hiring of Subject Matter Experts increased training capacity by 58 percent, allowing DAU to significantly increase the number of classroom course offerings throughout the United States and selected overseas sites (30 new DAU classroom facilities, over 700 increased offerings and over 19,000 more graduates) in FY 2011. DAWDF enabled 146,152 DAU web-based graduates in FY 2011. The number of Web-based Continuous Learning Modules increased from 245 to 314 with a total of 517,615 completions. The DAWDF continued to support deployment of the major new contracting curriculum for new workforce members. DAWDF also funded 1,959 DAU classroom offerings resulting in 56,818 classroom graduates in FY 2011 (an increase of 24 percent over FY 2010 graduates). Components also used the DAWDF for training and development. As an example, DAWDF enabled the Air Force to expand acquisition course capacity at the Air Force Institute of Technology to afford civilian employees the same training opportunities as military members, including initial skills training for contracting, program management, engineering, and scientists. Eight gap filler courses were funded in FY 2011, complementing DAU training with topics such as Intermediate Project Management and an acclaimed series of leadership courses targeted at acculturation and effective supervision. In addition, the Air Force used DAWDF funding to expand groundbreaking competency management initiatives with the Office of Personnel Management and to develop a Career Path Tool to more effectively identify key experiences to fill Air Force acquisition requirements and better manage career paths.

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- **Retention and Recognition:** Four percent of the obligations in FY 2011 were used to enhance retention and recognition. These incentives included: 4,450 tuition assistance incentives; 1,440 student loan repayments; 85 First Duty Station moves; 51 Permanent Change of Station moves; 160 Advanced Academic Degrees; 963 courses towards advanced academic degrees; 2,680 performance awards; 372 other retention incentives; and 10 recognition incentives.
- **Recruiting and Hiring:** Seventy-two percent of the obligations supported recruiting and hiring. As indicated in Figure E, 1,652 personnel were hired under the initiative in FY 2011 (1,115 interns and 537 journeymen). The Fund was used for 395 recruiting bonuses for hard-to-fill positions. The Components also conducted 67 outreach efforts through job fairs and university visits with 756 contacts and attendees. The DAWDF supported 6,498 cumulative hires through FY 2011; which includes 644 advance hires from FY 2009 and FY 2010.

	Army	Navy	Air Force	Defense- wide Agencies*	DCMA**	DCAA	Overall	%
Auditing	-	-	-	-	-	237	237	14%
Cost Estimating	2	7	14	-	9	-	32	2%
Financial Management	18	17	5	10	-	-	50	3%
Contracting	253	59	24	78	106	-	520	31%
Facilities Engineering	1	27	-	-	-	-	28	2%
IT Management	38	11	1	2	3	-	55	3%
Industrial/Prop Contract Mgt	-	-	-	-	17	-	17	1%
Life Cycle Logistics	119	68	25	13	1	-	226	14%
Prod, Qual & Mfg.	14	1	-	-	93	-	108	7%
Program Management	29	10	35	33	4	-	111	7%
Systems Planning, Research Development, Engineering	24	114	(11)	40	58	-	225	14%
Test and Evaluation	9	2	20	-	-	-	31	2%
Other (e.g. Acq Attorneys)	10	-	-	-	2	-	12	1%
Total	517	316	113	176	293	237	1,652	

Figure E – DAWDF Funded Employees brought on board in FY 2011

* Excludes DCAA, DCMA

** DCMA made minor revisions to FY 2011 hiring results in September 2012

4. Recommendations for Additional Authorities

There are no recommendations at this time.

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5. Unobligated* Balance Remaining in the Fund at the End of FY 2011

<i>In \$000s</i>	Cumulative Funds Received	Cumulative Funds Obligated	% Obligated	Remaining Balance
FY 2009-2011 Funds	\$ 702,125.0	\$ 699,582.0****	99.7%	\$ 2,543.1
FY 2011-2013 Funds	\$ 226,128.5	\$ 7,873.6	3.5%	\$ 218,254.9
FY 2011-2011 Funds (Direct DAWDF Appropriation)	\$ 208,767.0	\$ 207,036.7	99.2%	\$ 1,730.3
** Overall	\$ 1,137,020.5	\$ 914,492.2	81.9%	\$ 222,528.3

Figure F – Balance Remaining in the Fund at the End of FY 2011***

* Expenditures provided at Appendix B

** Numbers may not add due to rounding

*** FY 2011-2013 funds have a statutory three year availability and were carried over to fund FY 2012 requirements

****This includes amounts obligated prior to FY11 as opposed to only FY11 obligations as shown in Figures C& D

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Appendix A – Amounts Remitted Defense-Wide Agency Breakout

1. Amounts Remitted/Credited

<i>In \$000s</i>	Amounts Remitted in FY 2011
Army	\$ 65,000.0
Navy	\$ 52,808.0
Air Force	\$ 31,995.0
OSD	\$ 5,555.0
BTA	\$ 1,424.0
DCAA	\$ 26.5
DCMA	\$ 137.0
DHRA	\$ 3,067.0
DIA	\$ 4,424.0
DISA	\$ 5,732.0
DLA	\$ 1,364.0
DLSA	\$ 48.0
DMA (AFIS)	\$ 666.0
DoDEA	\$ 4,979.0
DPMO	\$ 5.0
DSCA	\$ 2,526.0
DSS	\$ 639.0
DTRA	\$ 3,084.0
DTSA	\$ 56.0
NDU	\$ -
NGA	\$ 9,725.0
NSA	\$ 19,554.0
USSOCOM	\$ 10,177.0
TJS (Joint Staff)	\$ 1,632.0
WHS	\$ 1,505.0
Overall	\$ 226,128.5

Figure A – Prior FY required collections remitted by components in FY 2011

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Appendix B – Disbursements from the Fund

A. FY 2011 Expenditures Made from the Fund in FY 2011

<i>In \$000s</i>	FY 2009/2011 Funds Disbursed in FY 2011	FY 2011/2011 Funds Disbursed in FY 2011	FY 2011/2013 Funds Disbursed in FY 2011	All Disbursements Total FY 2011	%
Training and Development	\$ 124,798.3	\$ 12,770.4	\$ -	\$ 137,568.7	22%
Retention and Recognition	\$ 33,624.9	\$ 961.2	\$ -	\$ 34,586.1	6%
Recruiting and Hiring	\$ 289,141.6	\$ 156,625.3	\$ 2,388.1	\$ 448,154.9	72%
Administrative (DFAS use)	- \$ 1,985.4	- \$ 2,530.2	\$ 10,724.2	\$ 6,208.5	1%
* Total	\$ 445,579.4	\$ 167,826.6	\$ 13,112.2	\$ 626,518.3	

Figure A -- FY 2011 DAWDF Expenditures by Category**

* Numbers may not add due to rounding

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

<i>In \$000s</i>	FY 2009/2011 Funds Disbursed in FY 2011	FY 2011/2011 Funds Disbursed in FY 2011	FY 2011/2013 Funds Disbursed in FY 2011	All Disbursements Total FY 2011
Army	\$ 93,484.6	\$ 16,709.7	- \$ 111.2	\$ 110,083.0
Navy	\$ 58,237.2	\$ 35,798.2	\$ -	\$ 94,035.4
Air Force	\$ 80,695.0	\$ 32,439.3	\$ 0.0	\$ 113,134.4
Defense-wide*	\$ 29,795.7	\$ 13,971.8	\$ -	\$ 43,767.5
DCMA	\$ 77,229.4	\$ 41,040.3	\$ 4,010.7	\$ 122,280.4
DCAA	\$ 23,462.8	\$ 18,031.3	- \$ 0.2	\$ 41,493.9
DAU	\$ 82,610.8	\$ 9,515.2	\$ -	\$ 92,126.0
Administrative (DFAS use)	\$ 63.9	\$ 320.8	\$ 9,213.0	\$ 9,597.6
** Overall	\$ 445,579.4	\$ 167,826.6	\$ 13,112.2	\$ 626,518.3

Figure B -- FY 2011 DAWDF Expenditures by Component

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

** Numbers may not add due to rounding

B. Undisbursed Balance Remaining in the Fund at the End of FY 2011

<i>In \$000s</i>	Cumulative Funds Received	Cumulative Funds Disbursed	% Disbursed	Undisbursed Balance
FY 2009-2011 Funds	\$ 702,125.0	\$ 609,791.3	86.8%	\$ 92,933.7
FY 2011-2013 Funds	\$ 226,128.5	\$ 13,112.2	5.8%	\$ 213,016.3
FY 2011-2011 Funds (Direct DAWDF Appropriation)	\$ 208,767.0	\$ 167,826.6	80.4%	\$ 40,940.4
* Overall	\$ 1,137,020.5	\$ 790,730.1	69.5%	\$ 346,290.4

Figure C -- Undisbursed Balance Remaining in the Fund at the End of FY 2011**

* Numbers may not add due to rounding

** FY 2011-2013 funds have a statutory 3-year availability and were carried over to fund FY 2012 requirements

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**Appendix C – Obligations & Disbursements
Defense-Wide Agency Breakout**

A. FY 2011 Obligations Made from the Fund in FY 2011

<i>In \$000s</i>	FY 2009/2011 Funds Obligated in FY 2011	FY 2011/2011 Funds Obligated in FY 2011	FY 2011/2013 Funds Obligated in FY 2011	All Obligations Total FY 2011
Army	\$ 82,984.2	\$ 21,694.6	\$ 0.4	\$ 104,679.2
Navy	\$ 61,357.8	\$ 46,791.5	\$ -	\$ 108,149.3
Air Force	\$ 87,744.2	\$ 34,950.1	\$ 4,722.7	\$ 127,417.1
DCMA	\$ 69,240.7	\$ 41,040.3	\$ 1,949.1	\$ 112,230.0
DCAA	\$ 23,324.6	\$ 18,780.9	\$ 13.6	\$ 42,119.1
DAU	\$ 68,905.7	\$ 22,432.6	\$ 588.8	\$ 91,927.1
AT&L	\$ 1,632.3	\$ -	\$ -	\$ 1,632.3
DeCA	\$ 203.9	\$ -	\$ -	\$ 203.9
DFAS	\$ 550.0	\$ 525.0	\$ 210.0	\$ 1,285.0
DIA	\$ 2,000.0	\$ 300.0	\$ -	\$ 2,300.0
DISA	\$ 73.2	\$ -	\$ 127.0	\$ 200.2
DLA	\$ 2,304.0	\$ 2,352.7	\$ -	\$ 4,656.6
DMEA	\$ 2,499.1	\$ -	\$ -	\$ 2,499.1
DoDEA	\$ 1,368.0	\$ 699.9	\$ -	\$ 2,068.0
DSS	\$ 268.5	\$ -	\$ -	\$ 268.5
DTRA	\$ 4,186.6	\$ 1,531.6	\$ -	\$ 5,718.2
MDA	\$ 3,172.1	\$ 6,947.2	\$ 202.0	\$ 10,321.2
NGA	\$ 765.8	\$ 4,163.6	\$ -	\$ 4,929.3
NSA	\$ 4,072.6	\$ 4,142.0	\$ -	\$ 8,214.6
OSD	\$ -	\$ 32.7	\$ -	\$ 32.7
SOCOM	\$ 730.4	\$ -	\$ -	\$ 730.4
TMA	\$ 921.1	\$ -	\$ -	\$ 921.1
USUHS	\$ 120.0	\$ 165.0	\$ 60.0	\$ 345.0
WHS	\$ 502.3	\$ 487.1	\$ -	\$ 989.3
* Overall	\$ 418,927.0	\$ 207,036.7	\$ 7,873.6	\$ 633,837.3

Figure A. – FY 2011 DAWDF Obligations by Component

** Numbers may not add due to rounding*

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**Appendix C – Obligations & Disbursements
Defense-Wide Agency Breakout**

B. FY 2011 Expenditures Made from the Fund in FY 2011

<i>In \$000s</i>	FY 2009/2011 Funds Disbursed in FY 2011	FY 2011/2011 Funds Disbursed in FY 2011	FY 2011/2013 Funds Disbursed in FY 2011	All Disbursements Total FY 2011
Army	\$ 93,484.6	\$ 16,709.7	- \$ 111.2	\$ 110,083.0
Navy	\$ 58,237.2	\$ 35,798.2	\$ -	\$ 94,035.4
Air Force	\$ 80,695.0	\$ 32,439.3	\$ 0.0	\$ 113,134.4
DCMA	\$ 77,229.4	\$ 41,040.3	\$ 4,010.7	\$ 122,280.4
DCAA	\$ 23,462.8	\$ 18,031.3	- \$ 0.2	\$ 41,493.9
DAU	\$ 82,552.2	\$ 9,515.2	\$ -	\$ 92,067.4
AT&L	\$ 2,153.4	\$ -	\$ -	\$ 2,153.4
DeCA	\$ 300.0	\$ -	\$ -	\$ 300.0
DFAS	\$ 860.6	\$ 426.4	\$ -	\$ 1,287.0
DIA	\$ 2,846.4	\$ -	\$ -	\$ 2,846.4
DISA	\$ 3,047.3	\$ -	\$ -	\$ 3,047.3
DLA	\$ 2,727.1	\$ 1,096.6	\$ -	\$ 3,823.7
DMEA	\$ 291.1	\$ -	\$ -	\$ 291.1
DoDEA	\$ 1,680.1	\$ 518.1	\$ -	\$ 2,198.2
DSS	\$ 268.5	\$ -	\$ -	\$ 268.5
DTRA	\$ 4,625.6	\$ 1,190.7	\$ -	\$ 5,816.3
MDA	\$ 4,318.6	\$ 5,326.5	\$ -	\$ 9,645.1
NGA	\$ 2,443.5	\$ 3,402.6	\$ -	\$ 5,846.1
NSA	\$ 2,821.3	\$ 1,742.6	\$ -	\$ 4,563.9
OSD	\$ -	\$ 32.7	\$ -	\$ 32.7
SOCOM	\$ 633.9	\$ -	\$ -	\$ 633.9
TMA	\$ 892.6	\$ -	\$ -	\$ 892.6
USUHS	\$ 250.4	\$ -	\$ -	\$ 250.4
WHS	- \$ 306.1	\$ 235.5	\$ -	- \$ 70.6
Administrative (DFAS use)	\$ 63.9	\$ 320.8	\$ 9,213.0	\$ 9,597.6
* Overall	\$ 445,579.4	\$ 167,826.6	\$ 13,112.2	\$ 626,518.3

Figure B -- FY 2011 DAWDF Expenditures by Component

** Numbers may not add due to rounding*