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A&S Accomplishments
   Acquisition
   Sustainment
   Nuclear, Chemical, and Biological Defense Programs
   Industrial Base Policy
   International Cooperation
   Business Operations
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In the News

“Being the best today isn’t a guarantee of being the best tomorrow. We need the right mix of technology, operational concepts, and capabilities — all woven together in a networked way that is so credible, flexible, and formidable that it will give any adversary pause.”

LLOYD J. AUSTIN III
Secretary of Defense
The Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) is proud to submit our second annual record of achievement. Captured in this year’s annual report are defining moments from across our organization—remarkable efforts by our workforce to lead transformational changes across the Department that drive competitive advantage and positively impact our Warfighters.

The year 2021 continued to present enormous challenges for our Nation and the world. Yet despite the ongoing health crisis presented by COVID-19, A&S was front and center in helping the Department navigate this complex environment, advancing our national security objectives and ensuring we remained ready to respond to any threat.

All of our efforts were guided by the Interim National Security Strategic Guidance and executed in support of the priorities of the Secretary of Defense:

1. **Defend the Nation**
2. **Take Care of Our People**
3. **Succeed Through Teamwork**

Rapidly and cost-effectively delivering and sustaining the capabilities our Warfighters and international partners need to pace the threat is not a singular goal but an ongoing imperative. The ultimate outcome of our combined efforts—both short and long term—helped lay the foundation of integrated deterrence and the establishment and sustainment of systemic advantages. Across the Department and interagency, as well as with allies and partners around the globe, we continued accomplishing our mission.

As we look back, we also look forward. To ensure we remain aligned with the Department’s strategic direction, our organization reviewed and, where necessary, recalibrated our goals and objectives. In doing so, six cross-cutting areas of focus emerged to guide our efforts for the year to come. Given the importance of the A&S portfolio to our Warfighters and the security of the Nation, our aim is to generate affirmative plays that we can align around as a unified A&S team—plays that new leadership can use as building blocks upon their arrival in 2022.

Capturing an annual chronology of significant milestones and events at the Under Secretariat level is critical for providing the Secretary of Defense and other senior leaders with a comprehensive perspective of the Department’s activities. It is our hope that continuing this historical record of our efforts will enable the workforce of the future to measure our organization’s progress over time, and demonstrate how our actions help meet the Nation’s security objectives both at home and abroad.

Gregory M. Kausner
Executive Director, International Cooperation
Performing the Duties of Under Secretary of Defense for Acquisition and Sustainment
OUR FOCUS

A&S MISSION

Enable the delivery and sustainment of secure, resilient, and preeminent capabilities to the Warfighter and international partners quickly and cost effectively.

In support of Department priorities, we are focusing our efforts and resources on six cross-cutting goals.
» Drive Competitive Advantage

» Fortify and Protect DoD Installations

» Modernize and Sustain the Nuclear Deterrent and Protect Against Chemical and Biological Threats

» Shape a 21st Century Defense Industrial Base

» Enhance Global Partnership

» Cultivate our Human Capital
In 2021, OUSD(A&S) executed a number of internal organizational realignments to improve operational effectiveness. The Directorate for Business Operations (DBO) was established to better reflect the mission and operations of our former Resources, Personnel, Data, and Security (RPDS) organization. DBO is responsible for all policy and other matters pertaining to the organizational management and support functions of the A&S enterprise.

The Joint Rapid Acquisition Cell and Cyber Directorate were subsumed by the Office of the Assistant Secretary of Defense for Acquisition. Similarly, Human Capital Initiatives were realigned under Defense Acquisition University, one of OUSD(A&S)'s five direct reporting organizations. These changes better align strategic decision-making functions to improve capability delivery and cultivation of our human capital.

With the transition of administrations, Ms. Deborah Rosenblum was the first politically appointed leader to arrive to A&S. Unanimously confirmed as the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs, she was sworn in on August 3, 2021.

As directed by the National Defense Authorization Act (NDAA) for Fiscal Year 2021 (FY2021), A&S began establishing a new Assistant Secretary of Defense for Industrial Base Policy (ASD(IBP)). Establishing this position recognizes the importance of the defense industrial base (DIB) and the significant work that A&S does to ensure critical capabilities are available when needed. The Honorable Rosenblum was delegated the duties of the ASD(IBP) on December 8, 2021 while continuing to serve concurrently as ASD(NCB).

The FY2021 NDAA also directed the establishment of an Assistant Secretary of Defense for Energy, Installations, and Environment, and efforts began to standup this new office.
Acquisition Program Milestones

A number of acquisition programs successfully reached major milestones in 2021. In January, the Next Generation Interceptor (NGI) program was approved to enter the Technology Development phase (Milestone A-like). NGI augments the Ground-Based Interceptor system and is a critical component of defending the homeland. In April, the VH-92 next-generation vertical lift presidential transport aircraft completed Initial Operational Test and Evaluation.

In June, Milestone B was approved for the Long-Range Standoff weapon—a critical nuclear modernization program—and entered the Engineering and Manufacturing Development phase. Similarly, milestone decisions for four national intelligence programs were completed.

Program Executive Office Defense Healthcare Management Systems continued full system deployment of Military Health System (MHS) GENESIS, the new electronic health record for the MHS. With three successful DoD deployments last year, the effort is now 35 percent complete. The Defense Travel Modernization (DTM) program awarded its production contract in September. DTM implements a modernized "Travel-as-a-Service" capability aligned with industry best practices to improve processes and user experience, automate travel management, and improve financial controls.

Several Major Defense Acquisition Program-sized programs were also authorized to begin rapid prototyping or rapid fielding efforts under the Adaptive Acquisition Framework's (AAF) Middle Tier of Acquisition. There are now over 85 programs using the Middle Tier to deliver capability to the Warfighter faster.

Withdrawal Operations in Afghanistan

Through the Warfighter Senior Integration Group (W-SIG), the Joint Rapid Acquisition Cell facilitated DoD-wide coordination efforts to identify and resolve major retrograde challenges in Afghanistan. After more than 100 meetings, the Department held its final W-SIG Afghanistan in December, capping off 10 years of invaluable delivery of capability to our Warfighters. The W-SIG Afghanistan was responsible for resolving over 130 Joint Urgent Operational Needs in support of efforts in Afghanistan.
Similarly, Defense Pricing and Contracting (DPC) guided the transfer of more than 60 contracts and mission essential capabilities from DoD contracting activities and NATO’s Support and Procurement Agency to the Department of State—all with zero gap in service. The team also helped the Department develop courses of action to streamline the Special Immigrant Visa (SIV) process to assist Afghans that previously supported DoD and the U.S. Government.

**Acquisition Workforce Transformation**

Defense Acquisition University (DAU) continued advancing the Back-to-Basics initiative, with a targeted implementation of February 2022. This new and modern approach to certification moves away from a one-size-fits-all model to one that fosters a culture of lifelong learning and empowers individuals to tailor development to meet their specific needs.

Developed in collaboration with the Services, Components, functional leaders, and DAU, this new structure does two important things: streamlines the acquisition career fields into core functional areas, and reduces required training hours to allow for more tailored, elective learning that better meets individual and organizational needs.

In support of this new approach to certification, DAU has steadily increased opportunities for the workforce to participate in just-in-time learning. In 2021, DAU started offering open-enrollment workshops, which 21,000 professionals participated in throughout the year. Thirty thousand professionals also tuned into DAU’s 100 webinars in 2021.

**Contract Administration**

In providing contract administration services to DoD, other federal organizations, and international partners, the Defense Contract Management Agency (DCMA) is an essential part of the acquisition process from pre-award to sustainment. In 2021, DCMA delivered 409 million items valued at $99 billion, including 44 million Defense Logistics Agency (DLA) deliveries and 1.5 million major end-items. In support of these efforts, DCMA also established a new consolidated Cost and Pricing Command last year. With 620 cost and pricing personnel, the organization increased agility, flexibility, and responsiveness to customers, with an annual average of $7 billion in cost savings and cost avoidance.

**Assisted Acquisition to Defeat COVID-19**

Since the start of the pandemic, the Department, on behalf of and in coordination with the U.S. Department of Health and Human Services (HHS), has invested approximately $3.4 billion in the domestic health and medical supply and device industrial bases. Led by our Defense Assisted Acquisition (DA2) Cell, these funds were awarded across nearly 70 contract actions, resulting in capacity increases and advancements across a myriad of industries, including personal protective equipment (PPE), screening and diagnostics, pharmaceuticals, and injection technology.

In addition, DA2 has continued to coordinate HHS’s requests for procurement of health and medical resources. Since May 2021, DoD has procured over $16 billion in COVID-related resources on behalf of HHS, including therapeutics and test kits. In support of the United States’ global vaccine mission, DA2 is also working in coordination with the USAID to facilitate the procurement of one billion COVID-19 vaccine doses for donation to over 90 low and middle-income countries. To date, DoD has executed contracting actions to procure 700 million doses in support of this mission.

![Workers unload a shipment of U.S.-donated Pfizer COVID-19 vaccines from a plane in Cairo, Egypt.](image)
Charting a New Strategic Direction

In November, the Office of the Assistant Secretary of Defense for Sustainment (OASD(S)) published the Office of the Secretary of Defense (OSD) Logistics and Material Readiness Strategic Plan. The plan aligns four enduring logistics strategic goals with the National Defense Strategy, the Secretary of Defense’s Priorities, and A&S’ 2022 Goals and Priorities, all translated into specific objectives and lines of effort.

The refined integrated and outcome-based approach drives progress in required capabilities and operational outcomes, and provides the context and guidance for responsible organizations to update or develop their own strategic plans, process innovations, and logistics investments. The plan is also in step with direction to expand and optimize logistics data integration, improve logistics processes to enhance mission operations, and ensure a resilient and responsive organic and commercial Defense Industrial Base (DIB).

Sustainment Business Health Metrics

During the last two quarters of the year, OASD(S) made significant progress in developing DSD-directed business health metrics in support of the Logistics and Mission Support focus area. With partners across the Department, health metrics are being refined to provide senior leaders with data-driven insights to quickly and efficiently track performance, identify strategic sustainment issues, and develop solutions.

In alignment with strategic priorities, the program is moving towards automation. DoD Instruction 3110.05, Sustainment Health Metrics in Support of Materiel Availability, is being revised concurrently to codify these metrics across DoD and set to be published in 2022.

Release of the DoD Climate Action Plan

On October 7, the White House released Climate Adaptation Plans (CAPs) from each federal agency, as required by Executive Order 14008, “Tackling the Climate Crisis At Home and Abroad.” The DoD CAP, developed primarily by the OASD(S) Environment and Energy Resilience team, articulates a bold vision to drive transformative change across the entire Department as well as align adaptation and resilience efforts with warfighting missions.

The plan lays out a strategic framework around five major lines of effort, each with its own outcome to meet the mission of defending the Nation under all conditions. As an integrated roadmap, the CAP drives incorporation of climate considerations into the Department’s operations, planning, and business and decision-making processes. This includes training and equipping our forces, infrastructure resilience, and ensuring supply chains adapt to the realities of a changing environment.

Product Support Policy

On November 4, the much-anticipated DoD Instruction (DoDI) 5000.91 was published. The new publication provides DoD’s nearly 22,000 Life Cycle Logisticians with a consolidated resource for product support management policy, including statutory and regulatory requirements and specific guidance for each of the six AAF pathways. The DoDI emphasizes the importance of product support planning early within the life cycle of a weapon system regardless of the AAF pathway.
Revised Tenant Bill of Rights

Under the overall direction of the ASD(S) as the Chief Housing Officer, DoD issued a revised Military Housing Privatization Initiative (MHPI) Tenant Bill of Rights (BOR) that went into effect on August 1, a significant step to ensuring MHPI housing projects provide our military members and their families with safe, quality, and well-maintained housing where they want and choose to live. The revised BOR includes all 18 rights set out in Section 2890 of Title 10, United States Code, expanding the version submitted to Congress in February 2020.

As a result of collaboration with the private-sector MHPI companies, with few exceptions, all 18 rights are fully available at all installations with privatized housing. This represents a foundational step in DoD’s ongoing effort to improve the MHPI program and enhance the quality of life for military members and their families.

COVID-19 and Natural Disaster Response

In 2021, the Defense Logistics Agency (DLA) helped mitigate the effects of COVID-19 by obtaining and distributing protective and diagnostic equipment. In addition to writing contracts totaling $2.78 billion for at-home and point-of-care test kits, these efforts included shipping 138 million test kits to 14,500 locations, delivering vaccines to Service Members overseas and the deployed fleet, and providing 31 million cloth face masks to 1,400 health care centers and 200 foodbanks.

Internationally, DLA dispatched 15 million N95 masks and 1 million rapid test kits, supplied vaccines to the Republic of Korea, provided pharmaceuticals to Paraguay, and enabled future vaccine delivery to 16 other nations.

At home, DLA also countered the effects of natural disasters through support to interagency partners. In response to February’s Winter Storm Uri, DLA provided 105,000 gallons of gasoline and diesel fuel to residents in Texas. In August, the Agency delivered 809,000 meals; 572,000 gallons of diesel, gasoline, and propane; 126 generators; and $500,000 in construction material throughout the Gulf Coast. DLA also assisted the U.S. Forest Service during the year’s unprecedented fire season by supplying vehicles, generators, hoses, gaskets, nozzles, pumps, couplings, safety cans, axes, shovels, rakes, and commercial batteries.

Publication of the Defense Spending by State Report

The Office of Local Defense Community Cooperation (OLDCC) published the FY2020 DoD Defense Spending by State Report in October. Intended to help communities better understand defense personnel and contracting in their localities, the annual report helps State and local leaders assess a region’s dependence on defense spending and target assistance to support stronger communities and companies.
Enabling the Withdrawal from Afghanistan

During all stages of the United States’ withdrawal from Afghanistan, DLA provided critical assistance to deployed U.S. forces. In coordination with U.S. Central Command, U.S. Southern Command, 1st Sustainment Command, and the 10th Mountain Sustainment Brigade, DLA Disposition Services processed materiel, closed its subsistence prime vendor contract, and drew down Defense Fuel Point Kabul.

In support of the noncombatant evacuation, DLA Troop Support provided multiple classes of supply and contributed efforts to accelerate delivery through civilian aircraft fueled by government purchase agreements. During Operation Allies Welcome, Troop Support also sent personal protective equipment, vaccines, food, and water to four installations of arrival.

The OASD(S) Logistics team, in conjunction with DPC, provided critical support to the processing of SIV applications, including the development of tailored reports from the Synchronized Pre-Deployment and Operational Tracker-Enterprise Suite (SPOT-ES) program, validation of records via Project Rabbit, and development of recommendations for future SIV programs.

In addition, the Defense Microelectronics Activity partnered with the U.S. Army Program Executive Office Missiles and Space in the development of the Counter Rocket, Artillery, and Mortar (C-RAM). This system successfully defended U.S. personnel against rocket attacks at the U.S. Embassy and Hamad Karzai International Airport (HKIA) during the final days of the military withdrawal from Afghanistan.

Despite the challenges of the COVID-19 pandemic, destruction continued and the Program reached a milestone of 97 percent completion in 2021. International inspectors from the Organization for the Prohibition of Chemical Weapons were able to maintain a continuous presence at both the Pueblo, Colorado, and the Richmond, Kentucky, destruction sites throughout 2021, providing complete transparency of the destruction process and achieving 100 percent onsite verification. This continuous on-site inspector presence constituted the only instance of unabated inspection for CWC compliance, and during FY2021, the U.S. was able to destroy 388.3 metric tons of its declared chemical weapons stockpile.

Chemical Demilitarization

The Program Executive Office, Assembled Chemical Weapons Alternatives (ACWA) is responsible for the safe and environmentally sound destruction of chemical weapons stockpiles in the United States. ACWA continued to make progress towards meeting the Chemical Weapons Convention (CWC) deadline for destruction of the remaining U.S. stockpiles by September 30, 2023, and not later than the congressionally mandated deadline of December 31, 2023.

Despite the challenges of the COVID-19 pandemic, destruction continued and the Program reached a milestone of 97 percent completion in 2021. International inspectors from the Organization for the Prohibition of Chemical Weapons were able to maintain a continuous presence at both the Pueblo, Colorado, and the Richmond, Kentucky, destruction sites throughout 2021, providing complete transparency of the destruction process and achieving 100 percent onsite verification. This continuous on-site inspector presence constituted the only instance of unabated inspection for CWC compliance, and during FY2021, the U.S. was able to destroy 388.3 metric tons of its declared chemical weapons stockpile.

Tri-lateral Security Pact

In September 2021, the United States signed its first Mutual Defense Agreement (MDA) with nuclear cooperation elements in more than 60 years in the much-lauded AUKUS trilateral security alliance between Australia, the United States and the United Kingdom. Among other items, the agreement outlines terms for the exchange of atomic energy information and terms for Australia to acquire nuclear powered

### CHEMICAL WEAPONS DESTRUCTION

**November 1, 2020 – October 31, 2021**

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<th>Metric Tons</th>
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**222,670 Mustard 105mm Cartridges**

**6,333 Mustard 155mm Projectiles**

**12,816 VX 155mm Projectiles**

**4,228 VX55 Rockets**
To support the President’s priority on the AUKUS agreement and the shift towards China, the team ensured that the MDA was completed within weeks to meet timelines required by our Australian ally.

The Biden Administration has actively turned to playing a more active role in ensuring peace and stability in the Indo-Pacific, and looking at how the strategic environment may evolve with China as the pacing threat. The Office of Nuclear Matters played a pivotal role, in conjunction with colleagues from Naval Reactors, the Office of General Counsel, OSD (Policy), and other organizations, to successfully develop, coordinate, and receive Presidential approval for this critical MDA that will help the United States maintain greater global defense capabilities, especially underwater defense superiority.

Chemical and Biological Defense for the Warfighter

The Chemical and Biological Defense Program (CBDP) made strides on several key capabilities for the Joint Force including testing new chem-bio protective garments for aircrews that are lighter, offer better mobility, and are more breathable, as well as conducting a successful major study of cutting-edge wearable technology. The wearable technology studied collects physiological data to accurately predict infection days in advance of confirmatory tests to better inform battlefield decisions and provide early warning of exposure from biological threats.

CBDP’s Rapid Opioid Countermeasure System’s new drug application for a 10-milligram (mg) naloxone autoinjector is on track to receive priority FDA review enabling delivery to special user groups ahead of schedule in 2022.

Bolstering the COVID-19 Response

Since the beginning of the COVID-19 pandemic, the Cooperative Threat Reduction (CTR) Program provided more than $14 million in COVID-19 support to 26 foreign partner countries.

Through the Biological Threat Reduction Program, the CTR team provided genome sequencing capabilities and diagnostic equipment and training to identify virus variants and publish results to global databases. The program identified the first cases of the COVID-19 Beta variant in the country of Georgia on June 1st. The Chemical and Biological Defense (CBD) enterprise remained at the forefront of national and global response efforts, including a range of efforts from fielding Chemical Biological Protective Shelters to National Guard units, to expediting aeromedical evacuation of COVID-19 patients. NCB subject matter experts also partnered with the DA2 cell to support interagency efforts. In conjunction with HHS, NCB worked to procure additional vaccines and expand the vial manufacturing industrial base through the Joint Program Executive Office for Chemical, Biological, Radiological, and Nuclear Defense (JPEO(CBRND)).

Nuclear and Biodefense Planning

Initiated on July 13, and co-chaired by NCB, the 2022 Nuclear Posture Review will ensure that the U.S. nuclear deterrent remains safe, secure, reliable, and effective. The effort will update nuclear deterrence, non-proliferation, and arms control policy, strategy, posture, and programs as consistent with the Interim National Security Strategic Guidance and the forthcoming National Defense Strategy (NDS).

In addition to the Nuclear Posture Review, the Department also launched a first-of-its-kind Biodefense Posture Review in November of 2021. The review aims to integrate and unify the Department’s biodefense efforts; optimize biodefense capabilities and capacity; modernize operations; and synchronize biodefense planning within DoD, across the interagency, and with allies and partners. Co-lead by A&S and OSD Policy, successful completion of DoD’s Biodefense Posture Review will be critical to achieving the vision for the national biodefense enterprise and support Secretary Austin’s vision of preparing the Joint Force to operate in a biological threat environment both at home and abroad.
The Department of Defense will prioritize biodefense across the full spectrum of biological threats, from naturally occurring to accidental and deliberate biological incidents.

LLOYD J. AUSTIN III
Secretary of Defense

Cooperation Threat Reduction (CTR) Program Turns 30

The Defense Threat Reduction Agency (DTRA) and the office of the Deputy Assistant Secretary of Defense for Threat Reduction and Arms Control (TRAC) commemorated the 30th Anniversary of the Department’s CTR Program, which was signed into law on December 12, 1991. For more than 30 years, the program has directly engaged with and directly provided counter-weapons of mass destruction threat reduction capabilities for 35 countries, subsequently delivering $11.5 billion of impact worldwide. In FY2021 alone, CTR provided nuclear training courses for more than 5,000 students from 163 countries; facilitated Iraq’s CBRN Conference that welcomed 600 participants from 19 countries; built nuclear security training centers and improved nuclear material inventory in Kazakhstan; and constructed two border security sector headquarters in Georgia.

Team Phalanx Protects the Skies

This year, Team Phalanx, DTRA’s unique Counter-Small Unmanned Aircraft System (C-sUAS) effort, completed 273 products servicing 56 sites across seven Combatant Commands. Team Phalanx was developed to enhance awareness and understanding of the sUAS flying near, and at times over, U.S. and allied bases around the globe. Team Phalanx leverages DTRA-wide capabilities working towards near real time reporting and a common operating picture to support force protection efforts and reduce the risk to all DoD installations and personnel.

INDUSTRIAL BASE POLICY
Office of the Assistant Secretary

Review of Critical Minerals and Materials

In accordance with the Executive Order (EO) 14017, the Office of the Assistant Secretary of Defense for Industrial Base Policy (ASD(IBP)) led DoD’s 100-day review of strategic and critical materials supply chains. Published in June 2021, the Department was able to clear several major milestones from the report, including obtaining a new EO related to National Defense Stockpile management by the end of October. After the report’s release, ASD(IBP) began work on a follow-on one-year report, which will assess supply chain vulnerabilities and potential mitigation strategies across the DIB. It is expected to be published in early 2022.

DoD also supported concurrent reviews across the interagency as directed by EO 14017. These include the Department of Commerce’s review of semiconductor manufacturing and advanced packaging; the Department of Energy’s review of large capacity batteries; and the HHS’ review of pharmaceuticals and active pharmaceutical ingredients.

Improving Supply Chain Resiliency

In 2021, ASD(IBP) worked across the Department, interagency, and industry, as well as with international allies, to build recognition of the national security benefits of supply chain resilience. Working to magnify domestic and international defense industrial cooperation, IBP held more than 150 engagements with allies and partners during the year.

Efforts to identify and reduce supply chain risk were prioritized in the FY2022 budget review, which included a component of the President’s Build Back Better initiative, providing the Department with $533 million in funding to mitigate known supply chain risks.

In August, A&S led the establishment of an enterprise-wide Supply Chain Resiliency Working Group to oversee and guide supply chain risk mitigation strategies and efforts.
across the Department. The following month, senior DoD leadership prioritized five supply chain focus areas and a corresponding set of five cross-cutting strategic enablers to help focus supply chain resiliency efforts.

**FOCUS AREAS**
- Kinetic Capabilities
- Microelectronics
- Castings and Forgings
- Energy Storage and Batteries
- Critical and Strategic Materials

**STRATEGIC ENABLERS**
- Workforce
- Cyber Posture
- Manufacturing
- Interoperability
- Small Business

Defense Production Act Support to the Interagency

In response to the ongoing COVID-19 pandemic, DoD provided Defense Production Act (DPA) Title III acquisition guidance and assistance to HHS to aid the planning and execution of recovery funds.

In February and March, DPA Title III support to the HHS Office of the Assistant Secretary for Preparedness and Response enabled the development of an acquisition strategy for the execution of $10 billion in American Rescue Plan Act funds. These investments emphasized industrial base sustainment, commercialization of platform technologies and novel anti-viral treatments, vaccine production, and personal protective equipment manufacture.

Successful Completion of Agreements with Key International Partners

**Bilateral Agreements with India and Ukraine**

In July, the Air Force, with the Office of International Cooperation’s (IC) support, signed a project agreement with India to co-develop air-launched unmanned aerial vehicles. This project was the highest profile project under the U.S.-India Defense Technology and Trade Initiative, which is co-chaired by A&S.

In August, the Secretary of Defense signed the U.S.-Ukraine Research, Development, Test, and Evaluation Projects agreement. IC led the negotiations of this agreement that will provide the legal framework to strengthen bilateral armaments and military technology cooperation.

Both the India and Ukraine agreements were highlighted in joint statements the President issued after his meetings with his foreign counterparts in September.

**European Union (EU)**

In May, the EU invited the United States to join the Military Mobility Permanent Structured Cooperation (PESCO) project. IC led negotiations with the Dutch—the lead for this initiative—and concluded the administration arrangement in early December, allowing the U.S. to join the project. The U.S. participated in the first Military Mobility PESCO meeting in December.

In November, the EU Defense Ministers approved a mandate for the European Defense Agency (EDA) to begin negotiations with the United States on an administration arrangement to allow for U.S. participation in EDA initiatives. Such a mandate has been sought since 2016. A&S will be leading efforts to conclude the Administration Arrangement in 2022.
**North Atlantic Treaty Organization (NATO)**

IC worked closely with Five Power allies—France, Germany, Italy, and United Kingdom—to champion an initiative to improve cooperation within NATO. IC successfully led negotiations with the Five Powers to develop multinational cooperation process improvements, including a new Letter of Intent template. This template was submitted to the Conference of National Armaments Directors in the spring and approved at the fall session, which was record time for NATO.

**BUSINESS OPERATIONS**

**Office of the Director**

**Taking Care of Our People**

In 2021, the Directorate of Business Operations (DBO) proudly facilitated more than 265 Management Level Reviews and processed nearly 450 military and civilian awards. DBO also finalized customizations to a new personnel management tool which centralizes personnel data—including hiring packages, manpower authorizations, and billets—into a single database. The tool provides on-demand real-time, measurable reporting metrics and functions as a single point of reference with the capability to share information across databases.

An overhaul to modernize administrative and management operations also commenced during the year. Data Services, in partnership with the Strategic Communications team, developed and deployed the interactive A&S Senior Leadership Engagement tool. The integrated calendar provides visibility on internal and external communications events across A&S, increases transparency, allows for timely updates, and mitigates duplication of efforts. Since the platform’s launch in July, 188 events were captured, increasing awareness among leaders and enabling greater synchronization of efforts to support various engagements.

In addition to modernizing business operations, Data Services continued efforts to update A&S’ web presence. The team updated more than 300 organizational website pages and increased total site traffic to over 70,000 page views per month.

**Budget and Contract Execution**

As directed by the FY2020 NDAA, DBO re-established the JASON program and a corresponding five-year program support contract to provide national security research studies and other analyses to DoD and other federal agencies. Under this contract, which was funded by an FY2021 congressional addendum, 15 Summer Research Studies were awarded and a classified SCIF was constructed to support researchers’ efforts. Research from this program has far-reaching impacts across the federal government, to include the White House and interagency stakeholders.

DBO also awarded the RAND National Defense Research Institute Contract, with a $94 million cost savings over the five years of the contract. Savings were a direct result of DBO’s engagement with RAND and our servicing agency, the Washington Headquarter Services Acquisition Directorate.

By instilling fiscal restraints across the entire DBO organization, the Budget Team successfully executed 99.5 percent of the nearly $2 billion budget, despite a $40 million budget cut in FY2021. During the year, the Budget Team also awarded a contract for the development of the Resource Management System, which provides extensive improvement to budget programming, planning, and execution management. This system better enables resource and program managers to provide precise responses in a timely fashion.

The DBO Security Team likewise prevented a significant work stoppage across DoD. The team renewed more than 500 Federally Funded Research and Development Centers’ government credentials prior to contract expiration within 72 hours of notification.
COMANDER’S ACTION GROUP
Legislative and Congressional Oversight
Executive Correspondence
Strategic Communications

Congressional Engagement
The Legislative and Congressional Oversight (LCO) office develops and coordinates a range of congressional communications and products to advance the Department’s mission. In 2021, LCO executed a wide range of reporting, hearing, and audit actions.

Legislative Affairs and Congressional Reporting Requirement Compliance
» Ensured A&S compliance with statutory and non-statutory congressional reporting requirements, ultimately resulting in the submission of 129 final reports, 76 recurring reports, and 47 contingent reports to congressional committees.

» Established the A&S NDAA Statutory Responsibilities Tracker (SRT), allowing personnel to track congressional due-outs and directives and establishing a record of A&S’s progress on these taskers; the SRT serves as a tool for A&S-wide compliance purposes, and also maintains an accurate count and status of items that require a formal response or implementation.

» Reviewed 124 congressional correspondence packages for compliance with DoD and Administration policies and provided technical and administrative edits, ensuring timely formal responses to members of Congress.

» Facilitated the response to 369 informal requests for information, providing rapid responses to requests from Members of Congress, their staffs, or the Defense Committees, as well as providing informal views on draft legislation.

» Developed and coordinated A&S’s legislative proposals to the NDAA for FY2022, resulting in the adoption of favorable legislation in three instances.

» Developed and coordinated language and budget appeals and inputs to Statements of Administration Policy on the NDAA for FY 2022 that advocated for the authorities and budget necessary for the Department’s missions; these efforts resulted in seven favorable language changes and the complete or partial restoration of funding for four programs.

» Ensured A&S’ equities were represented across the executive branch by coordinating on numerous interagency products, including 43 pending bills, 77 reports to Congress, 1,268 questions for the record, and 63 hearing statements.

Lifecycle Hearing Support
» Provided lifecycle hearing support to A&S offices, ensuring congressional committees received coordinated witness statements prior to their hearing and timely responses to questions for the Record (QFRs) following their hearing—in 2021, A&S participated in 15 hearings, generating a total of 187 QFRs; LCO further supported the Department by providing policy and security coordination on 1,568 QFRs tasked to other DoD Components.

» Supported presidential appointments requiring confirmation by reviewing 455 advance policy questions (APQs) for two A&S nominees and 2,486 APQs assigned to other DoD Components.

Kathleen Hicks takes a phone call from a senator shortly before her confirmation hearing before the Senate Armed Services Committee.
Audits

» Facilitated A&S participation in 83 Government Accountability Organization (GAO) engagements and 29 Final Reports, as well as 34 DoD Office of the Inspector General (OIG) audits and 11 Final Reports. LCO worked with A&S components to close 53 GAO recommendations and 52 DoD OIG recommendations.

» Coordinated with Washington Headquarters Service (WHS) to update all active A&S high priority GAO and DoD OIG recommendations and ensured that the necessary documentation was provided to the appropriate auditors.

» Provided WHS the third annual submission required by the Good Accounting Obligation in Government Act (GAO-IG Act), which was consolidated into a report on the status of open public audit recommendations.

Executive Correspondence

As the team that provides editorial services for official documents and letters for signature by Department leadership, the Executive Correspondence Office (ECO) processed more than 450 hard copy and digital correspondence packages during the year. Congruently, the team completed a total of 23 issuances, including publishing four new issuances, 12 re-issuances, six published changes, and one cancellation. As A&S’ lead for records managements, ECO also completed more than 70 Freedom of Information Act (FOIA) requests.

Strategic Communication

Website Modernization

February 22 marked the launch of the new OUSD(A&S) website as part of a continued effort to increase stakeholder access to the latest news and organizational information on a modern platform. The new site enhanced user experience and features more than 350 modernized pages. Visit the new website: https://www.acq.osd.mil/

The ACQWeb Modernization Working Group (AMWG) was established in April 2015 to establish and standardize aesthetics and functionality across all A&S public websites. In 2019, at the direction of the USD(A&S), the AMWG was tasked with modernizing the A&S public websites with the support of the Strategic Communications Team.

Building a Social Media Presence

As a powerful tool for communicating on a daily basis to improve transparency and disseminate information to a wider audience, A&S social media accounts made strides in attracting new followers and engagement in 2021. The A&S LinkedIn page reached 3,000 followers in November, a milestone achieved as the account turned one year old.

Join the conversation and follow A&S at: https://www.linkedin.com/company/ousd-as

<table>
<thead>
<tr>
<th>2021 METRICS</th>
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<tbody>
<tr>
<td><strong>3,264</strong> Followers</td>
</tr>
<tr>
<td><strong>300,208</strong> Views</td>
</tr>
<tr>
<td>21,311 Clicks</td>
</tr>
<tr>
<td>5,130 Reactions</td>
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<tr>
<td>282 Posts</td>
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A&S Video Series Launches

In June, Stacy Cummings, performing the duties of Under Secretary of Defense for Acquisition and Sustainment, kicked off a new A&S Video Series with the release of the first episode. Consisting of short, targeted video messages, the series provides visibility on key A&S initiatives and, in 2021, featured topics including A&S support in the fight against COVID-19, DoD’s Climate Working Group, and an overview of the Defense Threat Reduction Agency resulting in 3,871 views.
IN THE NEWS

PUBLICATION ARCHIVES

Department of Defense Announces Establishment of the Trusted Capital Digital Marketplace | January 13, 2021

DOD Releases Report on Defense Spending by State in Fiscal Year 2019 | January 13, 2021

DOD Announces $14 Million Agreement With Draper in Support of Computer Chips Advanced Packaging Solutions | March 02, 2021

DOD Announces $9.98 Million Defense Production Act Title III Agreement with Hardwick Tactical Corporation to Strengthen the Domestic Clothing and Textile Industrial Base | March 02, 2021

DoD’s new Adaptive Acquisition Framework takes new approach to tailoring procurement strategies | March 16, 2021

The Honorable Deborah Rosenblum is sworn in as Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs.

Mr. Gregory Kausner, performing the duties of Under Secretary of Defense for Acquisition and Sustainment, visits the Defense Threat Reduction Agency alongside Acting Director Dr. Rhys Williams.
Hicks Assesses DOD Modernization, Innovation | July 09, 2021
https://www.defense.gov/News/News-Stories/Article/Article/2688487/hicks-assesses-dod-modernization-innovation/

DLA Troop Support legal staff plays key role in acquisitions for COVID-19 supplies | July 12, 2021

Small Businesses Critical to DOD Mission, Official Says | September 07, 2021

DOD Taking Measures to Protect Nuclear Weapons, Space Assets | September 15, 2021

US Chemical Weapons Stockpile Elimination: Progress Update | September 23, 2021
https://www.cwccoalition.org/us_cw_demilitarization_webinar/

DOD Official Says Concept of Integrated Deterrence Is Call to Action | September 28, 2021

Supply Chain Resiliency Is Whole-of-Government Effort | September 30, 2021

DOD Announces Plan to Tackle Climate Crisis | October 07, 2021

Ms. Stacy Cummings delivers keynote remarks at the annual Naval Postgraduate School Acquisition Research Symposium. Cummings performed the duties of Under Secretary of Defense for Acquisition and Sustainment from January to July 2021.

Mr. Jesse Salazar, Deputy Assistant Secretary of Defense for Industrial Policy, participates in a discussion on building industrial resilience at George Mason University.
DOD Must Pivot to Counter Climate Change, Official Says | October 08, 2021

Why Small Businesses Are Essential to U.S. National Security | October 14, 2021

Secretary of Defense Lloyd J. Austin III’s Statement on the DoD Climate Risk Analysis | October 21, 2021

Securing the Defense Industrial Base CMMC 2.0 | November 04, 2021


DoD’s Office of Acquisition and Sustainment Announces 2021 Defense Acquisition Workforce Award Winners | November 18, 2021

Machine Tooling Is Vital to a Robust US Innovation Pipeline | December 16, 2021

Mr. Steve Morani, performing the duties of Assistant Secretary of Defense for Sustainment, speaks at the 2021 Association of Defense Communities Installation Innovation Forum.

Mr. Chris O’Donnell, performing the duties of Assistant Secretary of Defense for Acquisition, participates in a panel discussion on government contracting.