Concept of Operations for Assignment of Subsistence Executive Agent Responsibilities and Authorities to DLA

JUNE 2002

INTRODUCTION

This Concept of Operations (CONOPS) responds to a 15 February 2002 memorandum from the Deputy Under Secretary of Defense for Logistics and Materiel Readiness to the Director, Defense Logistics Agency (DLA). The memorandum requires the preparation of a CONOPS and an associated Department of Defense Directive assigning Executive Agent (EA) responsibilities for subsistence, among other commodities, to DLA.

The CONOPS addresses the subsistence commodity managed by the Defense Supply Center, Philadelphia (DSCP), a primary level field command of DLA. It documents the current operations ("as-is") carried out by DSCP and the Military Services and examines a proposed ("to-be") arrangement where DLA is the EA responsible for giving its customers, as stated in the Deputy Under Secretary's memorandum, "uninterrupted, efficient, and effective logistical support considering the following elements:

- End-to-end (source to consumer) distribution with a single point of contact to orchestrate the supply chain,
- Examination of distribution roles and responsibilities in tactical situations,
- The same process in peacetime, contingency, and war; CONUS and OCONUS,
- Coordinated acquisition and employment of DoD items based on common usage (two or more Services) leading to the economical and effective application of resources,
- Specific roles, responsibilities, and authorities of the EA, supported customers, and other stakeholders, and
- Performance and customer service metrics."

There have been significant changes in subsistence logistics since the end of Operation Desert Storm. Today's subsistence logistics chain applies the implementation of best commercial practices in food distribution. The use of dependable and responsive commercial food distributors has allowed DoD to reduce inventory and infrastructure while improving customer wait time and customer service. These changes have resulted in an "as-is" system that resembles the operations of an efficient commercial system that functions globally in peace and war and has significantly reduced the retail level of subsistence operations.

Transition to the "to-be" arrangement will involve the implementation of a joint retail level food management system, better coordination with Combatant Commanders, and a more structured DoD oversight process.

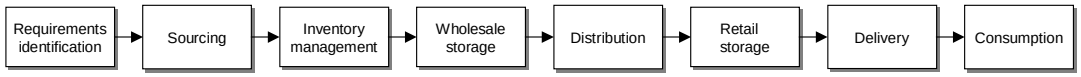
METHODOLOGY

To prepare this CONOPS, DLA Headquarters formed and chaired an integrated product team (IPT) composed of members from the Military Services and the subsistence office of DSCP. The members of the IPT are knowledgeable about subsistence operations and have many years of experience. A contractor was engaged to support the IPT by facilitating weekly meetings, performing research and analysis, and drafting working papers.

The CONOPS addresses the scope of the subsistence business, the "as-is" processes, issues evaluated, proposed "to-be" processes, and conclusions. It describes the roles and responsibilities of the various parties and how the system typically works. However, because DSCP and the Services provide subsistence support to the troops every day around the globe, in conditions ranging from the most stable to the most unstable, the process descriptions may not apply all the time, everywhere. Nevertheless, the descriptions cover the most common situations in CONUS and OCONUS operations in peacetime and wartime.

The CONOPS outlines an end-to-end logistics chain (Figure 1) beginning with determining requirements and ending with consumption.

Figure 1. End-to-End Continuum of Subsistence Support



The following logistics chain elements describe both the “as-is” and “to-be” processes:

- Requirements determination
- Sourcing
- Inventory management
- Wholesale storage
- Distribution
- Retail storage
- Delivery
- Consumption

The Requirements Determination element includes the budget planning and execution processes conducted by the Services and DSCP associated with determining the quantities and types of subsistence needed for day-to-day operations, training, and war reserves.

The Sourcing element focuses mainly on subsistence ordered by the Services from DSCP, but it also includes DSCP’s work in finding sources, enhancing competition, and awarding contracts. Sourcing also includes local purchasing such as the Navy’s use of husbanding agents for subsistence and other port services in remote ports.

The Inventory Management, Wholesale Storage, and Distribution elements are “wholesale” elements where “wholesale” includes subsistence on the account of or owned by DSCP or the prime vendor (PV).

In contrast, “retail” includes subsistence owned by the Services for immediate or near-term consumption or for some limited war reserves positioned in remote locations. Therefore, Retail Storage includes the limited amount of inventory owned by the Services.

Delivery is an element separate from Distribution to acknowledge the work effort necessary to transport subsistence from a retail storage site to the consumer. It occurs primarily in support of field exercises or mobilization.

The meaning of Consumption is self-evident and is, of course, the final link in the logistics chain.

The elements are sorted into processes performed in CONUS and OCONUS and, further, into how those processes are performed at the base/galley level in peace-

time and in wartime, and at the field and shipboard levels in peacetime and in wartime. A final sort looks at the processes for each element that are common to each Service and those that are unique.

DEFINITIONS AND SCOPE OF BUSINESS

In the CONOPS, the term "subsistence" covers food and food service-related supplies. ("Class I" is another term commonly used when referring to food and related supplies; however, for purposes of consistency "subsistence" is used throughout the CONOPS.) The primary food categories are foods provided by Prime Vendors (PVs), fresh fruits and vegetables (FF&V), market-ready items, and operational rations. DSCP is also responsible for providing items such as Ultra High Temperature (UHT) milk, health and comfort packs, and Humanitarian Daily Ration (for the Defense Security Cooperation Agency). These items are a relatively small part of the subsistence business and therefore not specifically addressed further.

PV foods refer to the types of food delivered by commercial food suppliers mainly to base dining halls and ships in port. FF&V refers to subsistence that Defense Subsistence Offices (DSOs), which are field offices of DSCP, buy in local markets and in growing fields for consumption by DoD and non-DoD agencies. Market-ready refers to milk and dairy products, and baked goods. DSCP awards contracts that allow customers to order market-ready items directly from suppliers. Operational rations are specially packaged food bought by DSCP and provided to the Services for troops in the field. The packages include Individual Rations (such as Meal, Ready-to-Eat (MRE) and Group Rations (such as the Unitized Group Ration-Heat and Serve, Unitized Group Ration A, or the Unitized Group Ration B). A more detailed description of operational rations is available at the DSCP Web site: http://www.dscp.dla.mil/subs/oprat.htm. Food service-related supplies include items such as kitchen equipment, utensils, and paper products.

DSCP subsistence sales reached $1.5 billion in FY 01 and may reach $1.75 billion in FY 02. In terms of business ranking, these sales levels place DSCP among the 750- to 800-largest companies in the United States. The following tables show DSCP's major customers and business areas.

Table 1. DSCP Major Customers ($ millions)

Army	Navy	DeCA	US M C	USAF	Non-DoD organizations
517	304	297	177	153	75

DeCA = Defense Commissary Agency

The major business areas are:

Table 2. DSCP Major Business Areas ($ millions)

PV	FF&V and market-ready	Operational rations	Food-related supplies
769	400[a]	301	52

[a] $297M sold to DeCA.

SIGNIFICANT CHANGES IN SUBSISTENCE OPERATIONS DURING THE 1990S

Background

During the period before the implementation of DoD's Subsistence Prime Vendor (PV) program, the subsistence program was a traditional wholesale/retail supply system for worldwide dining hall and field feeding programs. Lessons learned at the conclusion of Operation Desert Storm (ODS), the findings of a comprehensive GAO report, and initiatives underway by the Military Services and DLA/DSCP were the foundation for dramatic changes to the subsistence logistical support program.

The adoption by DoD of best commercial practices of the private sector institutional feeding distributors resulted in a subsistence program that basically eliminated military unique items and costly, multi-level inventories as well as inefficient distribution practices. These changes began in 1994 and continue to the present time. The changes have resulted in a logistics chain process that is the same in peace and war as well as in CONUS and OCONUS locations. Over this period, DoD inventories of subsistence dining hall items fell from $500 million to less than $10 million, while customer wait time went from a best-case 5-7 days and a worst-case 90-120 days to a consistent 1-2 days regardless of location. The elimination of military specifications permits today's dining halls to use the same brand name items found in the equivalent commercial dining establishments. DLA's ability to support the subsistence customer in the dining hall or in the field with the same degree of customer service and acceptance, regardless of location, has provided the foundation for similar advancements in the field feeding programs of the Military Services.

The Old Way

Subsistence support before 1994 is best characterized as the traditional military type of materiel management. DLA/DSCP, as the wholesale level provider, was responsible for the acquisition and inventory management of a finite number of subsistence items for both dining hall and field feeding.

DSCP forecasted requirements based on customer demand and pre-positioned inventory in either DLA storage locations for semi-perishable items or commercial cold storage facilities for chill-and-freeze items. Depending on the type of item, CONUS customer lead-times varied from 5-7 days for chill-and-freeze items to about 30 days for semi-perishable items. OCONUS lead-times were much longer depending on whether the items were pre-positioned, as in Europe, or set up as CONUS stockage for OCONUS deliveries.

Because of the uncertainty of lead-times, the system resulted in significant inventory management problems at the wholesale and retail levels, and customer dissatisfaction. The Military Services requisitioned subsistence items from DSCP and created retail level inventories at the base level to ensure timely delivery to base dining halls. The Services had their respective infrastructures for base level inventory management and stock control as well as some local procurement. Operational rations, consisting primarily of Meal, Ready-to-Eat (MREs), Unitized Tray Rations, and B rations were similarly managed. DLA/DSCP had capitalized much of the Service war reserve stocks to better rotate the items, but the Services retained small levels of operational rations. Distribution was also the responsibility of DLA/DSCP, which positioned large quantities of MREs in Europe and on pre-positioned ships around the world.

Each of the Services maintained a retail information system linked to various DSCP information systems for ordering food. The DSCP systems varied based on the type of item ordered; the lead-times varied accordingly. Customers had minimal visibility of orders and status reporting was inconsistent.

The Services had rigid criteria for adding items to the basic catalog and changing items took months and sometimes years. DSCP bought items based on rigid military specifications for content and packaging. Long shelf life was required because DLA depots stocked items for extended periods. Procurement lead-times ranged from 45 days to over 9 months depending on the type of item. These long lead-times required DSCP to stock large quantities of inventory in DLA depots.

The New Way

Because of the large food excesses accumulated after ODS and the DoD objectives for using best commercial practices, the management of subsistence became a prime candidate for change. DLA/DSCP began market research of commercial food distributors and, aided by a GAO report citing the inefficiencies of the old system, changes were dramatic.

The private sector institutional feeding activities did not rely on the investment in large inventories, or the need for rigid specifications. The industry was almost totally dependent on the emerging market of full line food distributors for all of their food requirements. DoD directed DLA and the Military Services to adopt similar practices.

In 1993, a joint team developed an implementation plan for the Subsistence Prime Vendor program. The team began with a demonstration project in the southeast part of the U.S. and the transition to PV was underway. Critical to the success of PV was the development of the DoD Subsistence Total Ordering and Receipt Electronic System (STORES). The STORES application took advantage of the development of electronic commerce capabilities and provided an electronic link to each of the Service automated retail systems as well as those of the PVs. STORES also linked indirectly to the Defense Financial Accounting System (DFAS). Appendix A provides a brief description of STORES and each Service's automated system. DLA provided the necessary hardware and software to the Services to enable direct ordering at the base dining halls and, more importantly, direct delivery to the individual dining halls or galleys. PV contracts required a distributor to deliver food directly to a dining hall within 24-48 hours of the order. Additionally, the PV's catalog of commercially available, brand name items was electronically available to all users. Items change as frequently as weekly.

Customers were also able, via STORES, to input receipts electronically to DSCP facilitating vendor payment and customer billing. PV was implemented throughout CONUS over a two-year period and preparations were made to export the program to Europe and the Pacific. OCONUS PV was more difficult to implement because U.S. distributors did not operate overseas. DSCP, working with industry, developed a plan to create a PV market in the OCONUS locations. Moreover, improvements allowed STORES to take advantage of new technology as well as expanding its capabilities to include FF&V and market-ready items. By the year 2000, all Services, regardless of location, were ordering subsistence using the same process in peace and war, in CONUS or OCONUS. The same items were available, the same system was used, and delivery terms were the same. This consistency made transition from peacetime operations to situations like Bosnia, Kosovo, and now Afghanistan almost transparent. The goal of the Services to transition from operational rations to hot, prepared foods was made simpler and faster because of the PV process.

During this same period, the operational ration program was also undergoing many changes. Improved industrial surge capability, aided by the availability of government furnished equipment, allowed for the reduction of large quantities of war reserve stocks. Historically, DLA/DSCP stocked in excess of 6 million cases of MREs in support of potential contingencies. Today, because of a different type threat and improved industrial responsiveness the war reserve inventory is down to about 4 million cases.

In addition, the types of items were expanded to include a Unitized Group Ration (UGR) that includes either a heat and serve entrée (tray pack ration) called UGR H&S, or a perishable entrée called UGR A. These rations are pre-assembled as modules to feed a complete meal to groups of 50 people. DLA depots assemble and distribute UGR H&S while commercial firms do the same for the UGR A. The availability of these unitized rations, developed and refined subsequent to Operation Desert Storm, bridges the gap between MREs and PV feeding. The ra-

tions give the troops higher quality and a better variety of food in the field. Moreover, their self-contained packaging also makes the logistics of moving and managing them easier.

During mobilization, PV's are becoming more involved in the forward distribution of operational rations. STORES now includes catalogs of operational rations and customer orders pass electronically to a DLA storage site, a commercial assembler or a PV, depending on where the ration is being stored. In addition, DSCP has enhanced its preparedness for mobilization through commercial asset visibility (CAV) contracts which allows us access to domestic and global inventories and capabilities.

As specified in the Deputy Under Secretary's memorandum, there are two alternatives considered in this CONOPS, the "as is" process and the "to be" process.

ALTERNATIVE 1: DESCRIPTION OF THE "AS-IS" PROCESS

The "as-is" process is examined using the same end-to-end continuum described above. A brief description of each "as-is" element follows below, and a matrix describing roles and responsibilities for each is provided at Appendix B.

Requirements Determination

The Services develop annual food budgets for garrison feeding based on a market basket of items, weighted based on menu usage, and priced based on existing cost data. This process results in the computation of a Basic Daily Food Allowance (BDFA) applied to the number of people they expect to feed during a given time period. The Services develop menu cycles and provide the feeding plan for dining halls and galleys throughout the world. Currently, each Service develops the menu cycle for the respective dining facilities and maintains a Service developed food management system. The range of subsistence items used in dining halls and galleys is very similar to the kinds of brand name food found in commercial dining establishments throughout the United States and catalogs are electronically available from DSCP.

DSCP, based on estimated sales to the Services, also develops an annual operating budget for food acquisition during the fiscal year. DSCP also tracks Service demand information to develop the estimated quantities used in solicitations for PV and market-ready contracts. Once contracts are in-place, the Services use their individual retail automated systems to place orders with vendors via STORES. STORES is the standard DoD ordering system developed to support the PV program. The system provides a standard link to individual Service systems as well as commercial PV systems. The vendors deliver the subsistence directly to the dining halls or to shipside for loading within a 24-48 hour timeframe. The vendors own the subsistence until the dining halls or ships accept the deliveries. Under this

arrangement, DSCP does not have to buy and store wholesale inventory. DSCP obligates its funds for the orders placed with vendors, sends a bill to DFAS, who bills the Services monthly (for PV and operational rations) and the Services reimburse DSCP. DFAS is responsible for making the electronic funds transfer to pay vendors based on an electronic invoicing procedure. This arrangement for dining halls and shipside is the same for CONUS and OCONUS operations in peacetime and wartime. Similar items, delivery terms, and ordering systems prevail regardless of location or operating tempo.

As a rule, troops in garrison eat in dining halls and galleys but when initially deployed in the field they eat operational rations until field kitchens and necessary refrigerated facilities are set up and operating. The Services and DSCP determine requirements for operational rations using projected contingency requirements, traditional wholesale inventory control point supply/demand reviews, and other relevant information. DSCP buys and stocks operational rations, which the Services order via their automated systems. The Services' orders pass through the STORES system; STORES sends the order to either a DLA depot or a commercial storage location for delivery. The depots and commercial sites accomplish the additional step of unitizing (that is, assembling into packages of approved combinations of food) group rations for the Services. DLA depots unitize UGR Heat and Serve and UGR B rations and commercial facilities unitize UGR A rations.

DSCP owns and manages most operational rations, whether stocked at DLA depots, commercial sites, or on pre-positioned ships in CONUS or OCONUS; the rations are considered wholesale inventory. The exception is UGR-A in CONUS, which the contractor owns until issued to the customer.

The supply chain for field feeding of operational rations is the same for CONUS and OCONUS operations in peacetime and wartime.

DSCP performs a value-added function by working with the Services to ensure they can rotate their protectable war reserve levels of operational rations before the expiration dates. Over the years, DSCP has developed Memorandums of Understanding with each of the Services to allow for the decapitilization of Service owned and funded war reserves to DLA. The Services initially receive war reserve funding and buy the items from DSCP and immediately decapitilize the stocks to DSCP. DSCP can more effectively store and manage these stocks through improved visibility and better shelf-life management. Inventory levels are computed based on peacetime rotation capabilities balanced against requirements and industry surge capabilities. The industrial base for operational rations is a critical factor and has been improved considerably since Operation Desert Storm using more commercially available components. But more importantly, the purchase of government furnished equipment through war stopper funding for operation ration producers significantly improved ration availability.

Sourcing

PVs provide the majority of subsistence items used by bases and galleys. As noted above, DSCP contracts with PVs who deliver directly to the dining halls or shipside. DSCP awards competitively bid one-year contracts with multi-year options, selecting contractors on a best-value basis. One aspect of DSCP's evaluation involves the potential PV's capability to meet surge requirements in terms of quantities and support of contingency operations. DSCP has tailored the PV program to support the needs of the Services, but also includes special features needed in support of Navy's afloat feeding and ship load-out programs. DSCP has also developed several contingency agreements that allow for the acquisition of significantly larger quantities of food items depending on the volume of the surge requirement. The PV program also supports DoD competition and socio-economic objectives.

DSCP's field offices buy FF&V in terminal markets or in field growing areas. The Defense Subsistence Offices also provide export support to OCONUS locations and provide critical contingency storage and distribution capabilities in support of contingencies. DSCP centrally awards contracts for market-ready items from approved vendors. STORES allows customers to order from these multiple sources, thus providing a seamless process for the customers regardless of their locations. DSCP also buys and ships operational rations and food-related supplies.

The same operations apply to CONUS and OCONUS, peacetime and wartime. Although highly perishable items are procured in OCONUS locations, U.S. law requires the purchase of less perishable subsistence, destined for OCONUS consumption, from U.S. sources. U.S. flag carriers ship such purchases.

Inventory Management

PVs own and manage the inventory of subsistence they provide to base dining halls and shipside. FF&V and market-ready vendors also own and manage the subsistence they provide. Neither the Services nor DSCP manage PV, FF&V, or market-ready-provided inventory.

For operational rations, DSCP employs traditional supply/demand techniques for wholesale inventory management, including DSCP-owned prepositioned war reserves in support of all the Services. The Services do not manage wholesale inventories.

The Army manages a retail level of inventory known as Unit Basic Load. A small war reserve inventory level in Kuwait is provided as assistance in kind by the government of Kuwait. The Navy manages retail inventory aboard ships and an inventory level it has placed in Singapore; Navy also performs a custodial role for DLA-owned wholesale inventory aboard Combat Logistics Force (CLF) ships. The Air Force manages a limited quantity of war reserves (MREs) located in Oman and Korea. The USMC manages a nominal MRE training level as well as a

small quantity of cold weather rations in Norway. All of these inventory management arrangements apply in CONUS and OCONUS, in peacetime and wartime.

Wholesale Storage

Wholesale storage operations, excluding PV arrangements, are limited to DSCP-owned stocks. DLA depots and commercial storage sites, including Government-Owned, Commercially Operated sites (GOCOs), hold most of the stocks. Navy CLF ships hold a small amount of inventory, which is owned by DLA until the CLF ships deliver the inventory to deployed ships.

An additional responsibility of DLA depots and commercial sites is the unitizing of UGR Heat and Serve and B-rations.

These arrangements apply in CONUS and OCONUS, in peacetime and wartime.

Distribution

PVs handle the distribution of subsistence to base dining halls and shipside in CONUS. For OCONUS, PVs use U.S. flag vessels to ship to foreign ports and arrange their own customs clearance and inland transportation to preposition stocks. DSCP arranges with TRANSCOM for air and ocean transportation for DSCP-owned stocks to OCONUS ports, including customs clearances where required. Commercial vehicles transport PV and DSCP stocks as far forward as the Combatant Commander will permit.

These arrangements apply in CONUS and OCONUS, in peacetime and wartime.

Retail Storage

Retail storage covers stocks owned by the Services. The prevalent type of retail storage in CONUS involves operational rations held by the Services for feeding troops undergoing training and unit basic loads used by troops during the initial days of deployment. DSCP has arrangements to store small amounts of Service-owned subsistence at PV sites in order to mitigate customer wait time. Retail storage also includes inventories on Navy ships (non-CLF ships) in support of afloat feeding programs and troop issue subsistence activities operated by Army installations to provide transient storage of these stocks for up to 30 days.

These arrangements apply in CONUS and OCONUS, in peacetime and wartime.

Delivery

Delivery covers the movement of Service-owned items from retail storage to the consumer. This is a Service responsibility and primarily involves field feeding operations. The Services move the items using a combination of organic and

commercial transportation. DSCP has little or no association with this part of the logistics chain unless specifically requested by the Services.

These arrangements apply in CONUS and OCONUS, in peacetime and wartime.

Consumption

The Services are responsible for feeding military and non-military patrons. This responsibility applies to dining halls and galleys, field feeding, and humanitarian feeding. DSCP has no role in this part of the logistics chain other than using demand data to compute future requirements.

These arrangements apply in CONUS and OCONUS, in peacetime and wartime.

ISSUES

To develop the "to be" arrangements, it was necessary to identify existing issues that hamper the most effective and efficient subsistence support to the troops. The CONOPS examines these issues to determine if they are appropriate for assignment to or action by the EA. The issues arise from Service and DLA concerns, FLOW 01 feedback and other considerations.

- Role of the Executive Agent
- Retail storage and delivery
- National Guard/Reserve support
- Bottled water
- Combatant Commander communication/relationship
- Transportation planning
- Metrics
- Other issues

Role of the Executive Agent

A premise of this CONOPS is that Title 10 responsibilities such as combat service and combat service support belong to the Services. The role of the EA is to be the single point of contact and action within DoD for subsistence issues not specifically the responsibility of a Service. The EA is the clearinghouse or lead action office for Congressional and troop-related vendor inquiries. The EA is the single agency responsible for coordinating subsistence committees, responding to demands for support to non-traditional users, and providing total subsistence support

to the end user. The EA codifies existing practice, but strives to continually improve the subsistence logistics chain within the context of the Services' and Combatant Commanders' over arching plans for carrying out their legal and mission responsibilities. If the Services request the EA to assist with some aspect of Title 10 responsibilities, the EA should consent to the request insofar as is feasible.

For example, the Services presently operate the base dining halls and galleys. The EA could perform this function but it is not automatically entitled by virtue of assignment as the EA. The USMC is in the final stages of outsourcing all CONUS dining halls under a regional contracting concept. The USMC may want the EA to take on the contracting and management responsibility at some point. The EA may agree to the USMC request but the other Services are not obligated to follow suit. Additionally the USMC owns and operates the only Central Production Facility (CPF) within DoD. This facility utilizes advanced food technologies, or cook-chill, in the process of food production, and it has been instituted with great success in Okinawa, Japan. The transfer of responsibility of the CPF to the EA has the potential of enhancing operational efficiencies throughout the Far East. Under the CONOPS, each situation where a Title 10 responsibility is involved must be evaluated separately, with the Service's preference being the paramount consideration.

Another example involves training and doctrine. A culinary beta training test is currently underway for Navy Mess Management Specialists at the Culinary Institute of America, a private sector school. Training is a Title 10 responsibility of the Service. If the Navy subsequently desires EA assistance in the training of food service personnel, the role of the EA is to provide the assistance if possible. Such assistance does not imply that the Navy is relinquishing its Title 10 responsibilities.

Another key function involves the efforts to develop a Joint Food Management System. DLA is currently involved in the funding for development, deployment, and maintenance of a food management system to replace the individual retail level systems currently maintained by the Services. The joint system will be an expansion of STORES, provide the final link of the logistics chain, and satisfy the directive for end-to-end logistics chain management. Under the CONOPS, the EA should continue to accomplish this responsibility.

The topic of the EA role encompasses subsistence committees—including ad hoc and formal committees, subsistence support to non-traditional personnel, and the publication of formal regulations. Various committees formed over the years to address then-current issues disbanded or became inactive and not available for work on evolving issues. Under the CONOPS, the EA will establish, chair, and administer a joint food council to address on a regular basis, subsistence issues of interest to all parties. In this connection, the EA may organize integrated process teams (IPT) consisting of personnel with the requisite expertise to address issues.

In addition, there has been a significant increase in the demands made on DoD to feed non-traditional personnel (e.g., refugees and detainees). Under the CONOPS, the EA will take the lead in working out the details (responsibilities, appropriateness of food groups, resources, etc.) in conjunction with the Services and Combatant Commanders.

Lastly, the current DoD Directive 1338.10, "Department of Defense Food Service Program," 5 June 1991 and the related DoD Manual are out of date. These documents need to be revised to recognize the significant changes of the past several years. Some of these changes involve the greatly expanded use of prime vendors in CONUS and OCONUS, and the need to arrange force protection for contractor personnel and facilities with the Combatant Commander. Other related topics include the need to keep the Services advised of industrial base shortfalls vis-à-vis planned consumption, the assumption of the food cost index responsibilities by the EA, the new Joint Food Management System, and metrics—particularly DLA's balanced scorecard approach.

Retail Storage and Delivery

The issue involves clarifying the hand-off point for product and accountability. Under the CONOPS, retail storage and delivery will remain a Service responsibility. The Combatant Commander will make the determination of the hand-off point within the area of operation but the EA should be prepared to provide support (perhaps through contracts with commercial providers) if the Combatant Commander requests it.

Consideration was given to the Army's current study of configured loads and what the EA's role might be. Though configured loads are inappropriate for peacetime operations in view of the effective support provided by prime vendors, configured loads are planned as the most effective theater distribution platform for contingencies and wartime. The EA would need to be involved in timeline planning and resource implications.

National Guard and Reserve Component Support

This issue involves having the EA work more closely with the Guard and Reserves so that each party better understands the needs and capabilities of the others. Under the CONOPS, the EA will work with the Reserve Components to determine if prime vendor support is appropriate now that prime vendor coverage is a widespread, proven technique. Additionally, the EA will coordinate with the Homeland Security Office to determine if support to the National Guard during homeland defense contingencies is appropriate.

Bottled Water

The topic of potable water was important in the FLOW ’01 exercise. The FLOW participants noted that the troops rely on bottled water until the Service force structure can set up and operate water production devices such as the Army’s Reverse Osmosis Water Purification Units (ROWPUs). Moving bottled water to the theater places a strain on the DoD transportation assets because water is heavy, bulky, and expensive to ship. Under the CONOPS, water production remains a Service responsibility, with the Services tasked in the appropriate regulation to have the capabilities operational within the Combatant Commander’s planning objective. Until such time, DSCP can support all bottled water needs.

Additionally, the EA will work closely with TRANSCOM and Combatant Commanders to understand lift constraints and to ensure that transportation is available for providing all the bottled water needed until the water production devices can fulfill the requirements. It is noted that DSCP has entered into agreements whereby Coke, Pepsi, and Anheuser Busch will operate their lines to produce bottled water in case of homeland security emergencies.

Combatant Commander Communication and Relationships

This issue also stems from a FLOW observation that prime vendor shipments enter the theater without adequate coordination with the Combatant Commander. Under the CONOPS, the EA will regularly participate in the Combatant Commander planning processes so that better communication and coordination can occur. This regular participation will provide subsistence expertise to determine how Combatant Commander expectations can be met.

Transportation Planning

This issue is a variant of the Combatant Commander issue above. Under the CONOPS, the EA will coordinate more closely with TRANSCOM and the Combatant Commanders to examine how to consider subsistence in the TPFDD planning process. This may include making a distinction in the DoD Directive on how the EA should work with the specified and unified commands.

Metrics (TBD)

Other Issues

DeCA and Military Exchanges

DSCP conducts over $375 million of business annually with these organizations. While the overwhelming direction of support currently is from DSCP to DeCA and the Exchanges, the latter have facilities, services, and product that could provide short-term, limited support to OCONUS forces and the accomplishment of a

non-combatant evacuation order (NEO). The EA arrangement can make it easier to negotiate the conditions for such support. A formal statement in the proposed DoD Directive that formalizes the requirement to provide support is appropriate.

RESEARCH AND DEVELOPMENT

For three decades, since 1972, the DoD Food, Nutrition Research, and Engineering Board (FNREB), represented by all Services and DLA, has played a key role in directing and prioritizing the development of combat rations and field feeding systems. The Army's Natick Soldier Center is the DoD EA to perform this R&D mission. In theory, the EA could assume responsibility for directing Natick's operations but there appears to be no practical reason for doing so. An MOA between Natick and DSCP that spells out the relationship exists between the organizations for engineering support and should be continued.

HOST NATION SUPPORT/SOFA

Combatant Commanders have the capability and expertise to negotiate host nation agreements. To ensure that the viewpoint of the EA is reflected in the agreements, the proposed DoD Directive should include a statement requiring Combatant Commanders to coordinate with the EA on subsistence-related Host Nation/SOFA issues.

FORCE PROTECTION OF CONTRACTORS

Given the significant role played today by PVs in providing subsistence in OCONUS operations, the need to protect PV contractors is clear. The proposed DoD Directive should include a statement recognizing the obligation of the Combatant Commanders and EA to address the issue.

ALTERNATIVE 2: DESCRIPTION OF THE "TO-BE" SYSTEM

The CONOPS presents in the above sections a description of the significant changes in subsistence operations that occurred during the 1990s. The transition from a specification-dependent, inventory-burdened food operation to one centering on the needs of customers, relying on commercial products, and operating with little or no inventory is essentially complete. The work that remains is mainly a tying up of loose ends and keeping pace with modern evolving commercial technology and practices. This work is by no means simple to accomplish. It is a challenge that is appropriate for the full attention of an EA working in close coordination with Service and Combatant Commander functional counterparts. This section of the CONOPS describes the changes the EA could orchestrate to achieve an effective "to-be" state.

“To-Be” Change Opportunities

REQUIREMENTS DETERMINATION

The Services should remain responsible for determining their subsistence requirements and developing the associated budgets. They should also remain responsible for developing the menu cycles for their base dining halls and galleys. However, there may be economies gained by having the EA standardize menus across the Services. This observation, emphatically, does not imply a preference to reduce the rich choices presently available to food service personnel. Menu management, properly applied, can identify the best menus available throughout DoD and commercial dining operations and make them known to food service personnel. The EA can work with the Services to encourage a trend toward standard menus, perhaps starting with bases where geographical and environmental conditions are similar. Standard menus could conceivably make it easier for the Services to compute requirements more accurately. Standard menus and menu cycles may also make it possible for PVs to improve their purchasing power by buying in larger quantities and passing savings to the dining halls and galleys.

The current Basic Daily Food Allowance (BDFA) is being evaluated to determine if it uses best commercial practices. The BDFA process is the traditional method used by the Services but it pre-dates the transition to PV and may be outdated. The BDFA process uses a market basket of selected items and, by Executive Order, the make-up of the market basket can only be changed if the monetary impact is less than plus or minus two percent. The two percent limit restricts the ability of the Services to take full advantage of many of the processed foods and more nutritional types of foods available from PVs. DLA is contracting a study for a market survey to determine the best commercial practice for calculating the cost of a meal. The recommended process will become the standard meal costing method for DoD and provide the justification for revising the Executive Order. Any software requirements will be incorporated into the Joint Food Management System and all Services will have a common baseline for meal costing and basic allowance for subsistence (BAS) reform computations.

The EA could contribute to greater validity in requirements determination by becoming responsible for recipe management. The EA could link the Joint Food Management System to government or commercial sources to develop or validate recipes and publish the recipes electronically. Further, the EA could conceivably delegate recipe management responsibility to another government or commercial source that has the resources and knowledge to operate successfully.

Another function the EA could perform to improve requirements determination is to chair the Joint Service Operational Rations Forum. The Forum is currently chaired by the Army. While the Forum has mostly focused on changes needed to rations components based on user acceptance, the EA could assume the chair and use the Forum to work more closely with the Services in determining the requirements for operational rations in terms of quantities needed, where and when

needed, and quality issues that may surface. This role would allow the EA to ensure that wartime field feeding plans are supported through sufficient peacetime usage.

One of the important things the EA can facilitate is the accelerated implementation of a standard automated food system. DLA and the Services agree that a joint system is essential to allow the Services to retire their current out-dated individual systems. The Joint Food Management System is a DLA-financed and DLA-coordinated system that will replace the various military food management systems and STORES NT with a single system. It will incorporate all menu planning, recipes, replenishment, inventory, budgeting, and accounting functions performed by the service legacy systems. In addition to the catalog, order, receipt, and management information currently provided by STORES, the system will operate in a Windows environment and will be accessible via the Worldwide Web from any computer. It will utilize commercial off the shelf software, with some customization to address the special requirements of a system that must operate in peace and in war. It will conform to the DLA Balanced Scorecard goal of achieving supply chain integration and executive agency for subsistence. The joint system is funded and development is underway. However, implementation is several years in the future, but the need is immediate.

SOURCING

The Services buy most subsistence directly from suppliers using DSCP-established contracts. However, some level of contracting still exists at the base level. The EA could identify and eliminate, as appropriate, contracts let by individual bases by identifying and closing the gaps that are causing the bases to need to issue contracts.

INVENTORY MANAGEMENT

There is no change recommended between the as-is and to-be arrangements except that the EA take ownership of the USMC stocks prepositioned in Norway. Discussions have been underway for the transfer, however the EA could expedite the discussions to a conclusion.

WHOLESALE STORAGE

DLA depots currently stock, assemble, and distribute some types of operational rations. The EA could assess the feasibility of having commercial firms perform storage, assembly, and distribution in CONUS.

DISTRIBUTION

A major issue with the distribution element is the shortage of transportation assets available to move subsistence as reliably and rapidly as the Combatant Com-

mander may desire. The EA should gain a better understanding of available options by working closely with the transportation community.

RETAIL STORAGE

Retail storage is a relatively minor operation performed by the Services in forward locations in instances where the Combatant Commander has determined that PVs or DSCP should not go. The EA could continue to coordinate with the Combatant Commander to be better prepared to move further forward as conditions permit.

DELIVERY

Delivery remains a Service responsibility but the EA can assist if requested by the Services or Combatant Commander. The concept of configured loads supports streamlined delivery. The Services and Combatant Commanders could provide configured load delivery requirements to the EA. There are no apparent immediate opportunities for the EA for the delivery component of the supply chain, however the EA can be prepared to take on the role if the Combatant Commanders so desire.

CONSUMPTION

Consumption remains a Service responsibility but the EA can assist if requested by the Services or Combatant Commander. There are no apparent immediate opportunities for the EA for the consumption component of the supply chain, however the EA can be prepared to take on the role if the Combatant Commanders so desire.

CONCLUSION

Intensive Service and DLA efforts in recent years have resolved most of the subsistence issues of direct concern to the troops. Prime vendors are reliably providing high quality, commercial types of food to base dining halls and galleys. Moreover, significantly improved operational rations are giving the troops better tasting, healthier foods in a great variety of choices. The troops are getting good wholesome food every day regardless of their location—CONUS or OCONUS, and situation— in peacetime or wartime.

The issues that remain are primarily of interest to the subsistence functional community. Once the administrative details are completed and the EA becomes a reality, there will be a clearly identified single point of contact for subsistence matters.

The EA can take the lead in updating the policy directive and operational regulation; developing, implementing, and maintaining the Joint Food Management System; chairing the Joint Food Council and related committees; looking for

Formatted: Bullets and Numbering

economies and efficiencies in planning and conducting end-to-end subsistence operations; overseeing operations by developing and analyzing metrics that actually measure the things that are important; and participating with the Combatant Commanders in planning how best to provide logistics support in each theater of operations.

Subsistence Automated Systems

DLA/DSCP

The Subsistence Total Ordering and Receipt Electronic System (STORES) is a PC-based system that enables the Military Services to send requirements to multiple vendors via electronic data interchange (EDI). With the touch of a button, the cook in the dining hall can have an entire grocery list filled, with orders automatically going to different vendors for milk, bread, and all other grocery items. STORES uses EDI transactions for price and item information, orders, receipts, and trading partner profiles among DSCP, customers, and vendors. STORES also sends requirements for produce to the Defense Subsistence Offices using EDI. All STORES price, item, and receipt information passes to the customer's food management system to adjust inventory records.

The STORES Management Information System (MIS) serves as the engine behind the PCs used by the customers in the field. The MIS is the repository of all catalog, order, and receipt information worldwide. It is a value added network that creates and distributes catalogs from the MIS as EDI transactions. Copies of orders and receipts transmitted from each of the STORES PCs flow to the MIS, establishing financial records and producing reports.

The Joint Food Management System, a DLA-financed system, will replace STORES and the Services' food management systems with a single system by FY 06. It will incorporate all menu planning, recipes, replenishment, inventory, head count, budgeting, and accounting functions performed by the legacy systems, in addition to the catalog, order, receipt, and management information currently provided by STORES. The joint system will be accessible via the Web from any computer. It will utilize commercial off the shelf software, with some customization to address the requirements of a system that must operate in peacetime and in war.

ARMY

The Army Food Management Information System (AFMIS) is a standard automated system that supports both operations and management requirements in the day-to-day administration of the Army Food Service Program. It consists of four

major functional subsystems (modules): Dining Facility Operations (DFO), Installation Food Advisor (IFA), Troop Issue Subsistence Activity (TISA), and Troop Issue Subsistence Activity-Warehouse (TISA-W).

The DFO subsystem reduces administrative demands and provides the unit dining facility manager with the capability to effectively manage and control the organization's food program. It supports the functions of ration-issue cycle planning, meal production planning, inventory management, inquiries, batch processing, and automated headcount. AFMIS did not initially field an automated headcount because there was no 'smart' entitlement medium. The DoD Common Access Card (CAC) now provides that medium and a joint food service headcount application has been developed, but not fielded across the Army due to funding constraints.

The IFA subsystem provides the IFA and commanders with the data required to provide high standards of food service while effectively controlling resources. It provides updated data concerning each dining facility, and has the capability to make inquiries, print installation food program reports, and monitor the installation dining facilities operations.

The TISA subsystem provides automated support of the TISA operations, thus reducing the administrative workload. It supports the functions of stock accounting, financial accounting, physical inventory, storage locations, reports, and inquiries as well as file maintenance. AFMIS provides a direct link to DFAS accounting systems to obligate subsistence funds at time of requisition.

The TISA-W subsystem provides warehouse personnel the automated capability to process receipts, issues, and reversals; perform physical inventory and storage location functions; and generate required reports and inquiries. These processes interactively update TISA files to maintain current stock status. There are no external interfaces with this subsystem.

AFMIS has been modernized to reflect a Windows-based environment.

NAVY

The Food System Management (FSM) system utilizes PCs to perform data input, recording, and reporting functions required in the operation and management of Navy messes. It consists of several major modules.

The File Management Module automates processes accomplished by the Food Service Records Keeper of the Food Service division. This module manages data files, surcharges and supplemental allowances, head-counts, and cash sales. It also updates prices, unit of issue, and case weight, and performs other functions involving PV information, monthly accounting, and sales.

The Inventory Module automates functions such as requisitions, purchases, and receipts. It also manages on-hand and on-order food items, records issues, and produces reports.

The Menu Production Module provide assistance in creating and updating menus, producing and varying recipes, and managing special meals.

The Accounting Module performs routine accounting functions normally associated with the operation of the General Mess.

The Security Module allows the Food Service Officer to grant access to authorized food service personnel on specific modules and functions of the FSM program. It provides a security audit trail.

AIR FORCE

The Air Force Corporate Food Service System centrally manages the USAF 14-day menu and standard recipes for the bases—eliminating redundant workloads. The system applies commercial inventory management procedures featuring an open storeroom concept, and eliminates manual printed reports through automatic data roll-ups—essential data is available at a fingertip to major commands and other interested offices.

U.S. MARINE CORPS

The Marine Corps Food Management Information System (MCFMIS) provides automated subsistence supply and food service management support in a garrison environment. The system uses a commercial-off-the-shelf food service package modified to meet Marine Corps requirements. The functional areas supported include formulation of master menus, forecasting requirements, processing requirements, inventory controls, meal production, recording headcount, and managing installation operations.

The system operates on stand alone PCs with telecommunications capability between the mess hall and food service office via modem and diskette, with an interface to the STORES.

Table B-1. Roles and Responsibilities Matrix

	Base/Galley—Peacetime	Base/Galley—Wartime	Field—Peacetime	Field–
REQUIREMENTS				
CONUS		No change		No change
Services—Common	*Quantities of food* • compute dining hall re-order quantities passed thru DSCP to PV • compute quantities needed to prepare recipes for dining hall feeding • compute quantities used in daily meal preparation *Types of food* • determine items included in Service catalogs, menus, and PV contracts *Menus* • determine menus used in dining halls • determine length of menu cycle • determine number of menu cycles *Funding* • develop annual budget and execute • provide funding targets to dining facilities		*Quantities of food* • develop field feeding requirements for training • develop requirements for wartime feeding/surge • develop requirements for war reserve stocks *Types of food* • research and development for field feeding items • user acceptance testing for field feeding items • new item identification • product testing for shelf life/storage *Menus* • develop field feeding menus • develop transition from cold to hot menu • nutritional requirements *Funding* • develop training budgets • submit requests for war reserve funding • develop budgets for contingencies	
Services—Unique	NAVSUP computes stock levels for deployed ships/CLF; provides to DSCP			
DLA/DSCP	develop consolidated dollar value of requirements for PV proposals develop annual budget and execute		computes replenishment requirements for peacetime/wartime validates Protectable War Reserve levels as rotatable based on Service Rqmts develops rotation requirements for war reserve levels	
OCONUS	No change	No change		No change
Services—Common			No change	

Table B-1. Roles and Responsibilities Matrix

	Base/Galley—Peacetime	Base/Galley—Wartime	Field—Peacetime	Field–
Services—Unique			Navy funds for husbanding agents in ports where DSCP support is not available	
DLA/DSCP			No change	
SOURCING				
CONUS		No change		No change
Services—Common	• order the majority of food items from DSCP • local procurement for items not available from DSCP • serve on technical review groups at DSCP		• Most field feeding items are bought from DSCP • Local procurement during contingencies if DSCP not available	
Services—Unique	Not applicable			
DLA/DSCP	• contracts for food with industry based on best value & service • contractors include PV, FF&V vendors, milk, and dairy vendors • advocate for competition • buys from NIB/NISH • assesses industry capabilities, including surge • Advocate for competition and small business		• DSCP develops industrial base and surge capabilities for field feeding items • DSCP procures from industry • DSCP buys some components from NIB/NISH • GFE provided to rations industrial base • Contracts for assembly services in support of Class I (subsistence)	
OCONUS		No change		No change
Services—Common	set up host nation support for some feeding		Set up host nation support for some feeding	
Services—Unique			Navy uses husbanding agents in port in some cases (as part of overall port services)	
DLA/DSCP			Develop surge capabilities for ration producers	
INVENTORY MANAGEMENT				
CONUS		No change		No change
Services—Common			• manages service-owned war reserves • manages unit basic load maintained at base level	
Services—Unique			• Army maintains unit basic load • AF manages war reserves only	
DLA/DSCP	PVs manage their own inventories		• manages DLA war reserve levels • manages peacetime levels of field feeding items	

Table B-1. Roles and Responsibilities Matrix

	Base/Galley—Peacetime	Base/Galley—Wartime	Field—Peacetime	Field–
			• manages rations using traditional supply/demand analyses	
OCONUS		No change		No change
Services—Common	No change			
Services—Unique	Navy manages inventory aboard deployed ships, CLF, & Singapore assets		USMC manages Norway prepositioned war reserves	
DLA/DSCP	Manages inventory of PV items at Yokosuka		• manages DSCP-owned prepositioned war reserves	
WHOLESALE STORAGE				
CONUS		No change	No change	No change
Services—Common	No wholesale storage			
Services—Unique				
DLA/DSCP			DSCP uses DLA, GOCO, and commercial storage sites DSCP manages unitization and assembly programs • UGR and Heat and Serve assembled in DLA depots • UGR A, UBR, MRE, HDR, and HCP are unitized/assembled commercially	
OCONUS	No change	No change		No change
Services—Common				
Services—Unique			• APS/MPS store MREs for Army/USMC	
DLA/DSCP	Some PV items are stored at Yokosuka, Japan Navy CLF ships		some war reserve stocks owned by DLA stored by services in OCONUS location and pre-po ships	
DISTRIBUTION[a]				
CONUS		No change		No change
Services—Common				
Services—Unique				
DLA/DSCP	Determines PV distribution routes —Set up contracts for distribution of FF&V in CONUS/OCONUS		DSCP distributes from DLA depots and commercial storage sites • DSCP distributes HDRs for DoD at direction of DSCA	

Table B-1. Roles and Responsibilities Matrix

	Base/Galley—Peacetime	Base/Galley—Wartime	Field—Peacetime	Field–
	PVs deliver to dining halls		• DSCP uses Prime Vendors to distribute in certain OCONUS locations • DSCP arranges distribution during peace and war • DSCP coordinates emergency shipments/airlift	
OCONUS		No change	No change	No change
Services—Common				
Services—Unique	Navy distributes DLA-owned stocks on CLF ships			
DLA/DSCP	Coordinates OCONUS Prime Vendor ocean transportation Handles custom clearances in OCONUS theaters Arranges for in-country distribution in OCONUS locations Coordinates airlifts thru DSO's for OCONUS shipments			
RETAIL STORAGE[a]				
CONUS		No change		
Services—Common	dining halls manage & store several days of supply		Initial requirements for field feeding are stored and carried forward by service	
Services—Unique			USMC local training stocks Army unit basic load Army TISA for operational rations (less than 30 days)	
DLA/DSCP				
OCONUS	No change	No change	No change	No change
Services—Common				
Services—Unique				
DLA/DSCP			DSCP uses Prime Vendors for retail storage of field feeding items	
DELIVERY[a]				
CONUS		No change		
Services—Common	Services make some distribution in forward areas Services cross-level among dining halls		Services use combination of organic & commercial transportation	Services u tion of orga mercial tra
Service—Unique				
DLA/DSCP		No change		

Table B-1. Roles and Responsibilities Matrix

	Base/Galley—Peacetime	Base/Galley—Wartime	Field—Peacetime	Field–
OCONUS	No change	No change	No change	
Services—Common				In theater sometimes Services
Services—Unique				Service ov reserve is Service
			Navy: contractors load ships' storerooms	Navy: cont ships' stor
DLA/DSCP	Contracts for in-country delivery using commercial storage for Prime Vendor items		Contracts for in-country delivery using commercial storage for PV items	Army: Intra common u transporta pickup
CONSUMPTION				
CONUS	Services feed military, non military patrons in the dining hall/galleys	No change	Services feed military from other services as well as non-military	No change
Services—Common			• May feed coalition forces	May feed forces in
	humanitarian/disaster feeding		• Humanitarian/disaster feeding	
Services—Unique				
DLA/DSCP			DSCP maintains consumption/demand data for field feeding items	
OCONUS	No change	No change	No change	No change
Services—Common				
Services—Unique				
DLA/DSCP				

[a] The point of hand off of accountability and responsibility from DSCP/PV to the Services can occur at one of several points along the end to end continuum. That po will normally be determined by each CINC for his own area of operations.