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UNTIL RELEASED BY THE
SENATE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE

STATEMENT OF
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BEFORE THE
SENATE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE

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I. Introduction

Chairman Inouye, Senator Stevens, distinguished members of the Committee, thank you for the opportunity to speak with you today about the readiness of the Navy's Reserve Component.

After several years of emphasis on Active Reserve Integration (ARI), our Navy Reserve Force is more ready, responsive and relevant, and is a full partner in the Total Navy. Alongside Active Component (AC) Sailors, Reserve Component (RC) Sailors provide integrated Operational Support (OS) to the Fleet, Combatant Commands (COCOMs), and other Department of Defense (DoD) agencies. With critical military and civilian skill sets and capabilities, mission-ready RC Sailors and units surge to provide predictable and periodic work across the full range of operations from peace to war.

Since 9/11/2001, over 42,000 Navy Reservists have been mobilized in support of the Global War on Terror (GWOT), representing over 80% of the Sailors deployed on the ground in theater. On any given day, over 20,000 RC Sailors are on some type of Active Duty (AD) or Inactive Duty (ID) orders at their supported commands meeting global COCOM requirements. This number includes about 6,000 RC Sailors mobilized in support of Operations IRAQI and ENDURING FREEDOM, and with this steady

state requirement, we maintain the capacity to rapidly increase contingency support with more than 28,000 additional ready RC Sailors that have yet to be mobilized.

Whether supporting combat operations in Iraq or Afghanistan, providing Humanitarian Assistance and Disaster Relief (HA/DR) at home or abroad, supporting daily Navy missions at every Fleet and Combatant Command, or providing for Homeland Defense (HD), Navy Reservists are providing unprecedented levels of OS while continuing to maintain a Strategic Reserve capability. We are very proud of their daily contributions to the security of our Nation, and are inspired by the Honor, Courage, and Commitment with which they serve each and every day.

The Navy Reserve continues to transform to increase effectiveness and efficiency at every command, while meeting all GWOT requirements. As we respond to emergent asymmetric threats with joint and coalition forces, the readiness of RC Sailors and units remains most critical. To provide sustained combat readiness, the Navy has moved away from rigid deployment cycles to a more flexible Fleet Response Plan (FRP), under which a "Surge Navy" is able to provide a requirement-based and continually ready posture that offers greater warfighting capability at reduced cost. As part of the FRP, a fully

integrated and ready Navy Reserve Force provides an enhanced surge capacity to meet requirements with Individual Augmentees (IA) and units. To maintain this posture, the Navy Reserve continues to emphasize current readiness as a more fully integrated supporting domain of the Navy, capable of engaging future geo-political challenges as an effective element of the Total Force. This task requires that we address both Force Readiness and Family Readiness, and recognize the inherent links between the two.

The Navy Reserve has the capacity to meet current and future requirements, and to continue to transform into the right Force for tomorrow. We will strengthen our culture of continual readiness while balancing predictable and periodic mobilizations of individuals and units for contingencies, integrated daily OS and a strategic HD surge Force, all while answering the call to "be ready."

II. Manpower

Navy continues its Total Force approach to the workforce of the 21st century by establishing an enterprise framework and providing readiness at an affordable cost. We are improving all processes to deliver increased readiness and combat capabilities, provide better organizational alignment, refine

requirements, and reinvest savings to recapitalize our Navy. The Navy Reserve is a full partner of the Manpower, Personnel, Training, and Education (MPT&E) enabling domain and is working closely with the Chief of Naval Personnel to best leverage all Navy resources.

The mission of the MPT&E is to anticipate Navy warfighting needs, identify associated personnel capabilities and recruit, develop, manage and deploy those capabilities in an agile, cost-effective manner. Through this partnership, we are delivering a more mission-adaptable, responsive, cost effective workforce with new skill sets and improved, integrated training. We are establishing a "Sailor for Life" Continuum of Service that provides for flexibility of service in the Total Force, and allows every RC Sailor to remain competitive for advancement along with their AC counterparts.

Recruiting. Commander Navy Recruiting Command (CNRC) is responsible for both AC and RC accessions, and in the past two years, has focused primarily on transitioning Navy Veterans (NAVET) to the RC, due to their valuable experience and skill sets. With the high cost of accessing, training, equipping, and maintaining the workforce, it makes good fiscal sense to retain qualified veterans instead of accessing many new recruits.

Recent DoD data indicates that more than two thirds of the 17-24 year old American youth cohort does not fully meet Navy standards, primarily due to medical and physical disqualifications, and has an increasing propensity to avoid military service. Thus, every veteran becomes more valuable, and must be encouraged to remain in service in the Total Force.

By providing veterans off-ramps to continue their service in the RC, we preserve the ability to surge their talents, and realize a much higher return on investment for their initial training investment. Previous force shaping efforts have been designed to achieve a specific end strength or "fill," but our focus has shifted to building a competency-based workforce with the right skill sets, or the right "fit," to more rapidly and effectively meet emergent GWOT requirements.

New programs and incentives have greatly enhanced our ability to recruit NAVETs and other highly qualified individuals. The very successful National Call to Service (NCS) and New Accession Training (NAT) programs have brought many junior Sailors with high demand skill sets into the Navy Reserve. In addition, the Recruiting Selective Conversion and Reenlistment-Reserve program (RESCORE-R) provides bonuses to NAVETs who agree to train in high demand GWOT skill sets, enabling their extended service and

availability for future deployments. These programs have been producing very positive results, but a larger range of tools are still necessary, including referral bonuses and expanded educational incentives.

A "Sailor for Life" Continuum of Service. An essential element of providing this dynamic and capable work force is establishing a "Continuum of Service" by which a Sailor may serve and REserve over the course of a lifetime. This "Sailor for Life" philosophy removes administrative and policy impediments, allowing flexibility to move between statuses, manage a civilian career, pursue advanced education, and account for unique life-circumstances. In other words, we will enable Sailors to take "off ramps" to the RC and "on ramps" back to the AC with seamless transitions. This framework also provides the taxpayer a better return on investment by extending the ability of the Sailor to serve, thereby taking advantage of military and civilian training and experience. Simply stated, a well developed Continuum of Service will create a Sailor for Life, always ready to surge in support of our national interests and defense.

This concept is critical to developing and maintaining RC Sailors who are ready to deliver the right capability at the

right place at the right time. Americans are living longer lives and are more capable to serve later in life. In fact, we have had many Total Force personnel over the age of fifty or even sixty from all services continuing to serve in the GWOT. The Navy's 21st century workforce demands Sailors with more highly specialized and less readily available skill sets. Future strategies must incentivize a more senior, highly qualified workforce, and will be designed to create flexibility for future growth by way of discretion in statutory ceilings.

Navy Reservists often serve as trainers for their AC counterparts based on their past service, recent GWOT experience, and civilian skill sets. Our new reality is that in an environment where the available pool of qualified recruits continues to shrink, Navy must recognize the value of the experience of more senior Sailors, both active and reserve. We must provide opportunities and incentives for them to continue to serve, and maximize our investment in all essential capabilities and skill sets.

III. Force Readiness

Force Readiness is comprised of two largely interdependent categories, both Sailor and Family Readiness. Sailor Readiness is defined by the medical, physical and administrative

preparedness of the Sailor, and in many cases, Family Readiness leads to Sailor Readiness. We must continue to provide better and more responsive service that allows families to be prepared for their Sailor to serve while recognizing the fundamental contribution of the Navy Family to overall readiness.

Sailor Readiness. Measures to increase the medical, physical, and administrative readiness of the individual Sailor have proven successful and we continue to improve upon them as we foster a culture of fitness and a willingness to answer the call to serve. Equally important is our ability to accurately measure that readiness, and expanded efforts in this arena are already delivering more accurate metrics.

Medical Readiness. Navy Reserve continues to be a leader in Medical Readiness. Full implementation of the Medical Readiness Reporting System (MRRS) as a comprehensive tracking system for Individual Medical Readiness (IMR) has provided decision makers an accurate and comprehensive web based system to track IMR. The MRRS has enabled leaders to identify deficiencies and promptly address them, as well as accurately predict medical readiness requirements. This process has yielded tremendous success, and the most recent data shows that the Navy Reserve

IMR rate is 83% fully or partially medically ready for mobilization.

The success of MRRS as both a readiness tool and innovative Information Technology (IT) solution, able to provide commanders with a real-time view of Force IMR, was recognized by the DoN CIO IM/IT Excellence Award for Innovation in 2005. After Force-wide fielding of MRRS was completed in 2006, Navy adopted it as a Total Force solution and is currently implementing it for all Sailors.

In order to provide for even higher levels of medical readiness across the Reserve Components, we continue to standardize medical requirements. Current RC IMR standards do not always meet the requirements of the theater to which the Reservist is being mobilized. As a result, some IAs have been put through multiple medical screenings in the mobilization process, only to be informed that their current state of medical readiness does not meet the standard of the forward deployed unit. Leadership is aware of these challenges and is working on solutions. As we become a more integrated Joint Force, standardizing medical readiness requirements across DoD will further that progress.

Navy Reserve is also working within the MPT&E domain to provide flexibility of service options for RC medical professionals, who continue to be in high demand for the GWOT. Medical personnel are critical to our overall readiness, but are often unable to mobilize for extended periods due to the requirements of their civilian practices. Therefore, we are working to establish a Continuum of Service that provides for shorter but more frequent mobilizations. Feedback from RC medical professionals and potential recruits indicates that 90 days is optimum, but up to six months can be performed with adequate notification.

Physical Readiness. Navy Reserve continues to participate in Total Force solutions to ensure the highest levels of physical readiness within the Force. We have established a culture of fitness throughout the Force by emphasizing both individual and command accountability for physical readiness. Every Navy unit has a Command Fitness Leader (CFL) who is responsible to the Commanding Officer to administer the unit's Fitness Enhancement Program (FEP), which emphasizes individual medical and physical readiness to every RC Sailor. Navy Reserve leadership is also held accountable in their annual fitness reports for the readiness of their Sailors. Commanders have visibility into the physical readiness of both individual Sailors and larger units via the web based Physical Readiness Information Management

System (PRIMS), which enables each CFL to enter data from Physical Readiness Tests (PRT) for each member of their command. Commanders then have the ability to accurately assess the unit physical readiness and adjust the FEP as necessary. Sailor readiness is also a primary discussion topic during weekly Reserve Force communications, placing further command emphasis on the importance of medical and physical requirements.

Administrative Readiness. Essential to Sailor Readiness is the ability to accurately and efficiently measure that readiness. The administrative inefficiencies created by multiple electronic pay and manpower systems create unnecessary burdens on the Sailor and limits Force Readiness. The Navy Reserve has increased Administrative Readiness through the employment of the Type Commander (TYCOM) Readiness Management System - Navy Reserve Readiness Module (TRMS-NRRM), which provides a scalable view of readiness for the entire Force. Commanders can quickly determine readiness information for individuals, units, activities, regions, and any other desired capability breakouts. This Navy Reserve developed system has served as a prototype for the Defense Readiness Reporting System - Navy (DRRS-N), which is currently under development by Commander, U.S. Fleet Forces Command (CFFC) for use by the Total Force. It will provide a database to collect and display readiness data across the Force

enabling commanders to make real-time capability-based assessments and decisions.

Navy is considering additional options for Total Force systems that will reduce administrative burdens and increase readiness. A common AC/RC pay system is crucial to the success of our Sailor for Life and Continuum of Service programs. Ideally, manpower transactions will someday be accomplished on a laptop with a mouse click, and data will be shared through a common data repository with all DoD enterprises. Navy fully supports the vision of an integrated set of processes and tools to manage all pay and personnel needs for the individual, and provide necessary levels of personnel visibility to support joint warfighter requirements. These processes and tools should provide the ability for a clean financial audit of personnel costs and support accurate, agile decision-making at all levels of DoD through a common system and standardized data structure. One constraint to these initiatives is the RC order writing process. The current system has multiple types of orders, including Inactive Duty for Training (IDT), Inactive Duty for Training-Travel (IDTT), Annual Training (AT), Active Duty for Training (ADT), and Active Duty for Special Work (ADSW). In addition to multiple types of orders, the disparate funding processes can be equally complex. Navy is currently evaluating

options that will streamline the system and make support to the Fleet more seamless. The conversion of ADSW order writing to the Navy Reserve Order Writing System (NROWS) has yielded improvements for Sailors and the Fleet by allowing the same order writing system to be used for both AT, ADT and ADSW. The consolidation of all RC order writing to NROWS has also been a significant evolution in Navy's effort to integrate its Total Force capabilities by aligning funding sources and accurately resourcing Operational Support accounts.

Family Readiness. Family Readiness is a key enabler of Sailor Readiness, and Navy Reserve Force family programs are continually improving with the assistance of Command Ombudsmen and the Family Support Program Manager. One of our biggest challenges is the wide dispersion of RC families throughout all states and territories, often without convenient access to the services provided by Navy Fleet and Family Support Centers. To extend services to those deserving families, the Navy Reserve hired a full-time Family Support Program Manager on the Commander, Navy Reserve Forces Command (CNRFC) headquarters staff, and specific emphasis has been placed on partnering with National Guard Family Assistance Centers. This liaison and improved cooperation with other Reserve Components has greatly increased the availability and level of support for all service

personnel and their families. Future consolidation of separate service facilities, especially in geographically isolated areas within CONUS, would yield great cost savings and administrative efficiencies. For example, a Navy Operational Support Center (NOSC) could easily become a Joint Operational Support Center (JOSC), providing support for all service personnel with a common pay and benefits system.

Family Days are a vital link in assisting families to be ready. NOSCs hold Family Days to provide "one stop shopping" of services and support for Sailors to get family issues in order, including administrative support to update dependency data, SGLI, family member ID card processing, legal assistance (simple wills and powers of attorney), and presentations on Military OneSource, TRICARE and American Red Cross representation. Family Days give family members a much better understanding of the benefits and entitlements available to them.

We have received outstanding feedback from another important initiative, Returning Warrior Weekends. Developed in cooperation with multiple resources in a Navy Region, NOSCs welcome our demobilizing Sailors and families to provide vital services to enable a smooth return to their civilian lives and careers. Specific combat related issues such as the

identification and treatment of Post Traumatic Stress Disorder (PTSD) are addressed with counseling services made available to families. Navy is committed to assisting our Sailors and providing necessary services that enable their families to achieve a Quality of Service second to none. This comprehensive Continuum of Service for our Reservists includes the transitions between active and inactive service, demobilization, and remobilization, because we are all Sailors for Life.

Navy Reserve Ombudsmen are a vital link between the Sailors' commands and their families. Ombudsmen attend annual training to understand new Navy programs and the importance of confidentiality when assisting families. They provide information and referral services on various topics, and most importantly act as a command representative focusing on effective communication. The web based Military OneSource also provides a significant level of assistance, including counseling services when requested. In addition, a Navy Reserve Family Information webpage at <http://navyreserve.navy.mil> provides useful information and interactive communications for questions.

IV. Operational Support

The vision of the Navy Reserve is "Support to the Fleet...Ready and Fully Integrated." Our overall Navy Reserve Force

effectiveness is measured by the level of integrated Operational Support it provides to the Fleet, COCOMs and other agencies. When RC Sailors surge predictably and periodically to support Navy missions, they are performing integrated OS. While some RC Sailors are only able to perform the minimum contract of two drill days a month and two weeks active duty each year, over 2/3 of the Force are far exceeding the minimums, performing valuable OS. Navy has recognized this capability and now relies on the RC to surge to many varied requirements in their regions or at supported commands. When the work is periodic or requires special skill sets, a reservist is often the most cost efficient and capable solution. Through a well developed web based notification and order writing systems, RC Sailors can rapidly surge daily to validated OS requirements.

Fully Integrated. Active Reserve Integration (ARI) aligns AC and RC units to achieve unity of command. It leverages both budgetary and administrative efficiencies and ensures that the full weight of Navy resources and capabilities are under the authority of a single commander. Navy Reservists are aligned and fully integrated into their AC supported commands, and are often "flex-drilling," putting multiple drill periods together to provide longer periods of availability when requested. RC Sailors enjoy this flexibility as it enables them to better

balance the schedules and demands of their civilian employers and families. The longer periods of Navy training and work at the supported commands achieves greater technical proficiency, more cohesive units and increased readiness.

Two very successful examples of ARI are Fleet Response Units (FRU) and Squadron Augmentation Units (SAU). These units are directly integrated into AC aviation commands, leveraging RC skill sets and capabilities to meet Navy mission requirements, and realizing greater ROI for taxpayers. FRUs provide fully qualified and experienced personnel to rapidly surge to deployed Fleet units, and reduce training costs by enabling AC and RC Sailors to train on, maintain and operate the same equipment. SAUs provide experienced maintenance personnel and highly qualified flight instructors to work at Training Command and Fleet Replacement Squadrons. These Fleet experienced technicians and aviators instruct both AC and RC Sailors to maintain and fly Fleet aircraft, providing better instruction, improved training completion rates and significant ROI.

Navy has aligned AC and RC regions under the five CONUS Navy Region Commanders and Naval District Washington. This alignment provides for central authority of shore-based infrastructure and significant administrative and training efficiencies. Region

Commanders have realized increased Total Force readiness and expanded capacity to provide OS, as well as disaster relief and consequence management under U.S. Fleet Forces Command as the Maritime Component Commander for Northern Command (NORTHCOM). Formerly known as Navy Reserve Readiness Commanders (REDCOM), Reserve Component Commanders (RCC) are responsible to the Region Commanders for facilities readiness and RC regional support issues. RCCs are integrating into Region Commanders' staffs, merging Total Force resources within their respective regions to better capitalize on the RC presence in every state. Navy is now more regionally ready to surge as first responders in the event of natural or other disasters. Of note, RC Rear Admiral Jon Bayless is recalled to active duty as Commander, Navy Region Midwest, further exemplifying the Total Navy integration and alignment.

To facilitate this alignment and clearly delineate the mission of the Navy Reserve, we have also renamed Navy Reserve Centers as Navy Operational Support Centers (NOSCs). Far beyond a mere name change, this transformational shift sends a clear message to each Reservist that our mission is to meet the requirements of the Fleet and COCOMs by providing integrated OS to supported commands and in their Navy Region. The goal of every NOSC Commanding Officer is to enable RC Sailors to serve at their

supported commands performing Navy work when requested, two days, one week, two weeks, or longer. We have made significant strides toward changing the culture through continuing education and commitment, and will continue these efforts by further aligning organizations and processes to Chief of Naval Operations strategic goals and guidance.

Fleet Trained and Equipped. ARI has aligned the Total Force so that AC supported commands determine requirements and capabilities for their RC personnel and units. We only have Navy requirements that in many cases can be met predictably and periodically with RC assets that rapidly surge when needed. By combining these roles, Navy achieves greater efficiency and ROI from both equipment and manpower by taking a comprehensive assessment of the requirements and capabilities resident in the Total Force. Both AC and RC Sailors maintain, operate and train on the same equipment and for the same mission. RC Sailors are trained to the same standards and at the same facilities as their AC counterparts, and their prior experience, skill sets and qualifications are equally valued.

Another excellent example of effective ARI is the newly established Navy Expeditionary Combat Command (NECC), which serves as the single functional command for Navy's expeditionary

forces and as central management for their readiness, resources, manning, training and equipping. NECC brings Naval Construction Force (NCF) Seabees, Naval Coastal Warfare (NCW), Navy Expeditionary Logistics Support Group (NAVELSG), Explosive Ordnance Disposal (EOD), Civil Affairs (CA), and the new Riverine Force capabilities under one commander, integrating all warfighting requirements for expeditionary combat and combat support elements. This transformation allows for standardized training, manning and equipping of Sailors who will participate in global joint maritime security operations. It aligns expeditionary warfighting capabilities and enables future adaptable force packages comprised of Sailors and equipment that are rapidly deployable, self-sustainable, scalable and agile, to meet the requirements of the COCOMs. Designed to fully leverage the Total Force, NECC employs roughly 50% RC Sailors and uses their extensive experience, skill sets and flexibility to accomplish its missions. This alignment realizes large economies of scale, common processes, and fully integrates RC Sailors that flexibly serve in every NECC mission area, providing tailored OS for the GWOT and HD.

Surge to requirements. Current GWOT examples of surge support capabilities, whether on Inactive Duty (ID) drills, Annual

Training (AT), Active Duty for Training (ADT), Active Duty for Special Work (ADSW) or mobilization include:

- Seabees
- Engineers
- EOD
- Supply Corps
- Coastal Warfare
- Cargo Handling
- Customs Inspectors
- Civil Affairs
- Chaplains
- Medicine/Corpsmen
- Trainers/Instructors
- JTF Staff Augmentation
- Intelligence
- Linguists
- Public Affairs
- IT/Network Support
- Anti-Terrorism/Force-Protection (AT/FP)
- Law Enforcement
- Logistics & Logistical transport/airlift

Navy Reserve Seabees comprise 60% of the Total Force NCF manpower and are organized into twelve RC Battalions throughout the country that compliment the nine AC Battalions. Effective training at NOSCs and at Seabee Centers of Excellence in Gulfport, MS, and Port Hueneme, CA, ensures that their high demand capabilities are ready to surge to support forward deployed Marines and regional reconstruction efforts. Every Seabee battalion has been mobilized and deployed to Iraq or Afghanistan for the GWOT, and they continue to be superb

examples of effective phased readiness and full integration of Navy combat support forces into Joint Force packages.

Other similar RC support can be found in Embarked Security Detachments (ESD) and Provisional Reconstruction Teams (PRT). ESDs rapidly surge to provide specialized mobile maritime security capabilities to ships especially in vulnerable domains, such as while transiting straits or entering foreign ports. Many RC Sailors bring valuable skill sets gained from civilian careers in law enforcement and the shipping industry, and are often the subject matter experts, providing significant cost savings as they perform integrated OS while training AC Sailors. Since their inception, RC Sailors have led the way in forming and deploying GWOT PRTs. Full-Time Support (FTS) CDR Kim Evans was assigned as Officer in Charge (OIC) of one of the original teams and her experiences were used to train future PRT OICs, improving the training processes, greatly increasing team safety and effectiveness.

Navy Medicine greatly values its talented RC doctors, nurses and corpsmen, serving on hospital ships performing humanitarian assistance and disaster relief, and ashore with the fighting Fleet Marine Forces (FMF). RC Chaplains are also serving with the Marines in forward areas, providing much needed spiritual

services and support. Navy Reserve Intelligence professionals are at work 24/7/365 forward deployed, and especially in the 27 CONUS based Joint Reserve Intelligence Centers (JRIC) providing real-time imagery analysis and other services to every COCOM.

V. Summary

Our Navy Reserve Force continues to transform to meet all GWOT requirements. We are constantly improving our medical, physical, family and administrative readiness, while we also evolve as a Total Navy workforce to provide the necessary joint capabilities to meet emergent Fleet and COCOM requirements. Navy is better leveraging its Reserve Component to provide more effective Operational Support, and has fully integrated the Total Force in all warfighting enterprises and enabling domains. Experienced REservists continue to volunteer their valuable military and civilian skill sets when called to serve and REserve, especially in support of humanitarian assistance, disaster response, peacekeeping and nation building initiatives.

I sincerely appreciate the Congress' support for the one Budget Authority Navy Reserve Military Personnel budget structure. It significantly improves our ability to effectively execute our tight manpower budgets in the new operational Reserve environment. I thank this Committee for its generous and always

responsive support as our Navy Reserve continues to answer the call to "be ready."