



DEPUTY SECRETARY OF DEFENSE  
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WASHINGTON, DC 20301-1010

SEP 14 2006

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Capability Portfolio Management Test Case Roles, Responsibilities,  
Authorities, and Approaches

The Quadrennial Defense Review, and the follow-on Strategic Planning Guidance, emphasized the need to continue building upon the DoD capability-based planning and management efforts to facilitate strategic choices and improve the ability to make capability tradeoffs. One approach being explored is joint capability portfolio management. The intent is to manage groups of like capabilities across the enterprise to improve interoperability, minimize capability redundancies and gaps, and maximize capability effectiveness. Joint capability portfolios will allow the Department to shift to an output-focused model that enables progress to be measured from strategy to outcomes. Delivering needed capabilities to the joint warfighter more rapidly and efficiently is the ultimate criterion for success in this effort.

To reach this goal, the Deputy's Advisory Working Group (DAWG) has selected four capability areas as test cases for experimentation with the joint capability portfolio management concept: (1) Joint Command and Control; (2) Joint Net-Centric Operations; (3) Battlespace Awareness; and (4) Joint Logistics.

A Capability Portfolio Manager (CPM) will oversee each test case. The CPMs will ensure their portfolios are aligned with strategic objectives and the capability mix within each portfolio is optimized to meet warfighters' needs. The CPMs will integrate the efforts of capability providers through requirements identification, solution development, and execution oversight. CPM oversight will cover the spectrum of doctrine, organization, training, materiel, leadership and education, personnel, and facilities solutions to meet operational needs of the joint warfighter in the CPMs' respective capability areas. Additionally, the CPMs will identify and assess risk in their portfolios to assist DoD senior leadership in balancing joint-warfighting demands against resource constraints.

Attachment A contains general guidance regarding roles, responsibilities, and authorities applicable to each of the four test cases. In addition, the CPMs have provided details regarding the approaches they intend to pursue (Attachments B-E). Your active participation in the process will help the Department assess the benefits of capability portfolio management.

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The Institutional Reform and Governance Roadmap co-leads, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Director, Joint Staff, will provide oversight during the test case phase and will coordinate issues with the DAWG as required.

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Attachments:  
As stated

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## ATTACHMENT A

### **Capabilities Portfolio Management Test Cases: Potential Roles, Responsibilities, and Authorities**

While each of the test cases is unique in focus and content, there are some fundamental roles, responsibilities, and authorities that are applicable to all. The extent to which individual test cases incorporate these elements will vary. As the test cases progress, authorities may be increased as appropriate, based on validated needs and demonstrated performance. Following is a description of the types of roles and authorities that a capability portfolio manager could be afforded with DepSecDef's approval. The authorities and responsibilities listed are for test purposes only and will last as long as the Deputy Secretary continues the testing period. To ensure that joint outcomes are achieved, there will be a continuous evaluation of the business processes and authorities necessary to enable success. As such this is a living document, and it will evolve as needed.

### **Participation in the Resource Planning and Resource Allocation Process**

#### Immediately

- For the fiscal year 2008-2013 Program Review process:
  - CPMs will generate a Capability Portfolio POM Assessment that provides:
    - Strategic Perspective and Context. With regard to your portfolio:
      - Is the current portfolio in alignment with leadership's strategic interests and joint warfighters' needs?
      - Please provide your insights as to where we should be heading.
    - Capability Mix
      - In terms of capabilities, not programs, what are the key priorities? Where should we place emphasis, and where should we take risk, with an eye toward minimizing gaps and overlaps?
      - What is the optimum mix of capabilities?
      - What are the dependencies on other portfolios?
    - Cross-Component Program Assessment. To the greatest extent possible:
      - Based on the desired capability mix, how does the Department's current resourcing profile reflect portfolio priorities?
      - What trades would you recommend within your portfolio to achieve the optimal mix?
      - Are there cross-portfolio program issues that need to be addressed?

- The CPMs should be provided copies of POM issue papers by the originating offices.
- The CPMs may participate in POM reviews as members of issue teams.
- The CPMs will present a Capability Portfolio POM Assessment to the Deputy's Advisory Working Group.

#### Near-Term

- By the fiscal year 2009-2013 programming process, capability portfolio managers could take on additional roles.
  - CPMs may recommend portfolio-specific guidance through established processes (e.g., strategic planning guidance, joint programming guidance, and fiscal guidance) to the components with respect to their capability portfolios.
  - In an effort to promote transparency throughout the programming process, CPMs should be afforded the opportunity to actively participate in the development of component POMs related to their capability areas. In particular, they should be given access to internal component processes and information.
  - CPMs could request to lead the coordination of all programmatic issues identified by various sources (e.g., combatant commands, Joint Staff, and OSD) and deliver an integrated capability portfolio-focused issue paper to the Program Review process leads.

### **Ensuring the Ability to Deliver a Capability Portfolio Aligned with Strategic Intent**

#### Passive Resource Authority

- As a first step toward implementing strategic direction provided by senior leadership with regard to a particular capability area, capability portfolio managers may request from the Deputy Secretary of Defense the authority to require components to get CPM approval for proposed changes to a given capability area's resource profile in the program, budget, and execution years.

## Consideration of Active Resource Authority

- Capability portfolio managers may request the authority to establish a capability portfolio-level budget in order to provide funding flexibility to meet emerging capability needs. The level and source of budget authority will be determined on a case-by case basis.
- If passive resource authority and funding flexibility efforts do not result in better alignment of resource execution to plans, then the capability portfolio managers may request, from the Deputy Secretary of Defense, sole authority to determine the resource profiles for their capability portfolios and to execute those profiles.

## **Interface with Other Departmental Processes**

It is critical that portfolio managers participate in all major departmental processes in order to provide context, shape, advise, and coordinate on the development of solutions and help carry out or monitor the execution of decisions. Examples of such interactions include:

- *Acquisition Process.* The portfolio managers should participate in acquisition milestone reviews, concept decision reviews, and investment balance reviews; provide input to technology strategy and planning and to technology demonstration programs (e.g., ACTDs/JCTDs); and communicate issues to pertinent communities of excellence (reliability, software, IT, logistics, etc.).
- *Policy.* The portfolio managers should participate in the strategic planning process, providing input on areas of risk and opportunity. The portfolio managers also should contribute to the development of concepts of operation and scenarios.
- *JCIDS.* The portfolio managers should participate in relevant Functional Capability Boards in order to help shape, vet, and contribute to the development of joint concepts and capabilities-based requirements analyses and documentation.

## **System of Systems Engineering Oversight**

As CPMs are enterprise managers of capabilities and the material and nonmaterial solutions that supply those capabilities, there is a need for systems engineering support to ensure that the set of capability solutions—including legacy, planned, and programmed efforts—is coordinated so as to maximize the solutions' effectiveness and ensure their timely delivery to the warfighter. Systems engineering will provide the technical base for selecting components of the systems needed to support portfolio objectives, for identifying the technical aspects of those systems critical to meeting the larger portfolio capability goals, and for defining and assessing the end-to-end performance of the system of systems. While the engineering of the individual systems will remain the responsibility of the program managers or components designated to oversee the systems'

development, the CPMs who choose to establish a system of systems engineering function will address those technical aspects of design, configuration, and system integration that are critical to meeting joint capability objectives. The CPMs will also look across their portfolios in an effort to identify and avert integration issues, synchronize the provision of capabilities, and identify and advocate efficiencies that will allow more effective use of resources across the total life cycle (e.g., product line approaches, technology investments to improve sustainability, fuel-efficiency measures).

### **Performance Management**

It is expected that CPMs will continuously manage relationships with the senior leadership, joint warfighters, capability providers, other capability portfolio managers, and applicable external organizations and agencies. CPMs should be able to demonstrate their appropriate inclusion in management activities. Effective management of seams between capability portfolios will be a key measure of the success of the portfolio management concept. CPMs will develop measures of performance from which to evaluate their management efforts and the effectiveness of capability delivery to the customer. CPMs will also be responsible for establishing performance measures for capability providers and for monitoring their efforts.

### **Improving Transparency**

In addition to the aforementioned responsibilities and authorities, there are technical issues that need to be addressed, specifically data transparency. For some portfolio test case managers, resource and management visibility could be limited. As the test cases and other related Institutional Reform and Governance efforts unfold, there will be a need to address the alignment of information to capabilities. Toward that end, test case managers—in conjunction with existing data management stewards and the Institutional Reform and Governance effort—should work together to establish an approach (business rules, data structure changes, knowledge management tools) that will strengthen the linkage of authoritative information to capabilities without compromising information flexibility.

## ATTACHMENT B

### **Joint Command and Control (JC2) Capabilities Portfolio Management**

Vision. Establish a JC2 test case for capability portfolio management, responding to the DAWG that delivers integrated joint capabilities, which improve interoperability, minimize capability redundancies and gaps, and maximize joint operational effectiveness.

Purpose. This new test case is designed to provide interoperable and integrated JC2 capabilities more rapidly, to make more efficient use of resources, and to complement the Department's decision support processes.

Scope. The JC2 capability portfolio management implementation mandate focuses on capabilities for the joint force commander (JFC) and provides domain-wide visibility of requirements, resources, and capabilities. It empowers senior DoD leaders to make the hard decisions needed to ensure that joint needs are being adequately addressed within fiscal constraints and at an acceptable degree of risk. In order to improve the Department's joint warfighter perspective on the requirements, acquisition and resource allocation processes across the entire doctrine, organization, training, materiel, leadership and education, personnel and facilities (DOTMLPF) spectrum, the Commander, USJFCOM, is designated the lead JC2 Capability Portfolio Manager (CPM).

Approach. JC2 Capability Portfolio Management incorporates governance, management, and execution elements. Responsibility and authority for implementation of strategic direction provided by the DAWG resides at the executive governance level through the Command and Control Capability Integration Board (C2CIB). Commander, USJFCOM, will serve as the JC2 CPM. He will delegate JC2 CPM authorities to the USJFCOM/J-8 in the role as the Command's Joint Capability Developer. The CPM will provide a joint focal point to orchestrate, integrate, and manage designated JC2 portfolio programs, systems, and capabilities across the DOTMLPF spectrum that significantly impacts the warfighting JC2 operations of the JFC/JTF Commander and Component Commanders. The CPM will identify opportunities to improve joint interoperability and provide recommendations for streamlining acquisition and budgeting processes to meet joint warfighter needs in terms of desired effects. The CPM will focus on the needs of the combatant commanders, to ensure proposed solutions contribute to joint C2 warfighting capabilities and that resources are distributed according to joint C2 priorities. The JC2 CPM will integrate management efforts aimed at JC2 capability delivery, submit recommendations that cross or impact the entire DOTMLPF spectrum, and provide specific recommendations to the C2CIB for both cross-domain, and DoD process integration. In conjunction with combatant command/Service/Agency (C/S/A) establish CPM roles and responsibilities, standards, and policy guidance to ensure unity of effort between the CPM and both the management and governance levels of the test case.

- A phased implementation approach is planned:

- Establish authoritative direction for capability area requirements, standards and overarching policy guidance to ensure unity of effort (FY 06).
- Establish the means necessary to ensure resources are allocated and executed in accordance with strategic direction and desired capability objectives (FY 06/07).
  - Participate in the resource planning and allocation process.
  - Participate in FY 08-13 Program Objective Memorandum (POM) reviews and Program/Budget Review process.
  - Provide Capability Portfolio POM assessment to the DAWG.
  - Submit FY 08-13 Program/Budget review issue paper for CPM Management Office.
- Provide FY 09-13 programmatic guidance to components (FY 07).
  - Participate in components' POM development process.
  - Access to POM information in a timely manner.
  - Prepare and submit capability portfolio program and budget submission.
- Oversee and direct designated JC2 capabilities across the DoD processes through decentralized execution sourced through existing capability providers. (FY 07).
- Enable Service 2 and 3 star HQs to be JTF-capable and operationally certified. (IOC by end of FY 07).

Command and Control Capability Integration Board (C2CIB). The C2CIB fulfills the requirement for a DoD C2 senior-level governance process in accordance with DoD Directive (DoDD) 5100.30, Department of Defense (DoD) Command and Control (C2), dated 5 January, 2006. Responsibility and authority for overseeing the implementation of strategic direction resides at the executive governance level through the C2CIB. The C2CIB will be tri-chaired by the Assistant Secretary of Defense for Networks and Information Integration (ASD (NII)/DoD CIO); Deputy Commander, USJFCOM; and Deputy Commander, USSTRATCOM. The C2CIB membership includes the Director, Joint Staff; Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)); and Director, Program Analysis and Evaluation (Director, PA&E), who

together represent the DoD process leadership. Remaining core members include the Services, combatant commands, and appropriate OSD offices and agencies, as requested. ASD (NII)/DoD CIO will serve as Secretariat. The overarching objective of the C2CIB is to rapidly and efficiently develop and deliver capabilities needed by the warfighter by:

- Integrating DOD C2 and JNO capabilities across established Joint Capabilities Integration and Development System (JCIDS), Planning, Programming, Budgeting, and Execution (PPBE), and DAS processes and insuring supporting DOTMLPF developments.
- Providing integrated C2 policy guidance and strategic direction across the department-wide C2 enterprise.
- Providing oversight and direction to JC2 and JNO capability portfolio management in execution of DepSecDef direction and guidance.
- Establishing and implementing appropriate structures and processes to execute essential oversight and coordinating functions.
- The C2 CIB performs the following functions:
  - Serve as the senior-level council for DoD C2 in execution of responsibilities as assigned in DoDD 5100.30.
  - Serve as the senior executive-level authority for implementing DepSecDef direction related to JC2 and JNO capability portfolios.
  - Provide guidance and direction to the JC2 and JNO CPMs for management-level execution.
  - Identify improvements to existing DoD processes (capability needs definition, programming and budgeting, and acquisition) for consideration by the DAWG.
  - Recommend to the DAWG for review and DepSecDef approval, the strategic scope of portfolio in terms of capabilities, programs, business plans, operating concepts, and initiatives.
  - Assess and provide to C/S/A, proposed JC2 and JNO investment strategies, POM recommendations, action plans, and initiatives and make recommendations to the DAWG for decision as required; inform the DAWG on areas of agreement.

- In coordination with the C/S/A, review, prioritize and balance the level of investment across the Joint C2 and JNO portfolios to ensure an adequate mix of capability development efforts.
- Identify risks and make trades across the JC2 and JNO portfolios within the boundaries of the board's established authorities or submit trade recommendations to DepSecDef, through the DAWG for approval.
- Resolve and adjudicate inter- and intra-portfolio integration and management issues. By exception, refer unresolved issues with C2CIB recommended solutions to the DAWG for final adjudication.
- Support ASD(NII)/DoD CIO as the milestone decision authority (MDA) for assigned C2 and JNO capabilities, and provide recommendations to other MDAs to ensure that C2CIB objectives are satisfied. For these test cases, acquisition processes may be streamlined to optimize workload and avoid duplicative forums (e.g., the DAB OIPT and IIPT processes.)
- Shape, influence and integrate decisions across the established DoD processes and conduct cross-portfolio integration for JC2/JNO decisions.
- Ensure combatant command and Service capability needs are incorporated into the portfolio balancing process used by JC2 and JNO capability portfolio managers.
- Coordinate integrated solution development, analysis and lifecycle management across the JC2 and JNO capability portfolios.
- Coordinate and direct the implementation of the DoD data strategy and associated shared vocabularies by the JC2 and JNO capability managers.
- Coordinate and/or conduct appropriate studies, analyses, demonstrations, experiments and exercises in support of DoD C2 and JNO objectives.
- Approve measures of effectiveness and/or measures of performance (MOEs/MOPs) to determine process improvement effectiveness. An independent organization will assess performance against the MOEs/MOPs and will provide the results at least annually.

JC2 Capability Portfolio Manager (JC2 CPM). Commander, USJFCOM, will delegate JC2 CPM authorities to USJFCOM/J-8 in the role as the Command's Joint Capability Developer (JCD). As such, the JCD is a working arm of the C2CIB. The JCD takes direction from the CPM and C2CIB and authority as appropriate and develops courses of action to source, acquire, and develop (DOTMLPF) JC2 capabilities in conjunction and coordination with the combatant commanders and Services. The JCD, in conjunction

with the OASD(NII), OUSD Comptroller and PA&E, will develop appropriate review and decision processes to promote fiscal and execution oversight responsibilities for portfolio items. The JCD roles, responsibilities, and authorities are described below:

- Roles & Responsibilities

- Serves as a management arm of executive governance (C2CIB) level.
- Chairs the JC2 Senior Steering Group to accomplish management responsibilities as chartered.
- Identifies opportunities to eliminate redundancy, improve joint interoperability, and streamline acquisition and budgeting processes,
- Manages initial portfolio with visibility of JC2 capabilities focusing on the strategic to tactical needs of the JFC.
- Orchestrates the development and delivery of JC2 capabilities to meet the warfighter needs.
- Develop measures of performance from which to evaluate their management efforts and the effectiveness of capability delivery to the customer.
- Provides systems engineering expertise by leveraging enterprise-wide System Engineering Activity for JC2 portfolio capabilities to ensure that the set of capability solutions, including legacy, planned, and programmed efforts, are coordinated to maximize effectiveness and timely delivery to the warfighter.
- Integrates JC2 capability portfolio across JCIDS, PPBE, and DAS.
- Provides oversight of and guidance to C2-related communities of interest, as needed to support interoperability, integrated architecture and data objectives for the portfolio.

- Authorities

- Collects, defines, and validates JFC capability requirements in the area of JC2.
- Analyzes Service programs in JC2 portfolio IAW existing departmental guidelines.
- Prepares and recommends PPBE guidance to address priorities and gaps with proposed offsets.

- Recommends to MDA prioritized actions for the JC2 portfolio. In coordination with C2 principal staff assistant, conducts execution and risk assessments with Service program managers or Service program executive officers to provide program assessments to the MDA for all milestone decisions and/or reviews.
- Recommends to MDA assignment of capability development and execution to appropriate C/S/A with acquisition authority and representation in milestone decisions, concept decision, and investment balance reviews to ensure that C2CIB objectives are satisfied.
- Establishes performance measures for capability providers and monitor their efforts.
- Conducts and/or coordinates appropriate studies, analyses, demonstrations, experiments and exercises in support of DoD C2 and JNO objectives.

C2 Portfolio. The initial JC2 portfolio was developed by the JCD, reviewed by the C2CIB leadership, and approved as within DAWG intent. It is comprised of JC2 programs and activities that are operationally focused to meet the JC2 capability needs of the JFC/joint force component commander (JFCC) using a JFC HQ/JFCC one-up (strategic C2 level) / one-down (C2 operational level) approach and horizontally linked to interagency, coalition, and multinational elements. The full portfolio is derived from Tier I and II joint capability areas primarily focusing on JFC-desired operational capabilities as stated in their integrated priority lists, lessons learned, operational analysis, etc. Changes to the JC2 portfolio will be initiated by the JCD, approved by the C2CIB, and reviewed by the DAWG as required. The JC2 initial portfolio includes:

- JTF capable Service HQ (SJFHQ, Turn Key C2 (TKC2), Distributed Joint Command and Control (DJC2))
- GCCS-J and Service Variants
- Theater Battle Management Core System (TBMCS) / Theater Battle Operations
- Net-centric Environment (TBONE)
- Common Operational Picture
- Net-Enabled Command Capability (NECC) to include Adaptive Planning
- Integrated Strategic Planning & Analysis Network (ISPAN)
- Combatant Commanders Integrated C2 System (CCIC2S)

- Joint Airborne Communications Capability (JACC)
- Integrated Fires

Summary. In support of the QDR and the IR&G JC2 capability portfolio guidance, the JC2 test case will extend over the next 3 years with progress and/or issues presented to the DAWG as required. In support of JC2 portfolio management implementation, the C2CIB Charter, JC2 Test Case Operating Concept and Business Plan will be developed to provide further implementing details. As the JC2 Capability Area DAWG Advocate, Commander, USJFCOM, and ASD(NII)/DoD CIO will act to represent the advocacy issues and concerns to the DAWG. Additionally, in support of DoDD 5100.30, Commander, USJFCOM, Commander, USSTRATCOM, and ASD (NII)/DoD CIO will partner in accomplishing the JC2 goals and direction.

## ATTACHMENT C

### **Joint Net-Centric Operations (JNO) Capabilities Portfolio Management**

#### **Mission**

The JNO CPM identifies and balances warfighter capability needs across the JNO joint capability area (JCA) Tier 2 capability areas and leads the development of solutions to meet those needs across the range of doctrine, organization, training, material, leadership, personnel and facilities (DOTMLPF). The JNO capabilities portfolio management (CPM) conducts portfolio management of a core set of enabling programs and associated capabilities and the development of materiel and non-materiel solutions to ensure timely, synchronized, and integrated delivery of JNO capabilities.

#### **Roles and Responsibilities**

ASD(NII)/DoD CIO and CDRUSSTRATCOM are designated the JNO test case co-leads. The execution of CPM responsibilities will heavily leverage the existing implementation layer. The responsibilities of the CPM and operational proponent (OP) are described below.

- **Planning & Synchronization:** In order to provide synchronized capability, the CPM will develop a capability delivery plan that will set specific delivery points and describe the JNO portfolio warfighting capability improvements and “to be” architecture at those delivery points. At these points an integrated capability will be delivered—with increasing capability at each following delivery point. In order to ensure successful execution to the roadmap, the CPM will assign synchronization managers. These managers will be responsible for monitoring and working directly with the individual program managers to ensure program execution. The CPM will identify programs that are no longer in compliance with the synchronization plan and develop recommendations to address the issues to include rebalancing actions within the portfolio.
- **System Engineering and Integration (SE&I):** To ensure an integrated capability is delivered, a key CPM function will be cross-program SE&I. Specific tasks include building a JNO technical architecture and ensuring adherence to the GIG enterprise technical baseline and/or architecture in coordination with the Enterprise-Wide System Engineering activity. This role will heavily leverage the implementation layer and be focused on cross-program SE&I activities, as opposed to program SE&I activities.
- **Resource Management:** Based on the capability delivery plan and program execution status, the CPM will develop and provide program and planning recommendations to the DepSecDef through the Command and Control Capability Integration Board (C2CIB) and Deputy’s Advisory Working Group (DAWG).

The JNO CPM will be recognized as a distinct source of issue outlines during the POM 08 and subsequent Program and Budget Reviews. The CPM will monitor and provide recommendations to the C2CIB as required on all JNO reprogramming actions and co-chair the Comptroller execution reviews.

- **Capabilities:** CDRUSSTRATCOM will serve as the JNO OP. The OP will leverage existing processes, forums, and expertise across the department in collecting stakeholder needs and gaps, providing the CPM with JNO requirements priorities, and representing the portfolio in the JCIDS process based on capability priorities specified by the OP, the CPM will conduct trades in order to balance and deliver optimized portfolio capability within cost, schedule, and performance constraints, and submit recommendations to the C2CIB.

### **Visibility and Tasking Authorities**

JNO capabilities -- individual JNO programs as well as Tier 2 capability areas -- are highly inter-dependent. Delivery of increased JNO capability levels to the warfighter requires a rigorous synchronization and configuration management effort across multiple programs, which is a unique and central function and benefit of the JNO CPM. To perform this responsibility, the CPM will be authorized:

- Full and timely visibility into Service and Agency JNO investments and programs, including cost, schedule, performance, technical and risk factors, including execution year.
- Access to POM build status for JNO core programs, as required prior to final POM submission to OSD.
- Advance notice and justifications for all reprogramming actions and requests and change proposals affecting the initial core portfolio – JNO funds will not be reprogrammed without CPM concurrence or by direction of the C2CIB or DAWG.
- To conduct CPM-led independent program assessments and other information requests in coordination with PMs, PEOs, and JPEOs – the CPM will have an open and direct line of communication with the milestone decision authority (MDA) and with the program manager (PM) for each program in the initial core portfolio. Specifically, the CPM will be authorized to schedule and conduct execution and risk assessment reviews directly with PMs (or PEOs) for incorporation into the CPM portfolio management functions. The CPM will ensure that the component and/or Service POCs are invited to participate in these reviews and assessments. The CPM will provide program assessments and recommendations directly to the MDA for all milestones and at other appropriate times. The CPM will complete program reviews and assessments in conjunction with or in lieu of existing program oversight activities to the maximum extent

possible. Direct technical discussions and information exchanges with the programs is also required to enable portfolio architectures and associated system engineering functions. Process streamlining features of the Enterprise Risk Assessment Model approach in use by the Business Transformation Agency will be employed as appropriate. The CPM will not have directive authority to the PM.

- To identify and recommend offsets from anywhere within the JNO portfolio envelope as defined below under Portfolio Scope.
- Generate a capability delivery plan<sup>1</sup> (CDP) and resource recommendations to align end-to-end portfolio capability deliveries in an integrated manner. Upon C2CIB / DAWG approval, task these through the appropriate acquisition/resource processes and authorities.

### **Governance**

The JNO CPM will report to the C2CIB as the portfolio executive governance body and respond to direction and tasking of the C2CIB in accordance with its charter. The C2CIB will be the approval authority for the JNO CPM operating concept and business management plan, as well as other CPM planning and management documents (e.g., capability delivery plan).

### **Portfolio Scope**

The JNO portfolio is defined in terms of a portfolio envelope and an initial core portfolio. The initial core portfolio is the specific set of programs and all associated program elements which will be managed by the JNO CPM on a day-to-day basis under the streamlining rules of the experiment. The initial core portfolio consists of the following programs and initiatives:

- Advanced Extremely High Frequency (AEHF)
- Cross Domain Solutions (CDS)
- Crypto Modernization
- Defense Information Switched Network - Next Generation (DISN-NG)
- Family of Advanced Beyond-Line-of-Sight Terminals (FAB-T)
- Global Electromagnetic Spectrum Information System (GEMISIS)

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<sup>1</sup> The CDP is envisioned to meet any Department requirements for a JNO capability roadmap.

- Global Positioning System III (GPS-III)
- High Assurance Internet Protocol Encryptor (HAIPE)
- High Capacity Communications Capability (HC3)
- Integrated Network Management System (INMS)
- Joint Network Management System (JNMS)
- Joint Network Node (JNN)
- Joint Tactical Radio System (JTRS)
- Key Management Infrastructure (KMI)
- Mobile User Objective System (MUOS)
- Multi-National Information Sharing (MNIS)
- Navy Multiband Terminal (NMT)
- Net-Centric Enterprise Services (NCES)
- Public Key Interface (PKI)
- System-Of-Systems Common Operating Environment (SOSCOE)
- Teleport
- Transformational Satellite (TSAT)
- Warfighter Information Network – Tactical (WIN-T)
- Wideband Gapfiller System (WGS)

The JNO portfolio envelope (outer boundary) is represented primarily by all programs, systems, initiatives and other funded activity as defined by the D, PA&E binning of the FYDP by joint capability area (i.e., all FYDP forces and infrastructure lines binned to JNO and/or adjudicated as primary JNO lines). This definition of JNO portfolio envelope is approximately equivalent to the content of the combined IT portfolios represented by the Enterprise Information Environment Mission Area (all domains) and the Warfighting Mission Area Net-Centric Domain, plus the portfolio of the Net-Centric Functional Capabilities Board (NC FCB), including ACTDs and other S&T activities binned to the NC FCB.

It is anticipated that over time the initial core portfolio will expand to include additional selected programs now contained in the envelope, in particular as critical dependencies, configuration management and integration and/or interoperability, legacy convergence, or other factors are identified that militate for increased management focus. From time to time, the JNO CPM will identify to the C2CIB for validation and submission to the DAWG specific candidate investments to add to (or remove from) the initial core portfolio.

### **Way Ahead**

To expedite startup and to leverage the existing PSA and statutory authorities of the ASD(NII)/DoD CIO, the CPM will be established under the ASD(NII)/DoD CIO, and the initial staffing will be from OASD(NII)/DoD CIO, USSTRATCOM, Joint Staff/J-6, and DISA. Other additional JNO staffing requirements will be fulfilled from DoD sources (e.g. NSSO, MILSATCOM JPO, JTRS JPEO, USJFCOM, Services, and other agencies). The JNO CPM initial staffing is approximately 20 full-time dedicated personnel in FY 06 (the majority of this staff is sourced from NII). The CPM will be led by a senior SES director and two deputy directors (SES or G/FO). CPM staffing, as documented in the business management plan, will be coordinated through the C2CIB. ASD(NII)/DoD CIO will submit an FY 08-13 program and budget review issue paper nomination for the JNO Capability Portfolio Management Office.

OASD(NII) also will provide the secretariat support to the C2CIB.

The JNO CPM will perform a portfolio POM assessment, including identification of resource issues for the POM 08 program and budget review. The CPM will provide updates on implementation progress, including CPM success criteria, to the C2CIB as required. The CPM and/or C2CIB Tri-Chairs will be prepared to brief the CPM portfolio assessment to the DAWG within 3 months from the date of this memorandum.

## ATTACHMENT D

### **Joint Battlespace Awareness (BA) Capabilities Portfolio Management**

- For test case purposes, the BA capabilities portfolio may be defined as the set of those intelligence and non-intelligence systems that provide “sensing,” “thinking and/or understanding,” “communicating,” and “acting” capabilities.
- OUSD(I) is designated the BA test case lead with support from Joint Staff/J-2. The Deputy Under Secretary of Defense for Military Intelligence Program, or DUSD(MIP), serves as the BA CPM.
- Portfolio governance is proposed to be performed through the Intelligence, Surveillance, and Reconnaissance (ISR) Integration Council. ISR Council members will provide the required subject matter experts for analytical work to be performed on issues before the Council. For those issues with Department-wide concern where prior guidance does not exist or where guidance exists but the relevant parties have differences, the BA capability portfolio manager (CPM) will bring those issues to the Deputy’s Advisory Working Group (DAWG) for guidance.
- The BA CPM will manage the portfolio using a proposed management construct encompassing three areas: 1) enterprise vision and framework; 2) guidance and investment strategy; and 3) implementation, assessment, and execution.
- For portfolio issues with significant resource implications, the BA CPM will consult with the Three-Star Programmers Board for eventual ISR Integration Council or DAWG decision.
- The BA CPM will continue using the ISR Integration Council subgroup to develop trade space and identify alternatives.
- United States Strategic Command (USSTRATCOM) will serve as the advocate for the Battlespace Awareness Capability Portfolio.

## ATTACHMENT E

### **Joint Logistics (JL) Capabilities Portfolio Management**

#### **Vision Statement**

Globally responsive, operationally precise, and cost-effective logistics support for America's warfighters.

#### **Mission**

Effectively deliver the capabilities necessary to project and sustain the joint force across the range of military operations.

#### **Goals**

- **Unity of Effort** – the coordinated application of all logistics capabilities focused on the JFC's intent.
- **Domain Wide Visibility** – the ability to see the requirements, resources and capabilities across the joint logistics environment.
- **Timely and Precise Response** – the ability of the supply chain to effectively meet the constantly changing requirements of the joint force.

These strategic goals frame the way forward for the test case, and as part of the test case the capability portfolio manager (CPM) will expand these goals to describe the critical tasks that must be accomplished to deliver the vision.

#### **Scope**

The JL test case portfolio includes all capabilities required to project and sustain joint force operations. An initial list of these capability areas and some of their key enabling processes, functions, or tasks are shown below. The test case will refine this list to ensure the portfolio takes a comprehensive view of joint force projection and sustainment. At the conclusion of the test case, some of the initial capability areas may be deemed not to be integral to the joint logistics capabilities portfolio.

- **Force Health Protection** – Casualty Management, Patient Movement, Medical Logistics, and Preventative Medicine
- **Personnel Services** – Postal / Finance, Personnel Readiness, Legal Services, Religious Support, and Exchange Support

- **Operational Engineering** – Plan / Design, Construction / Development, and Infrastructure Maintenance
- **Supply Chain Operations** – Plan, Supply / Source, Maintenance / Repair, Deployment / Distribution, and Redeployment / Retrograde
- **Logistics Services** – Contingency Contract Support, Food Service, Mortuary Affairs, and Field Services

### **Roles and Responsibilities**

The JL test case action leads are the Joint Staff J-4, OSD/L&MR, and the Distribution Process Owner (DPO). At the portfolio level, decisions are made across the suite of capability areas by the CPM. The CPM is focused on the capabilities needed to effectively project and sustain the joint force. For the purpose of executing the test case, the CPM will be assisted by a JL test director, and each Tier II capability area will have oversight by a capability area manager (CAM). Initial test responsibilities include:

- **JL CPM** – The CPM identifies and balances warfighter capability needs across the portfolio and leads the development of doctrine, organization, training, material, leadership, personnel and facilities (DOTMLPF) solutions that ensure effective delivery of JL capabilities. The authority necessary to execute this role currently rests with the Defense Logistics Executive. However, in the test case this responsibility will be executed in consultation with the USD(P&R) and Commander, USTRANSCOM.
- **JL Test Director** – The test director will be responsible to the CPM for oversight of all facets of the test case, to include development of each of the capability areas, development and execution of the governance process, and completion of all test case deliverables in conjunction with the key Tier II stakeholders. The test director will ensure all issues are vetted at the appropriate level, to include preparing issues to be considered by the CPM for submission to the DAWG. The test director will be the Joint Staff Director for Logistics.
- **Capability Area Managers (CAM)** – Responsible to the CPM to optimize capability area outcomes. Initial CAMs for the test case are described below. CAMs will lead initiatives to ensure connectivity between inputs (JFC requirements) and outputs (service capabilities); develop measurable inputs and outputs in support of these capability areas; and explore processes to align people, programs, and processes against each capability area to enable effective capability area decisions.
  - **Force Health Protection** – The Force Health Protection Council.

- **Personnel Services** – A joint personnel work group, under the direction of the Joint Staff/J-1, will be formed to manage this capability area.
- **Operational Engineering** – The existing Joint Operational Engineering Board (JOEB), under the direction of the JS/J-4 (Engr).
- **Logistics Services** – A Joint Services / Agency Work Group, under the direction of the JS/J-4 (Log Services), will be formed to manage this capability area.
- **Supply Chain Operations**
  - Deployment/Distribution – The existing DPO.
  - Maintenance/Repair – The Joint Group on Depot Maintenance.
  - Supply/Sourcing – The existing Supply and Services Joint Cross-Service Group (JCSG).
- **Process Owners** – For the test case, each of the key processes necessary to the successful execution of a Tier II capability area will be overseen by a process owner. The test case must validate the process ownership concept, assess the responsibilities of process owners, and develop the roles and responsibilities expected of process owners. At a minimum, the test case will develop process ownership responsibilities that include:
  - A definition of the joint process – how does it work? What are the boundaries of the process; where does it start and end? What are the required interfaces where the process meets other defense processes?
  - A description of the roles and responsibilities of the players in the process – who’s in and what do they do?
  - A description of the expected performance criteria for effective delivery of the outcome expected.
- **Services, Combatant Commands and Agencies** – Participate in the test case; provide capabilities program, budget and manpower information; provide analytic support as needed; and ensure joint force requirements are accurately identified in alignment with Service capabilities.

### **Preliminary Governance Structure**

- The test case will address governance in a way that facilitates integrated decision-making at every level. Roles and authorities invested across the governance structure

will be clear and transparent. Finally, the test case will ensure that the process to “govern” this portfolio is focused on delivering the outcomes the JFC needs.

- The preliminary governance framework will be comprised of the following three boards. This structure will be refined and validated as part of the test case:
  - **Defense Logistics Board (DLB)** – A USD/four-star level portfolio executive governance body that takes strategic direction from the DAWG, and reports directly to the DAWG for those portfolio management issues where relevant parties have differences.
  - **Joint Logistics Capabilities Board (JLCB)** – A DUSD/three-star board that reports to the DLB as the portfolio capabilities governance body, and responds to direction and tasking from the DLB. The JLCB will coordinate with the Three-Star Programmers Board as appropriate to address issues with significant resource implications.
  - **Joint Logistics Functional Capabilities Board (JL FCB)** – An SES/G/FO level board that supports the JLCB and JROC. All joint force requirements will feed into this capabilities integration board.
- All joint force requirements will feed into the capabilities integration board – the FCB at the execution level of the governance structure. Strategic direction will shape the priorities and solutions developed against requirements at all governance levels.
- The linkage between requirements and capabilities will be an integral part of the governance structure.
- The products delivered by these bodies, the authorities associated with the responsibilities of each, and the relationships between governance bodies will be developed as part of the test case. The chairs and membership of these governance bodies will also be a product of the test case.
- The relationship of this governance structure to other governing bodies, e.g., DBSMC, JROC, etc., must also be described as part of test case outputs.
- The test case must deliver integrated decision-making for capability and/or force development that supports joint force requirements.

#### **Expected Personnel Support Required by the Test Director**

- The test director will be supported by the JL test organization. The membership will include test case action officers at the O-5/O-6 level from the Joint Staff J-1/J-4, L&MR, P&R, Services, combatant commands, and agencies. The existing Joint Logistics Group will be adapted to accommodate execution of the test case.

## **Way Ahead**

The JL test organization will be responsible to:

- Develop and publish the overarching project plan for the test case, to include:
  - Test schedule
  - Resource requirements
  - Roles and responsibilities
  - Initial focus areas
- Develop objectives of the test, expected results, progress assessment and status reporting.
- Monitor execution of the test plan and maintain the status of initiatives included in the test case.
- Collect the deliverables required from capability area managers, process owners, Services, combatant commands, and agencies.
- Provide administrative support to the test case governance structure.

## **Deliverables**

- Terms of Reference
- Definition of Tier II capabilities included in the portfolio
- Governance Structure
- Resource Framework
- Logistics Strategic Direction and “To Be” Roadmap
- Rewrite of Joint Publication 4-0 and supporting 4 series doctrine
- Rewrite of the Joint Logistics Joint Functional Concept (JFC)
- Alignment of the logistics IT portfolio management structure