Integrated Review Team
on
Defense Acquisition Industry-Government Exchange
Interim Report

December 2018
Overview

- Purpose
- IRT Membership
- Study Tasks
- Study Plan
- Research
- Previous Work
- Actions to Date
- Way Ahead
Purpose

Provide the congressional defense committees an update on the Industry-Government exchange study as directed in § 883 of the 2019 National Defense Authorization Act
Arnold Punaro, Chairman

**Business Board**
- John O’Connor
- Bill Simon
- Cynthia Trudell
- Atul Vashistha
- Dave Venlet

**Innovation Board**
- Adam Grant
- Reid Hoffman
- Walter Isaacson
- Marne Levine
- Jennifer Pahlka

**Science Board**
- Michael Bayer
- Paul Kaminski
- Paul Kern
- James Miller
- David Van Buren

*Expert Advice From members of three Secretary of Defense Advisory Boards*
Study Tasks

- **Task 1** - Review legal, ethical, and financial disclosure requirements for industry-government exchanges

- **Task 2** - Review existing industry-government exchange programs
  - Determine if the programs are useful to the individuals selected
  - Determine if the Service adequately utilizes the “Graduates” once they exit the program
  - Determine if they are of sufficient size to matter to the Department
  - Determine if there is a better organizational model

- **Task 3** - Review how the Military Departments address legal, ethical, and financial requirements for members of the reserve components who also maintain civilian employment in the defense industry

- **Task 4** - Produce specific and detailed recommendations for any legislation, including the amendment or repeal of regulations, as well as non-legislative approaches to:
  - Reduce barriers to industry-government exchange to encourage the flow of acquisition best practices
  - Ensure continuing financial and ethical integrity
  - Protect the best interests of the DoD

- **Task 5** - Produce additional recommendations for legislation the IRT finds pertinent
The legislation directs:
• Briefing to congressional defense committees, no later than **Dec 31, 2018**
• Final report to the congressional defense committees and Under Secretary of Defense for Acquisition and Sustainment, no later than **March 1, 2019**

Administrative Requirements:
• DoD legal and security review of all briefings/reports

*Produce specific, detailed, and actionable recommendations for any legislation, including the amendment or repeal of regulations, as well as non-legislative approaches, … to reduce barriers to industry-government exchange to encourage the flow of acquisition best practices;*

~FY19 NDAA (Pub. L. 115-232) August 13, 2018
Study Plan

- Interviews (Internal & External to DoD)
  - Senior OSD officials & Service Senior Leaders – nearing completion
  - Industry executives – nearing completion
  - Industry associations – nearing completion
  - Congressional Sponsors – NLT Dec 31, 2018

- Data Calls - Ongoing
  - Analysis of previous work
  - Surveys from graduates of current programs within DoD

- Research focusing on:
  - Current state of industry-government exchanges
  - Revolving door legislation for both senior management positions as well as the middle management level
  - Incentives/benefits to Industry
  - Density and placement for desired strategic affect
  - Existing Office of Government Ethics and SASC requirements for Senate-confirmed Presidential appointments
Existing Work on Government-Industry Exchange

- Selecting Senior Acquisition Officials Study, JAN 2018. Defense Business Board
- SECDEF Executive Fellows Program. Overseen by the Office of the Under Secretary for Personnel and Readiness. The program is a long-term investment and a key part of DoD's strategy to achieve the transformation of our military forces and capabilities.
- Franklin Fellows Program. Overseen by the Department of State. Provides a unique and innovative program that brings outside experts to the Department of State and USAID and allows citizens a chance to serve and to deepen their professional experience.
Existing Work Germaine Work

- **Defense Business Board Studies**
  - Focusing a Transition - Challenges Facing the New Administration
  - An Assessment on the Creation of USD for BM&I
  - Selection of Senior Officials in the Acquisition Workforce
  - Innovation: Attracting and Retaining the Best of the Private Sector
  - Public-Private Collaboration in the Department of Defense
  - Fostering an Innovative Culture Through Corporate Engagement and Partnership
  - Innovative Culture, Part II: Virtual Consultancies - Engaging Talent
  - Acquisition Workforce Growth and Recommendations for Insourcing
  - Engaging US Business in Support of National Security Objectives
  - Outreach Plan to Improve Communications between the DoD and the Defense Industrial Base
  - Strategic Relationship Model between DoD and the Industrial Base
  - MBA Recruitment

- **Defense Science Board Studies**
  - Creating a DoD Strategic Acquisitions Platform
  - Understanding Human Dynamics
  - Defense Imperatives for the New Administration
  - Creating an Effective National Security Industrial Base for the 21st Century
Actions to Date

# Interviews

- HON Mark Esper, Secretary of the Army
- HON Richard Spencer, Secretary of the Navy
- HON Heather Wilson, Secretary of the Air Force
- HON Mike Wynne, Former Secretary of the Air Force
- HON Mike Griffin, USD for Research & Engineering
- HON Ellen Lord, USD for Acquisition & Sustainment
- HON James Stewart, USD for Personnel & Readiness
- HON Paul Ney, DoD General Counsel
- Gen Paul Selva, USAF, Vice Chairman, Joint Chiefs of Staff
- HON Kevin Fahey, ASD for Acquisition
- HON Bruce Jette, ASA(ALT) - Army Service Acquisition Executive
- HON James Geurts, ASN(RD&A) - Navy Service Acquisition Executive
- HON William Roper, SAF/AQ - Air Force Service Acquisition Executive
- Mr. Eric Chewning, DASD for Industrial Policy
- Mr. Dana Deasy, DoD Chief Information Officer
- Ms. Lisa Hershman, Acting Chief Management Officer
- Mr. Jim O'Beirne, Special Assistant to the Secretary of Defense for White House Liaison
- Mr. Jose Gonzalez, Director, Office of Human Capital Initiatives OUSD(A&S)
- Mr. Jeff Green & Ms. Dani Irvine, OGC Senior Attorneys for Ethics
Actions to Date

- Research and analysis of previous work
- Questionnaires distributed to Government leaders and Industry executives
- November 7 Briefing to the public at the DBB Quarterly Board Meeting
  - Presented and voted on study plan
- NLT March 1, 2019 Final recommendations presented to the congressional defense committees and Under Secretary of Defense for Acquisition and Sustainment