

AP3. APPENDIX 3

TRAINING TRANSFORMATION (T2)

PLANNING AND RESOURCE MANAGEMENT

TABLE OF CONTENTS

1.0 T2 Background and Organizational Structure 1

2.0 Training Transformation, Defense Planning, and the Joint Defense Capabilities Process (JDCP)..... 3

ATTACHMENTS

AP3. Attachment 1—Training Transformation Resource Management 19

AP3. Attachment 2—Sample Requirements Submission..... 20

AP3. Attachment 3—Sample Quarterly Execution Status Report 21

AP3. Attachment 4—The Joint Defense Capabilities “End State” Process 22

AP3. Attachment 5—Training Transformation Planning Timeline 28

1.0 T2 BACKGROUND AND ORGANIZATIONAL STRUCTURE

"We must transform not only the capabilities at our disposal, but also the way we think, the way we train, the way we exercise, and the way we fight. . . There will be no moment at which the Department will be 'transformed.' Rather we are building a culture of continual transformation, so that our armed forces are always several steps ahead of any potential adversaries. To do so, we must envision and invest in the future today, so we can defend our homeland and freedoms tomorrow."

Secretary of Defense Donald H. Rumsfeld, April 2003

1.1. The FY04 Defense Planning Guidance (DPG) directed the Office of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)) to develop a strategic plan and program to transform DoD training as a means to better enable joint force operations. After approving the plans for Training Transformation (T2), the Secretary of Defense directed fund reprogramming across the Future Years Defense Program (FYDP) to establish three capabilities through 2009: Joint Knowledge Development and Distribution Capability (JKDDC), Joint National Training Capability (JNTC), and Joint Assessment and Enabling Capability (JAEC). Strategic Planning Guidance for Fiscal Years 2006-2011, directs continuation of these T2 capabilities through FY 2011.

1.2. Training Transformation is a joint program unlike any before. This version of the Resource Management Plan refines the joint program resource management and execution principles and processes outlined in the FY04 version of T2 I Plan. Additionally, it puts into force the business and operating rules collaboratively developed by each of the respective JMOs. The T2 Resource Management Plan is fully consistent with all applicable laws and DoD regulations, instructions, and directives regarding planning, programming, budgeting, and execution of resources.

1.3. As directed by the Deputy Secretary of Defense, the Office of the Under Secretary of Defense for Personnel and Readiness has oversight responsibility for Training Transformation implementation, which includes program development, annual budget submission coordination, and execution oversight. The Deputy Under Secretary of Defense (Readiness) serves as the Executive Agent for Training Transformation. The USD(P&R) will use the existing Executive Steering Group (ESG), Senior Advisory Group (SAG), Joint Integrated Process Team (JIPT), and the T2 Capability Offices (defined as JKDDC, JNTC, and JAEC) to develop policy, and coordinate and oversee the T2 planning and resource management process. The office of the DUSD(R) will coordinate decision meetings as required by this Appendix.

1.4. The T2 Executive Steering Group and the subordinate T2 Senior Advisory Group oversee the development and execution of the T2 program and plans, which are the guiding documents for the development of individual T2 OSD, service, and agency programming and budgeting activities. These two governing bodies ensure the timely programming allocation, transfer, and execution of T2 program resources. The T2 Joint Integrated Process Team is subordinate to the two oversight groups and serves as the primary collaborative working forum that provides input to the oversight groups and responds to their guidance. The JIPT consists of senior analysts, planners, and action officers from the OSD and service staffs,

agencies, and combatant commands (COCOMs) contributing to training transformation.

1.5. Training Transformation (T2) Capability Offices (JKDDC, JNTC, and JAEC) have been established to manage T2 activities. The JKDDC and JNTC Capability Offices are designated Joint Management Offices (JMO). The JMO's are responsible for planning, program preparation, program management, and execution of their respective resources IAW the T2 Program Execution Plan. The JMO's will coordinate their efforts as required to accomplish T2 Program objectives. T2 stakeholders include the Services, Chairman of the Joint Chiefs of Staff, US Joint Forces Command, US Special Operations Command, other combatant commands, Defense Agencies, and other Offices of the Under Secretary of Defense (hereafter referred to as DoD Components).

1.5.1. The US Joint Forces Command, Joint Warfighting Center (JWFC), is the executing agency for the Joint National Training Capability (JNTC) and operates the JNTC Joint Management Office (JMO). The JWFC's JNTC executing responsibilities include accreditation of DoD Component joint training programs and organizations for training of joint tasks and certification of JNTC sites and venues. They are also the executing agency for the JKDDC. The JWFC will ensure coherent integration and synchronization of the JNTC and JKDDC JMOs in coordination with the DoD Components.

1.5.2. The Director, OSD Readiness and Training Policy and Programs is the executing authority for JAEC.

1.6. Five attachments to this appendix provide additional information about processes or formats.

1.6.1. Attachment 1 graphically depicts the resource management process for T2 aligned with the DoD Joint Defense Capabilities "End State" Process

1.6.2. Attachment 2 provides the format for capability/requirement submission including area addressed, training program/organization and Joint Training Task supported, proposed development schedule, cost estimate, and funding profile.

1.6.3. Attachment 3 contains a representative sample of the data for quarterly reports to Director, RTPP. It includes the status of funds received, obligated, and expended, as well as a short synopsis on monthly activities, upcoming events, problems/recommended solutions, and capability development status.

1.6.4. Attachment 4 provides an explanation of the DoD Joint Defense Capabilities "End State" Process

1.6.5. Attachment 5 depicts the continuous T2 timeline for Strategic, Implementation, and Program Plans.

2.0 TRAINING TRANSFORMATION, DEFENSE PLANNING, AND THE JOINT DEFENSE CAPABILITIES PROCESS (JDCP)

2.1. This section explains the interface between T2 planning and resource management process and the Joint Defense Capabilities "End State" Process (JDCP) for *On Years* (even years), and *Off Years* (odd years). This interface is critical to the synchronization of the T2 resource process with the JDCP. This section provides the development and approval timelines for the T2 Strategic Plan, T2 Program Plan, the T2 Investment Framework (T2IF), T2 Capability Offices Roadmaps and Investment Strategies, the T2 Capability Offices Program Execution Plans, and other documentation as required.

2.2. Background. This section reviews the interaction of the new Planning, Programming, Budgeting, and Execution (PPBE) process and the Joint Capabilities Integration and Development System (JCIDS). An understanding of each of these two supporting processes is essential to knowing how the T2 resource process fits into the overarching JDCP, as described below. Attachment 4 provides an explanation of the JDCP process.

2.2.1. Management Initiative Directive 913 (22 May 03) describes the new Planning, Programming, Budgeting, and Execution process, which replaced the old Planning, Programming and Budgeting System. The PPBE process focuses on resource allocation that provides the joint warfighter with the best mix of forces, equipment, and support attainable under fiscal constraints. It also emphasizes the use of performance metrics to focus on output and return on investments. It follows a four-year cycle (Figure 1) corresponding to presidential terms and is overseen by the Deputy Secretary of Defense (DepSecDef).

Four Administration Years with 2-year PPBE Cycle

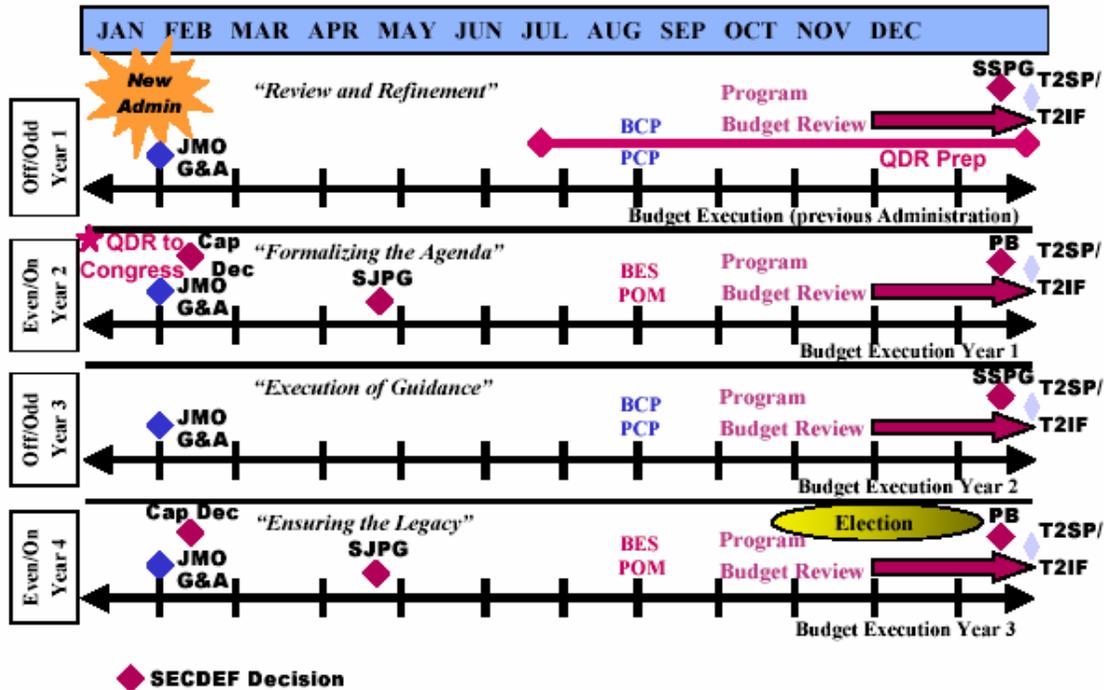


Figure 1. The Planning, Programming, Budgeting, and Execution Process

2.2.1.1. Year 1 (Off Year) Review and Refinement. The first phase of the cycle implements an early National Security Strategy. An *Off Year* Strategic Planning Guidance (SPG) is issued only as required by the SecDef, with limited changes to the baseline program via Program Change Proposals (PCP) or Budget Change Proposals (BCP).

2.2.1.2. Year 2 (On Year) Formalize the Agenda. A Quadrennial Defense Review is conducted and aligned with the President's Budget submission in the second year of an administration, and the Joint Defense Capabilities "End State" Process (JDCP) begins (SecDef Strategic Planning Guidance (Dec of odd years) and SecDef Joint Programming Guidance are issued). Program Objective Memorandums (POM) and Budget Estimate (BES) are submitted.

2.2.1.3. Year 3 (Off Year) Execution of Guidance. An *Off Year* SPG is issued only as required by the SecDef, and changes are limited to the baseline program via PCP or BCP.

2.2.1.4. Year 4 (On Year) Ensuring the Legacy. The Joint Defense Capabilities "End State" Process (JDCP) begins (SecDef Strategic Planning Guidance and SecDef Joint Programming Guidance are issued). POMs and a BES are submitted.

2.2.2. The Joint Capabilities Integration and Development System (JCIDS) was

implemented by CJCSI 3170.01C and CJCSM 3170.01 on 24 Jun 03, and represents a total restructuring of the DoD “requirements” process. It focuses on joint warfighting capabilities and a gaps-analysis process to determine the capability gaps to fill, and whether a material or non-material solution is appropriate. The Vice Chairman of the Joint Chiefs of Staff and the Vice Chiefs of the Services have oversight authority. Key to JCIDS are eight functional capability boards chartered by the Joint Requirements Oversight Council (JROC): *Command and Control* (JFCOM J8 lead), *Battlespace Awareness* (Joint Staff J2 lead), *Force Application* (Joint Staff J8 lead), *Force Protection* (Joint Staff J8 lead), *Network-Centric* (Joint Staff J6 lead), *Focused Logistics* (Joint Staff J4 lead), *Force Management* (Joint Staff J8 lead) and *Joint Training* (DUSD(R)/RTPP, Joint Staff, J7 and USJFCOM J7 lead).

2.3. On Year T2 Planning and Resource Management Process--The Joint Defense Capabilities Process

The T2 planning and resource management process will use spiral development to review, assess, adjust, and redirect the actions that will collectively transform DoD training. The overall T2 program consists of JKDDC, JNTC, and JAEC. In addition, funds will be programmed to develop training for critical functional areas where weaknesses are identified in current performance. For *On Year* (years number two and four of a presidential term), the T2 planning and resource management process will be integrated with the SecDef Joint Defense Capabilities Process (JDCP). Figure 2 shows the overall JDCP and dates for the five SecDef decision points. It also shows paragraph numbers that may be cross-referenced to the paragraphs below for details on T2 actions, milestones, and due dates.

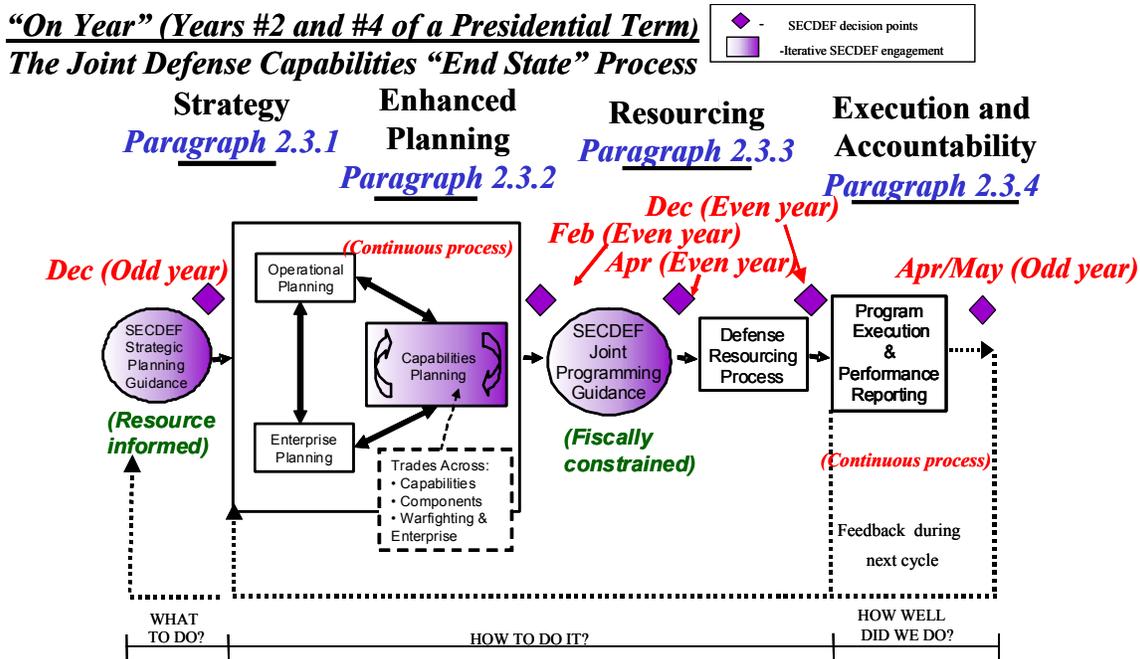


Figure 2. The On Year—Joint Defense Capabilities Process

2.3.1. Strategy Phase. The PPBE process consists of a four-year cycle aligned with the presidential term. *On Years* occur in years number two and four of the presidential term. The PPBE process begins with the identification of national-level interests, the examination

of the world security environment, the definition of national military strategy to provide strategy and risk guidance, by-exception planning and programming guidance by risk area, and enhanced planning process issues and approach in preparation for Phase 2 of the JDCP. The output of this phase is the SecDef Strategic Planning Guidance (SPG) (issued in December of odd-numbered years). Other DoD-level processes and documents that will buttress the T2 Strategy Phase include the Quadrennial Defense Review, the Defense Readiness and Reporting System (DRRS), the SecDef's Transformation Planning Guidance, service and USJFCOM Transformation Roadmaps, the Joint Staff's overarching Joint Operations Concept and its four subordinate joint operating concept categories (Major Combat Operations, Stability Operations, Homeland Security, and Strategic Deterrence), real world lessons learned, the Functional Capabilities Board process/output, and the Universal Joint Task List (UJTL). Specific T2 documents that will be used to support, form, and direct T2 Strategy Phase development are T2 assessments (to include JAEC Block Assessments and TPG-directed assessments), the T2 Strategic Plan, the T2 Program Plan, and the T2 Implementation Plan with appendices. Critical to the T2 Strategy Phase are the outcomes of the COCOM outreach programs managed by each of the T2 Capability Offices, the USJFCOM Joint Training Guidance and Plan, and the Joint Quarterly Readiness Review. The COCOMs will also have significant input into the T2 process through their major role in the JDCP as members of the Strategic Planning Council, and as stakeholders in the Capabilities Decision Process and the Enhanced Planning Process (see Attachment 4). The JNTC JMO leverages the existing Joint Warfighting Center outreach program to poll and collect each combatant commander's JNTC requirements. The JKDDC JMO has a standing working group in which each of the combatant commanders has representation. The purpose of the JKDDC Working Group is to collect, validate, and seek combatant commander sponsorship for each JKDDC initiative.

2.3.1.1. During the period when the SPG is written (Oct-Mar), the Director, RTPP, will lead an update of the T2 Strategic Plan. The plan will be written in parallel with the SPG, and in close coordination with the SPG authors, to realign T2 to achieve the mission to better enable joint operations. This update will be developed collaboratively at JIPT level, will propose measurable outcomes, and will include input from JAEC's block assessment of T2. It will be staffed IAW standard T2 staffing and approval procedures, including early use of the Joint Staff's Joint Staff Action Processing (JSAP) system to facilitate timely inputs from the COCOMS. The block assessment report also will consider at a minimum, strategic-level recommendations identified by T2 stakeholders during the I-Plan development process, input gathered from combatant command outreach, and joint and service lessons learned. The Strategic Plan will be submitted to the Deputy Secretary for approval following approval recommendations from the SAG and ESG, and following the release of the SPG.

2.3.1.2. The T2 Investment Framework (T2IF) will be developed in parallel with the JDCP Strategic Planning Guidance and its refinement will continue into the JDCP Enhanced Planning Phase. It will be based upon capabilities in each of the Services' Force Transformation Roadmaps and training guidance from the above-referenced source documents, the T2 Strategic Plan, JAEC assessments, Title X documents, major studies, lessons learned (or "noted") new concepts, experiments, technology pushes, threat

changes, operational plan analyses, combatant commander Integrated Priority Lists (new format), USJFCOM's Joint Training Guidance and Plan, and Joint Quarterly Readiness Review items. The T2IF will serve as the keystone document for the Capability Offices to develop their Roadmap and Investment Strategy and to assist applicable DoD Components to develop and synchronize their investment decisions across the FYDP. It will include a T2 "Secretary's Intent" modeled after the "Commander's Intent" in mission orders and a Top Ten list of T2 critical, overarching capabilities or emphasis areas which will be resource informed. The T2IF will be derived from the source documents listed in the beginning of this paragraph. The ODUSD(R, RTPP) will develop the T2IF through a collaborative process with key T2 JIPT members. The T2IF will provide overarching T2 functional and enabling capabilities from which the T2 Capability Offices will use to develop/modify their Roadmap and Investment Strategy. Additionally, it will contain sufficient detail so that each of the DoD Components can use it to make strategic investment decisions that are in concert with the overall T2 program. Bottom line, the T2IF is designed to provide the Capability Offices with direction for overarching T2 capabilities and critical investment areas, identify areas for mutual investments among the DoD Components and facilitate alignment of Title X training system modernization plans with T2 capability and emphasis areas.

2.3.1.3. Within the President's Budget, POM synchronization and consolidated stakeholder support for the T2IF are essential to the success of T2 because of the decentralized control/distribution of T2 funding. The development of the T2IF will begin in October of each odd year. The T2IF will be led by a representative from ODUSD(R, RTPP) in coordination with OUSD(C), OUSD(P), OSD(PA&E), combatant commanders, Joint Staff, Services, USJFCOM, SOCOM, and other key DoD Components. The final product will be vetted through the JIPT and SAG and approved by the DUSD(R) by December 20 in years in which a SecDef SPG is written. In the *Off Years*, the T2IF may be updated to address emerging or revised investment imperatives. T2 Capability Office Roadmaps and Investment Strategies, due in March, shall reflect T2IF guidance.

2.3.2. Enhanced Planning Process (EPP). The T2 Capability Office Roadmap and Investment Strategy, will require refinement during the JDCP enhanced planning process (Jan - Feb in *On Years*) to ensure T2 is synchronized with emerging operational capabilities (the T2IF is designed to assist in this synchronization process). This refinement is facilitated by the fact that the Services, Joint Staff, DoD Agencies, OSD, and COCOMs are all stakeholders in the EPP. Furthermore, major inputs into the EPP are many of the same inputs used to develop the T2IF. They include: Title X documents, major studies, lessons learned (or "noted") new concepts, experiments, technology pushes, threat changes, operational plan analyses, combatant commander Integrated Priority Lists (new format), and Joint Quarterly Readiness Review items. As part of the EPP, each JMO will conduct a capability/requirement analysis. The analysis will examine, validate, and prioritize capability/requirement submissions from each of their respective stakeholders. The basis for the analysis will be the T2 Strategic Plan and the T2IF, the ongoing JDCP EPP. The paragraphs below provide additional information on the submission/analysis process.

2.3.2.1. Criteria for Capability/Requirement Submissions--Each capability/requirement

submission to JKDDC, JNTC, and JAEC must be firmly grounded/tied to the T2IF construct. Any organization submitting requirements must fully document the requirement and present the requirement to the open review forums established by the capability offices. The JMOs will remain neutral and will not serve as an advocate for any requirement submitted from outside the JMO. Each T2 Capability Office will determine the format for capability/requirement submissions. An example of the type format can be found in Attachment 2. This form is representative of the information required for the EPP T2 process and will ultimately feed the T2 resourcing process. As a minimum, the submission should identify which area of the T2IF it is addressing (Top Ten listing), which training program/organization it supports, which specific Joint Training Task it is addressing, a description of the added capability, an analysis of alternatives (as required), a development schedule, a cost estimate, and a funding profile to include sustainment costs.

2.3.2.2. Capability/Requirement Evaluation. Each DoD component capability/requirement submission will be reviewed, prioritized, and approved at the service or equivalent level before being forwarded to the appropriate T2 Capability Office (JKDDC, JNTC, JAEC) to compete for T2 funding. The Capability Offices will be responsible for identifying, reviewing, merging, evaluating, validating, and collaboratively prioritizing joint training requirements for inclusion into their Roadmap and Investment Strategy, respective draft T2 Program Plan increments, and their Program Execution Plans. The evaluation criteria used at each level of review should be reflective of the individual JKDDC, JNTC, or JAEC objectives necessary to address T2IF capabilities and/or emphasis areas, they should be "resource informed" and in compliance with the ongoing JDCP EPP as much as possible. The T2 Capability Offices shall use collaborative decision-making/prioritization techniques such as the *Delphi Method* to reach consensus.¹

2.3.2.3. Arbitration. If, through the collaborative process, an impasse is reached between the DoD Components and the T2 Capability Offices, then the issue(s) will be brought to the T2 JIPT. If the T2 JIPT cannot resolve it, then the issue(s) will be brought to the T2 SAG for discussion and final adjudication. The DUSD(R), in collaboration with the members of the SAG, will have final adjudication authority.

2.3.3. Resourcing Phase. In this phase, the T2 planning decisions made in the previous phases will be translated into a T2 Program Plan, which will serve as the composite T2 POM based upon a compilation of the Capability Offices incremental input. As in the EPP, the program budget displays will be organized by the T2 Capability Office, flowed into the process as previously described, and reflected as a revision to the T2 Program Plan for final

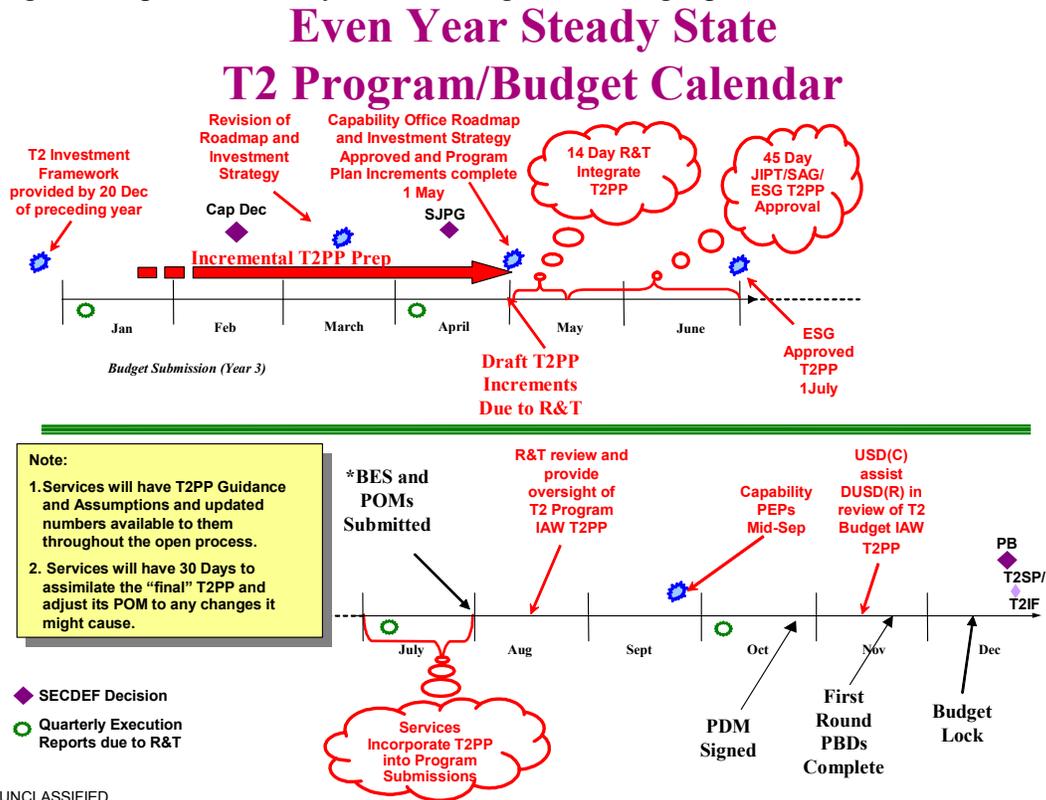
¹ The Delphi method was designed by RAND to encourage debate and make decisions that are independent of personalities. Stakeholders discuss their projects and the facilitator calls for a vote of the stakeholders (they prioritize the projects 1 to N). Input from all stakeholders is gathered anonymously and synthesized into an overall/summarized 1 to N prioritized listing of projects. This list is fed back to the stakeholders as a whole for final adjudication and approval.

approval by the T2 ESG. Also included in this phase is an abbreviated review process conducted by OUSD (PA&E) and OUSD (C) to ensure compliance with the SecDef's Joint Programming Guidance (JPG).

2.3.3.1. Included as part of this review is a cross correlation of service, Joint Staff, SOCOM and USJFCOM T2- related procurement document (“P-Docs”) and RDT&E documents (“R-Docs”). Services, Joint Staff, SOCOM, and USJFCOM shall cross coordinate these documents to ensure that their description of procurement and RDT&E initiatives are consistent among the T2 stakeholders and funding is programmed IAW the Program Plan. Once this coordination process is complete, all will submit their products to ODUSD(R, RTPP) for a final content review prior to insertion of these products into service, Joint Staff, SOCOM, and USJFCOM internal corporate processes.

2.3.3.2. As part of the DepSecDef functional training strategy tasking, once the Services, Joint Staff, SOCOM and USJFCOM have approved their future years MILCON budgets for release to OSD, T2 stakeholders will collate and submit funding requests for the construction of Urban Operations training facilities to ODUSD(R, RTPP) for review and compilation.

Figure 3 depicts the steady state T2 Program & Budget process.



* BES data is submitted in August and detailed justifications are due in September

Figure 3. T2 Steady State On Year Program & Budget Calendar

2.3.3.3. T2 Program Plan Approval. The outcome (T2 Program Plan increments) of

each T2 Capability Office's T2 capability/requirement analysis will be submitted by May 1 to the Readiness and Training Programs and Policy office for integration into the T2 Program Plan (T2PP). The T2PP will be coordinated through the T2 JIPT, submitted to the T2 SAG for validation, and approved by the ESG by July 1. In *On Years*, all stages of T2PP preparation occur in parallel with the SecDef's Joint Programming Guidance (JPG) decision in April of the *On Year* JDCP. The JPG is a fiscally constrained document that communicates the SecDef's decisions in the enhanced planning process to the DoD Components and the combatant commanders in the form of programming guidance. It also provides Program Decision Memorandum (PDM)-like detail on programmatic actions needed to implement the SecDef's decisions on key joint capability issues and provides guidance for delegated programming to the DoD Components and COCOMs along with accompanying performance measures. Again, DoD Components need to remain informed and in compliance with the JPG when it is issued in April of the *On Year* JDCP. The T2 Program Plan, approved by the ESG by July 1 (even year), is the guiding document for funding requirements for service POM inclusion and annual budget submissions. The plan will govern the POM submission and execution of funds directly programmed into individual DoD-component appropriations. Given the approved T2PP, DoD Components will adjust their POMs/BESs to capture the intent and scope of the T2PP prior to their submission on August 1 and mid-September respectively. Readiness and Training Policy and Programs will provide review and oversight of T2 Program compliance. OUSD(C) will work with ODUSD(R) to ensure budget submissions reflect the approved T2PP.

2.3.3.3.1. The T2PP, when approved by the ESG, will establish funding totals/sub totals by appropriation to be directly programmed into individual T2 Stakeholder accounts.

2.3.3.3.2. The T2 program will participate in specified Congressional reductions and OSD-levied decrements. DoD components are prohibited from levying component-initiated or optional Congressional/OSD reductions against the T2 program budget lines.

2.3.3.3.3. The DoD Components shall plan their T2 Resource investments in accordance with their SAG approved, Capability Office Roadmap and Investment Strategy. The Capability Office Program Execution Plan will document budget year of execution allocation and expense profiles after Congressional and Comptroller action. Deviation process to the requirements above is described in Paragraph 2.3.4.3.

2.3.3.3.4. The Department of Defense biennial program objective memorandum and budget estimate submission [driven by the T2 Program Plan] in *On Years* (as modified in *Off Years* through Budget Change Proposals) will define the levels of DoD component and USJFCOM T2 funds. The T2 Capability Offices will collect, merge, and validate all of the above agencies requirements and solutions to satisfy combatant command, combat support agency, and service joint context training requirements. FYDP distribution details will be promulgated through the T2 Program Plan (PP) and T2 Capability Office Roadmap and Investment Strategy. Year of execution details will be promulgated in the T2 Capability Office Program Execution Plan.

2.3.3.3.5. Capability Program Execution Plans. For each budget cycle, in mid-September of each year (exact date to be determined), each T2 Capability Office will develop a detailed Program Execution Plan (spend plan) for their respective program element of T2 that captures all planned activities for that budget year. At a minimum, this Program Execution Plan (PEP) will detail all programs and services to be procured during the subject year, the source of funding, execution activity, planned obligation and expenditure data, and prior-year and future-year funding requirements to complete the task. The PEPs are expansions of the ESG-approved T2PP and SAG approved Capability Office Roadmap and Investment Strategy. After PEP approval by the Capability Office Director, members of the JIPT review the PEPs. With no critical objections within the JIPT and after review by the ODUSD(R)/RTPP, the T2 PEPs will be co-signed by the Capability-cognizant Flag/General Officer and then the DUSD(R). If critical objections cannot be resolved, the SAG review process can be invoked. Once the PEP is signed, the ODUSD(R)/RTPP will use it as the baseline for monitoring program progress.

2.3.3.3.6. To facilitate program cohesiveness and fiscal planning predictability for the JNTC JMO and the affected DoD Components, the following T2 JNTC program development and funding distribution guidelines and caveats will be utilized:

2.3.3.3.6.1. JNTC Program Management (PM)-1 Process Action Team (PAT) is responsible for developing annual Program Goals and Objectives and an overall T2 JNTC Roadmap and Investment Strategy that addresses requirements/capabilities across the FYDP. The JNTC Roadmap and Investment Strategy consists of a set of solutions to address required T2 capabilities and emphasis areas (roadmap) and corresponding investments in products, services, technology developments, and operations, each of which can be traced back to tasks and strategies defined by the guidance provided in the T2 Strategic Plan, T2 Implementation Plan, and the T2 Investment Framework, and by the DoD Components through collaborative efforts in the JNTC Process Action Teams. The JNTC Roadmap and Investment Strategy shall consist of steps to achieve required capabilities through a specific set of products, milestone dates, responsible DoD Components, critical dependencies, and costs. Each Capability Office's Roadmap and Investment Strategy will build best value investments that reflect a reasonable blend of investments and tasks within the funding profiles identified in the annual T2 Program Plan. The JNTC Roadmap and Investment Strategy will be staffed with Services and SOCOM to ensure consistency with their planning documents and that service/SOCOM JNTC-funded investments have been incorporated within the appropriate portions of the Roadmap and Investment strategy. The entire JNTC T2 budget across the FYDP will be accounted for in the Roadmap and Investment Strategy. A coordinating draft of the Roadmap and Investment Strategy will be produced in October of each year to assist the service POM submission process and will be revised in the Mar-Apr timeframe consistent with any changes to the T2IF and approved by the SAG.

2.3.3.3.6.2. A JNTC Stakeholder Leadership Team (SLT) chaired by ODUSD(R)/RTPP and comprised of one O-6 or equivalent members from the Joint Staff, JNTC, Joint Warfighting Center (JWFC), the Services, and Special Operations Command (SOCOM) chartered to adjudicate PEP funding issues. The SLT provides a financial check of all stakeholder investment interests prior to being forward to the SAG. The SLT will meet in August and can be convened on an as needed bases to facilitate discussion on specific funding issues and concerns that cannot be resolved by the JIP

2.3.3.3.6.3. The JNTC Program Execution Plan is a year of execution level document that identifies program activities and budget level detail for that fiscal year. The T2 Strategic and Program Plans, T2 Investment Framework, the PM-1 annual Program Goals and Objectives (approved by the USJFCOM J7 and the DUSD(R)), JNTC Roadmap and Investment Strategy, and the fiscal realities of Congressional and Comptroller actions will all be used to construct the PEP. For JNTC, the PEP will include an investment break out by Work Breakdown Structure and by affected Program or Organization. Once coordinated through the JIPT and reviewed by ODUSD(R)/RTPP, the PEP will be forwarded by the JNTC JMO Director for co-approval, first by the USJFCOM J7 and then by the Deputy Undersecretary of Defense for Readiness. This action will be completed no later than September 30, prior to the start of the fiscal year of execution.

2.3.3.3.6.4. After the T2 JNTC funding levels have been established across the FYDP for both the DoD Components and USJFCOM, it is essential that that they remain as predictable and consistent as possible. The distribution of JNTC funding between the USJFCOM and the DoD Components is well documented in the T2 Program Plan. However, the funding that USJFCOM will task to component field activities and other DoD authorized agents with contracting authority for specific products and services are not outlined in the T2 Program Plan, and in the past have not been determined until the Program Execution Plan is completed. To facilitate long term planning predictability for this category of funding the following guidelines apply:

2.3.3.3.6.4.1. The JNTC Roadmap and Investment Strategy will be requirements/capabilities driven and developed by the JNTC JMO Program Management Group. Cognizant DoD Components are represented in the working group. The Roadmap and Investment Strategy will include an estimate of the amount of USJFCOM funding that will be allocated to tasks executed to satisfy overall T2 JNTC capabilities across the FYDP including funding to be allocated to tasks executed by the DoD Component field activities.

2.3.3.3.6.4.2. Program Execution Plan approval for program funding that outlines requirements across multiple years shall not only approve expenditure of funding for the current fiscal year execution (procurement, RDT&E, O&M, etc.), but shall reserve for subsequent years the necessary program funding from the T2 Program Plan to completely satisfy the requirement to include sustainment. If the program is underperforming, receives congressional cuts or requirements, or is affected by

technology or other changes, etc., then the program can be recommended for modification or termination during subsequent PEP coordination cycles.

2.3.3.3.6.4.3. When a service T2 capability is fielded, funding for initial spares, operations, sustainment, logistics support and preplanned product improvement will be programmed from T2 funding in the Program Plan and fenced to ensure the program remains viable. Specific plans for life-cycle support of T2 capabilities will be determined on a case-by-case basis and documented in a logistics plan maintained by the respective T2 Capability Office. If the program is underperforming, receives congressional cuts or requirements, or is affected by technology or other changes, etc., then the program can be recommended for modification or termination during subsequent PEP coordination cycles.

2.3.3.3.6.4.4. DoD Components will be notified immediately in the event that evolving requirements necessitate the need to alter funding allocated to component field activity tasks.

2.3.3.3.6.4.5. If consensus cannot be achieved, then stakeholders will present those relevant issues under contention to the JIPT. If the JIPT cannot agree on those issues in contention, then the issues will be presented to the T2 Senior Advisory Group (SAG). The DUSD(R) in collaboration with the members of the SAG will have final adjudication authority.

2.3.3.4. T2 I-Plan Revisions. During this phase, beginning in the month of August and following the development of the Program Plan, the T2 Implementation Plan will be revised to reflect the Strategic Plan and outcomes of enhanced planning. The Implementation Plan will be completed in the month of March, which will provide adequate time for preparation of budget change proposals.

2.3.4. Execution and Accountability. The T2 Program Plan provides much of the basis for the T2 budget across the FYDP. The JKDDC, JNTC, and JAEC budgets shall be in accordance with the T2 Program Plan. Budget formulation includes an analysis and forecast of the level of joint context training investment and number of activities that will be conducted based on funding and personnel constraints contained in the budget call. It is the responsibility of the T2 Capability Offices, in collaboration with the Services, combatant commands, ODUSD(R), and defense agencies, to determine what needs to be done to execute the T2 program objectives.

2.3.4.1. Each T2 Capability Office will manage program execution, account for all their respective resources, and provide quarterly program execution information at the appropriation and program element level to the Director, RTPP, for compilation into the T2 Progress Report for their transmittal to the DUSD(R). Attachment 3 contains a representative sample of the data to be added to the quarterly (by the 30th of January, April, July, and October for the preceding quarter) T2 Progress Reports. At a minimum, the report should identify the status of funds received, obligated, and expended, as well as a short synopsis on monthly activities, upcoming events, problems/recommended solutions, and capability development status.

2.3.4.2. The ODUSD(R)/RTPP will assess the quarterly progress reports and proposed program updates submitted by each T2 Capability Office and monitor progress of the overarching T2 program. The PEPs will be used as the baseline for monitoring program progress. Additionally, ODUSD(R)/RTPP will conduct pre-announced, random audits of the T2 Capability Offices to confirm compliance with the PEPs. The DUSD(R) will continually coordinate with OUSD(C) and OSD(PA&E) on the status of program execution, and ensure all activities support the T2 Program Plan as approved by the ESG.

2.3.4.3. To ease T2 budget revision coordination, T2 Capability Offices are authorized to unilaterally reallocate up to \$500K of O&M anywhere within the overall T2 budget for which they are responsible while continuing to honor service and appropriation boundaries, provided these reallocations are reported during periodic JIPT meetings. Additionally, T2 Capability Offices are authorized to reallocate up to \$1.5M of O&M anywhere within the overall T2 budget for which they are responsible with the notification of service and SOCOM JIPT principals and approval of the JIPT Chairman. SAG service principal notification and SAG Chairman approval is required for reallocations of greater than \$1.5M in O&M.² Reallocation of procurement/RDT&E funding can only be made in accordance with applicable fiscal law and procedural guidelines and will follow the same T2 JIPT, and SAG funding approval thresholds as the O&M appropriation outlined above. Reallocation of funds from the approved PEP budget as described above shall be highlighted on the quarterly report.

2.3.4.4. Services, executing T2 projects with service-allocated T2 funds, shall have full implementation authority to execute their tasks/requirements IAW the Program Execution Plan. Internal service reallocation of their assigned T2 funding to address other T2 funding requirements shall be conducted IAW the fiscal guidance/flexibility described in Paragraph 2.3.4.3. Each entity with T2 execution authority will report execution-level detail IAW the same parameters in Paragraph 2.3.4.1., quarterly on its specific tasks to the appropriate T2 JMO by the 10th working day of the month following the end of the quarter, and will provide a program-wide, high-level, informational briefing to the T2 JIPT (use the quad-sheet outline for this overview). See Attachment 2 for an example of the quad sheet. Reallocation of funds from the approved PEP budget as described above shall be highlighted on the quarterly report.

2.3.4.5. The DUSD(R) may hold periodic program progress reviews to assess program execution and identify and address any program planning issues. Projects determined to be at risk may be required to provide more frequent and detailed execution data. The T2 Capability Offices will support the USD(P&R) during budget hearings and other activities required to provide advocacy for the T2 program.

2.3.4.6. To ensure that training capabilities are funded from the appropriate source of funding (i.e. Service, T2 Service, or T2 Capability Office), the following criteria will be used:

² "Reallocation" of O&M funding must be fully consistent with all applicable laws and DoD regulations, instructions, and directives regarding planning, programming, budgeting, and execution of resources.

2.3.4.6.1. Overarching T2 Investment Guidance

- Funding must support joint needs
- Every effort should be made to fund permanent infrastructure over temporary capabilities
- T2 funds will not be used for
 - o That portion of programs routinely funded by service Title X or the Chairman's and Joint Exercise Programs
 - o Planning conference travel by COCOMs
- Use of T2 funds for transportation and per diem for planning and event participation shall be in accordance with limitations set by each Capability Office

2.3.4.6.2. Service Non-T2 Training Investments will be used for:

- Service-unique core training requirements.
- Elements of joint acquisition programs that address service-unique core training requirements.
- Assets/capabilities used by more than one service to accomplish non-joint or unilateral service training.

2.3.4.6.3. Service T2 Investment as identified in the T2PP or Capability Office Investment Strategy will be used for:

- Service execution and investments in T2 capabilities and/or non-program related requirements.
- Increases in costs associated with joint context for those permanent capabilities that are clearly conducted or required by a Service's forces to satisfy service-unique exercises and training capabilities.

2.3.4.6.4. T2 JMO Execution and Investment Funds will be used for:

- Providing joint context for program execution. This includes those joint context execution costs added to a combatant commander or service-training program that are directly attributable to a T2 Objective and would not have normally been an expense for the executing command.
- T2 management, including vetted, requirements-based contractor support for DoD Components (includes the JNTC Support Element). Levels of support and the cost for such support will be based upon the relative level of efforts (tasks) documented in the Roadmap and Investment Strategy and the PEP and will take into consideration differences in salaries based on geographic region and other contract specific costs.
- Research and development to develop or enable new technologies to satisfy joint training capabilities.
- T2 procurements that do not align to a particular Service, build the joint infrastructure and place one Service's required infrastructure at another Service's training venue or site.

2.3.4.6.5. Service JNTC Executive Agents.

- When designated, Stakeholders identified as JNTC Service Executive Agent (EA) will execute JNTC funds to the benefit of all Stakeholders through a vetted, validated, and approved set of requirements

- Service Executive Agents cannot unilaterally expand, reallocate, or reprogram these funds
- Currently designated Service JNTC Executive Agents are:
 - o USAF: Procurement funds for JNTC OPFOR Threat Emitters
 - o USAF: Operations and maintenance funds for support of OPFOR Threat Emitters
 - o USAF: Aircraft instrumentation procurement
- Equipment procured with JNTC Funds by an EA is property of JNTC but maintained by the Stakeholder where it is installed.

2.3.5. Finally, performance reporting is an important element of this phase of the JDCP. This function falls under the domain of JAEC for T2. JAEC's assessments will provide critical T2 performance measures, which will provide input into Phase 1 of the T2 portion of JDCP. JAEC's performance architecture is designed to assess and to help guide T2 strategically, operationally, and tactically and will provide reports via the DoD Balanced Scorecard. Based on thorough analysis, JAEC's assessment function will facilitate the identification of underperforming activities that are not contributing to agreed T2 outcomes. Remedies for underperforming activities include, but are not limited to, mid-year reallocation IAW Paragraph 2.3.4.3. procedures if activity performance repeatedly does not achieve the intended level of performance. A detailed discussion of JAEC can be found in Section 4.0 of the T2 Implementation Plan.

2.4. *Off Year* T2 Planning and Resource Management--Program and Budget Change Proposals

2.4.1. The *Off Year* planning process under PPBE is defined as years number one and three of a presidential term. For *Off Year* planning, the T2IF will be modified/adjusted for fact-of-life changes, cost increases, etc., as required starting on August 1 of even-numbered years. For *Off Years*, there will be no SPG, Program Objective Memorandum (POM), or Budget Estimate Submission (BES) submittal to OSD. In the *Off Years*, the T2IF may be updated to address emerging or revised investment imperatives. This will drive a corresponding change in the Capability Office's Roadmap and Investment Strategy. In March, the ODUSD(R) will poll DoD Components and then validate, collate, and submit as required, a Program Change Proposal (PCP) or Budget Change Proposal (BCP) through the USD (P&R) to the DUSD(C). Important considerations for the PCP and BCP are that they are cost neutral (offsets required), that PCPs are resolved thru Program Decision Memorandums (PDMs), and that BCPs are resolved through Program Budget Decisions (PBDs). Figure 4 and the paragraphs below outline the T2 *Off Year* process.

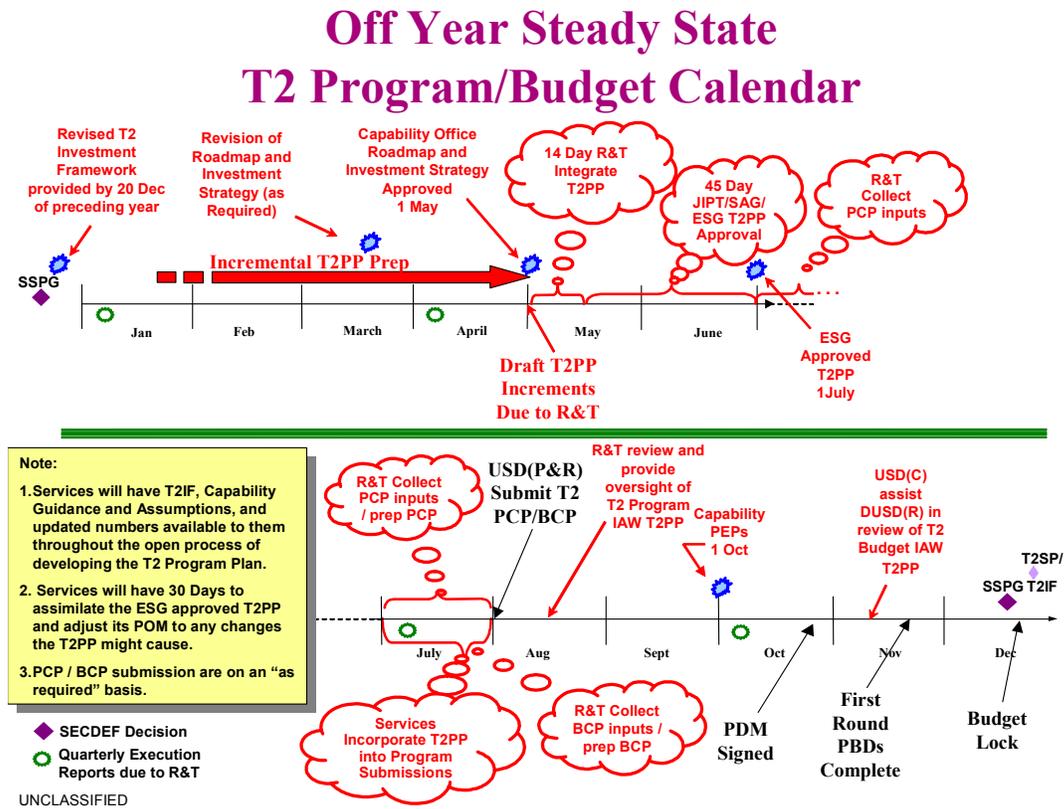


Figure 4. T2 Steady State Off Year Program & Budget Calendar

2.4.2. Program Change Proposals (PCP). PCP inputs are due to the ODUSD(R) July 1 in *Off Years* to make an August 1 deadline to PA&E. They affect current year, plus two years, through the end of current Future Years Defense Program (FYDP). They identify areas to take additional risk and are limited to programs that exceed \$250 million across the FYDP. The PCP may accommodate smaller issues if they present serious programmatic problems. If the issue is less than \$250 million, then it can be submitted as a Budget Change Proposal (BCP) (see Paragraph 2.4.3.), if the budget year is affected. The PCP will be resolved through Program Decision Memorandum and recorded in the program database.

2.4.3. Budget Change Proposals (BCP). Budget Change Proposal is similar to the PCP (see 2.4.2.) except that it is due to the OUSD(C) on August 1 and therefore inputs to the T2 BCP are due to ODUSD(R) by July 1 in *Off Years*. There is no threshold for BCPs and they address issues that affect the current year plus two years through the end of current FYDP. As discussed above, they may include program changes if PCP total cost is less than \$250 million and current budget year is affected. Budget Change Proposals will be resolved through Program Budget Decisions (PBDs) and PBD financial data will be entered into the program database.

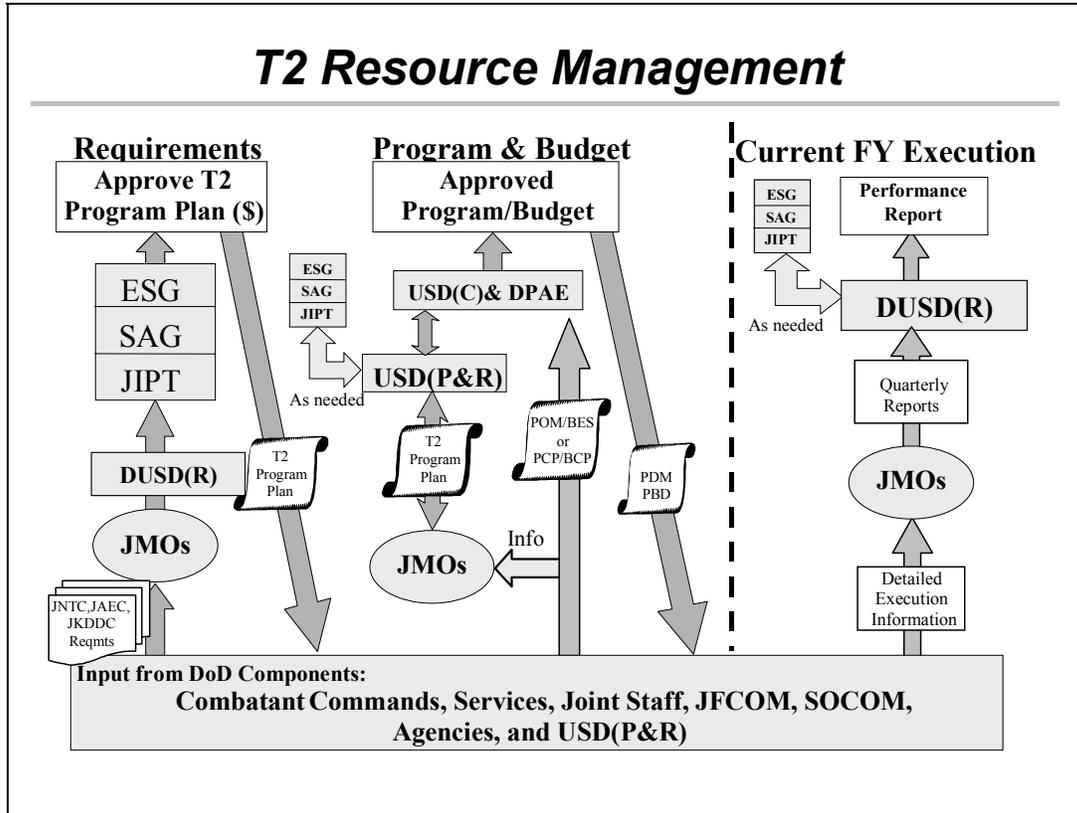
2.5. Off Year Execution and Accountability--same process as described in 2.3.4. above.

2.6. Summary. Training Transformation is a joint program unlike any before and at no

time will we be able to declare that training transformation is “complete.” This Appendix will be thoroughly reviewed and amended as required, for each subsequent revision of the T2 Implementation Plan. As DoD transforms, this Appendix and the DoD Components must remain flexible to ensure T2 remains relevant and process compliant. We must continue to anticipate force transformation training needs as our training superiority is the key to our force superiority on the battlefield.

AP3. ATTACHMENT 1

TRAINING TRANSFORMATION RESOURCE MANAGEMENT



AP3. ATTACHMENT 2

SAMPLE REQUIREMENTS SUBMISSION

Capability Title:				OPR: Quad #:		JNTC Capability Plan													
OPR POC:		Commercial Ph: __ - __ - __		Origin Date: __/__/__															
Purpose: ---		Commercial Fax: __ - __ - __		Modification Date: __/__/__															
Capability Description				Capability Need															
Product/Milestones Dates				Impact if Not Funded															
T2 IF Task	JNTC I-Plan Task	PAT Roadmap	T2 I-Plan Task	JNTC Funding Profile (\$K)					Budget Years			FYDP							
				Source	WBS	O&M	R&D	OP	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		---		---		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		---		---		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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AP3. ATTACHMENT 3

SAMPLE QUARTERLY EXECUTION STATUS REPORT

DoD Component Quarterly Report

for quarter ending _____

Program Element

DoD Component: _____
 Component POC: _____

#: _____
 Phone: _____
 Fax: _____

Quad Chart Number: _____
 Quad Chart Title: _____

FISCAL YEAR	TYPE FUNDS	FUNDS RECEIVED	FUNDS OBLIGATED	BALANCE	EXPENDITURES
	O&M				
	R&D				
	OP				
Total					

In addition to completing the above, address the following:

QUARTERLY ACTIVITIES: Provide summary of activities or status of work in progress.

MAJOR ACCOMPLISHMENTS: Describe work accomplished, problems encountered and resolved, milestones achieved, contract awards.

UPCOMING EVENTS: Provide upcoming events and milestones. Include the work to be accomplished. Include significant meetings or important events that could impact work schedule or execution of contract.

PROBLEMS/RECOMMENDED SOLUTIONS: Describe any technical, schedule, or funding problems, issues, or risk areas. Provide rationale and cause for slippage or deviations from plans (if any). Include recommended solution to resolve problems and issues.

FINANCIAL EXECUTION: Describe contract performance and funding status. Include an explanation if obligations deviate more than 10% from the plan. Include any pending contract awards that exceed 20% of subproject funding.

ACTIONS/DECISIONS REQUIRED: Include any requests for actions or decisions and the name/organization that will provide required action or decision.

AP3. ATTACHMENT 4

THE JOINT DEFENSE CAPABILITIES "END STATE" PROCESS

1.0 The Department of Defense has adopted the Joint Defense Capabilities "End State" Process (JDCP) for overall defense planning (see Figure A4-1). The JDCP is a continuous process that consists of four-phases. As each phase is described in the paragraphs below, note the SecDef decision points and participation of the combatant commands (COCOMs) in the process. The T2 planning and resource management process in Section 3.0 of this Appendix is congruent with the JDCP.

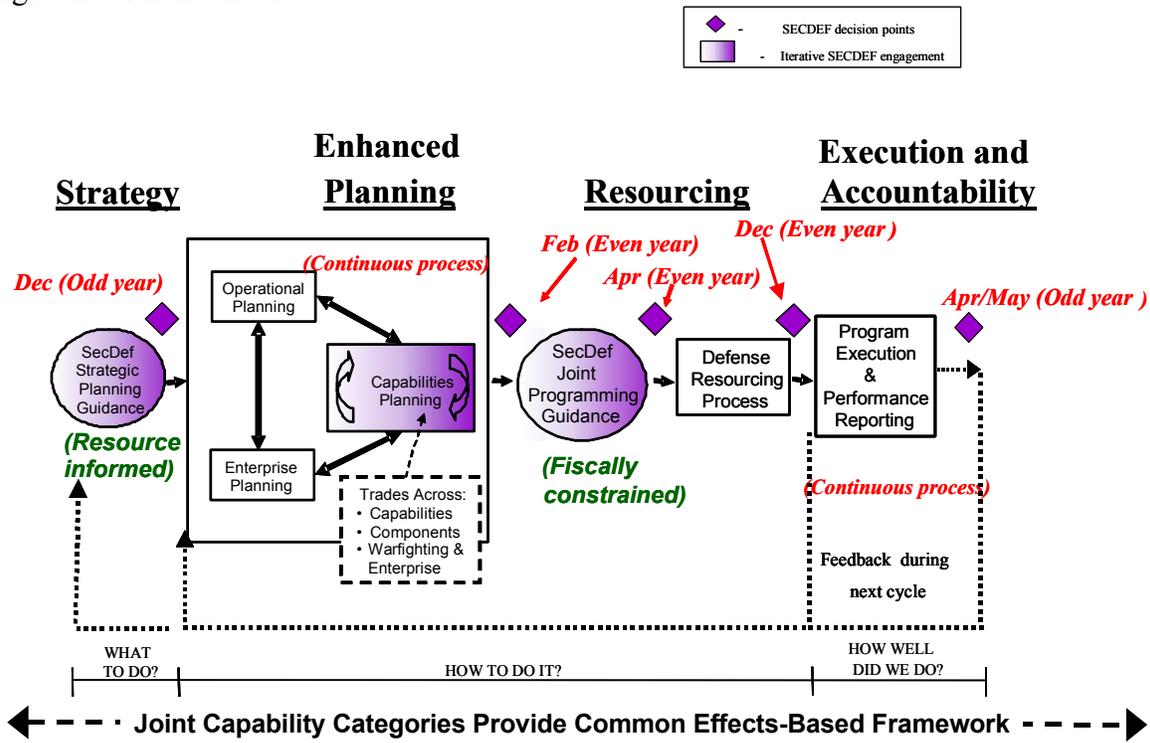


Figure A4-1--The Joint Defense Capabilities "End State" Process

1.1. Phase 1. Strategy Phase. Based on top-down guidance, the objective is to produce unified, resource-informed strategic direction. The specific output of this phase is the SecDef Strategic Planning Guidance (SPG) issued by USD(P) in December of odd-numbered years. The strategic direction contained in the SPG provides the framework for operational, enterprise, and capabilities planning processes for producing actionable guidance for departmental business strategy. It provides strategy and risk guidance, by-exception planning, programming guidance by risk area, and enhanced planning process issues and approaches in preparation for Phase 2 of the JDCP.

1.2. Phase 2. Enhanced Planning Process (EPP). The objective is to conduct analysis to affect capability trades for warfighting and enterprise resources; identify needs, gaps, and overlaps; and assess alternative solutions to joint needs. In this phase, evolving joint

operational concepts are examined against defense planning scenarios, which ultimately drive capability choices. The eight functional capability boards chartered by the Joint Readiness Oversight Council within this process are:

- *Command and Control* with JFCOM lead,
- *Battlespace Awareness* with Joint Staff J2 lead,
- *Force Application* with Joint Staff J8 lead,
- *Force Protection* with Joint Staff J8 lead,
- *Network-Centric* with Joint Staff J6 lead, and
- *Focused Logistics* with Joint Staff J4 lead.
- *Force Management* with Joint Staff J8 lead
- *Joint Training* (DUSD(R)/RTPP, Joint Staff, J7 and USJFCOM J7 lead).

1.2.1. Three additional functional areas being examined by JFCOM J9 are, Joint Forcible Entry Operations; Joint Deployment, Employment, and Sustainment; and Joint Urban Operations. The outcome of this process, collectively the “capabilities decision,” is briefed to the SecDef, and after approval, feeds the SecDef Joint Programming Guidance (JPG) (See Figure A4-2).

- All stakeholders participate – OSD, JS, Services, COCOMs, Agencies
- Transparent forum for capabilities deliberation – all views shared
- Presents alternatives (vice a single recommendation) to leadership
- Provides a standard vetting process for capabilities-related issues
 - Capability needs, gaps, and overlaps
 - Study scenarios, assumptions, metrics, etc.
 - Concepts and architectures

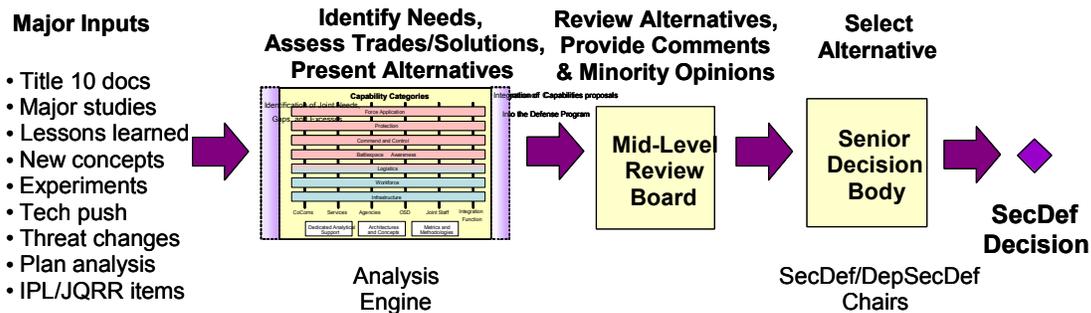


Figure A4-2--The Enhanced Planning Process

1.2.2. The OSD (PA& E) and OUSD(C) are the responsible agents for the JPG, which is a fiscally constrained document that communicates SecDef decisions in the enhanced planning process to the DoD Components and the combatant commanders, in the form of programming guidance and performance measures. The JPG provides Program Decision Memorandum (PDM)-like detail on programmatic actions needed to implement SecDef decisions on key joint capability issues; summarizes SPG objectives that will be addressed in the current programming cycle; and identifies issues associated with key SPG objectives that will not be accomplished in this cycle. The JPG is released in April of even-numbered

years.

1.3. Phase 3. Resourcing. This phase ensures planning decisions are translated and communicated in the budget process. The program and budget displays built during this process, designed for DoD decision makers and external audiences, are organized by capability categories. After the JPG is published, DoD Components will complete their programs and budgets to integrate directed, delegated programs. Their budgets will then pass through an abbreviated review process to ensure compliance with the JPG, and to incorporate fact-of-life changes. Upon review completion, the reviewers will issue decisions via PDMs and PBDs, but there will be no new major initiatives. The budget then will be finalized and passed to the SecDef for decision. After SecDef approval, it becomes the Department’s Presidential Budget (PB) and is submitted to the Office of Management and Budget in January (see Figure A4-3 below). The Office of Management and Budget, in turn, submits the PB to Congress by the first Monday in February of each year.

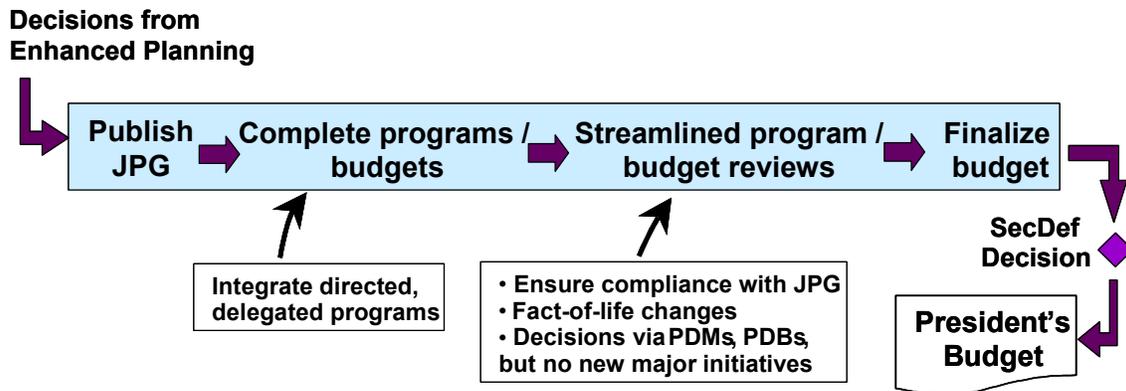


Figure A4-3. The Resourcing Process

1.4. Phase 4. Execution and Accountability. This phase assesses the Department’s performance in meeting the guidance in the SPG and the JPG through a DoD-wide analysis of capability achievement. This phase also proposes issues for senior leader discussion on factors impacting the future of the Department. The outcomes of this phase feed Phase 1 and restart the cycle (see Figure A4-4 below).

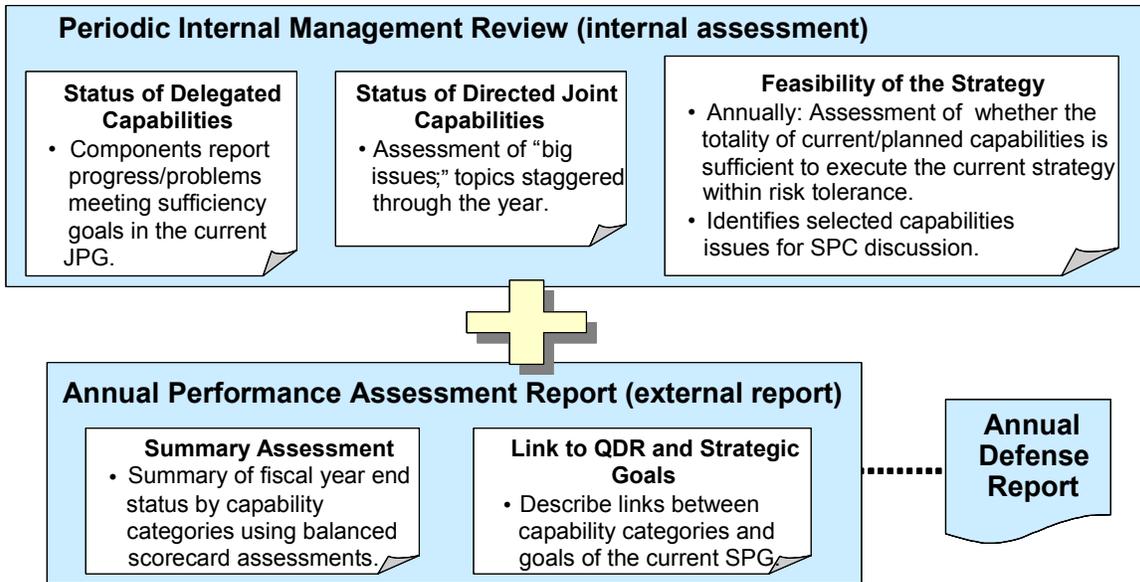


Figure A4-4. Execution and Accountability

1.4.1. An overarching Strategic Planning Council (SPC), chaired by the SecDef and consisting of the Senior Leadership Review Group principals and the COCOMs, serves as the Corporate Board of Directors to the JDCP. The SPC will drive strategy and frame major planning issues, review joint needs and solutions to ensure congruency with strategy, and assess feedback on execution performance. Figure A4-5 below provides the interaction of the SPC with the JDCP.

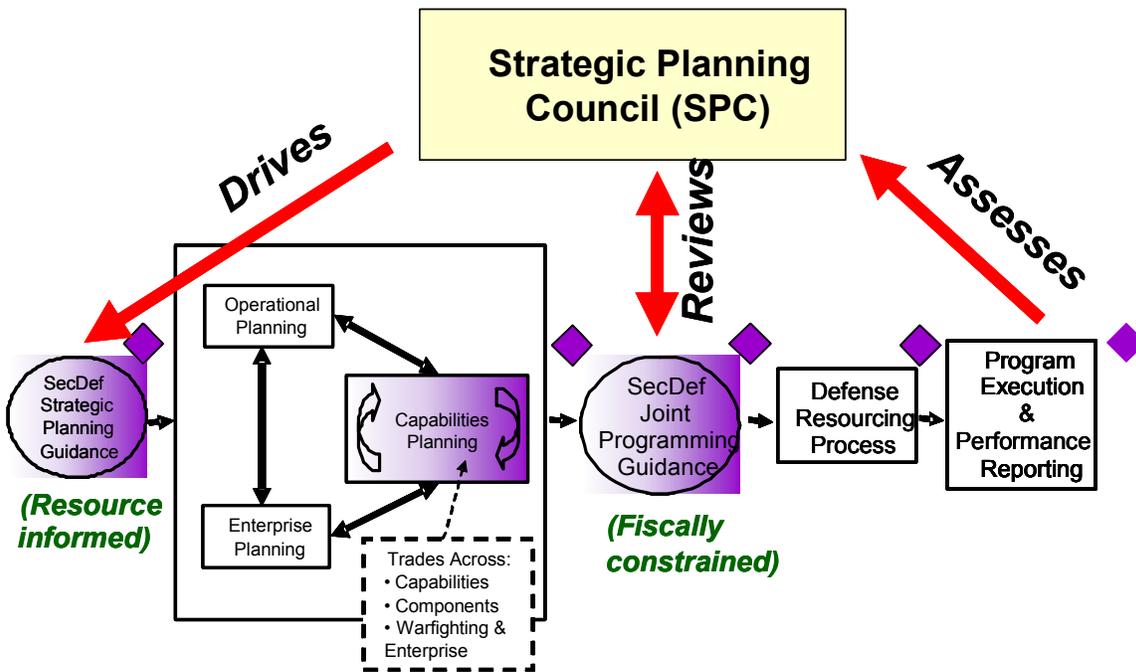


Figure A4-5--Strategic Planning Council

1.5. Summary.

1.5.1. Currently, the Defense Department is transitioning to a new Joint Defense Capabilities "End State" Process. Key factors of the new process are the five SecDef decision points indicated by the diamonds in Figure A4-5, and COCOM participation as part of the Strategic Planning Council and internal to the Capabilities Decision Process outlined in Figure A4-2. Combatant commander input into the Capabilities Decision Process not only occurs through their Integrated Priority Lists and the Joint Quarterly Readiness Reviews, but also through their participation throughout the Capabilities Decision Process.

1.5.2. Bottom line, the DoD Components must remain flexible and cognizant of the strategic direction the Department is pursuing as the "End State" process evolves to ensure that T2 remains relevant and in step with emerging defense capabilities.

AP3. ATTACHMENT 5

TRAINING TRANSFORMATION PLANNING TIMELINE

Jan-Mar 06	Write and publish 2006 T2 Strategic Plan Update in concert with SPG preparation (actual dates are dependant upon SPG progress)
Jan-Apr 06	Identify changes/additions to I-Plan necessary to support T2 Strategy and provide to Program Plan preparation
Feb-Jun 06	Prepare and submit T2 Program Plan for 2008-2013
Mar-Apr 06	Coordinate on the preparation of Joint Programming Guidance
Jul 06	T2 Program submission for 2008-2013
Aug 06-May 07	FY08-13 Implementation Plan Update incorporating changes
Mar 07-Aug 07	Prepare and submit Program Change Proposals
Apr-Oct 07	T2 Block Assessment
Oct 07-Jan 08	Write and publish 2008 T2 Strategic Plan Update in concert with SPG preparation