

**DEPARTMENT OF THE AIR FORCE**

**PRESENTATION TO THE MILITARY PERSONNEL SUBCOMMITTEE  
COMMITTEE ON ARMED SERVICES  
UNITED STATES HOUSE OF REPRESENTATIVES**

**SUBJECT: MORALE, WELFARE AND RECREATION (MWR) OVERVIEW**

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Thank you, Mr. Chairman and members of the Military Personnel Subcommittee, for the opportunity to appear before you today to talk about the status of Air Force MWR programs. Our mission is to build combat capability through programs promoting readiness, esprit de corps and quality of life for Air Force people. Now, with the high operations tempo the Air Force continues to sustain, our programs are as important as ever as we strive to meet mission requirements and reduce stress on our personnel and families, both at home and while deployed. Our success directly impacts the Air Force's ability to support the combatant commanders and future mission requirements our nation calls upon us to complete.

In our forward operating locations, our programs provide hot meals, lodging, fitness, laundry, entertainment and recreation to alleviate the daily stressors faced by our troops. Back home, we provide high quality meals, lodging, fitness, child care, youth programs, and a wide selection of recreation opportunities tailored to meet the needs of our base population. Strong MWR programs contribute directly to mission success, improve the quality of life for our base community, and enhance retention.

Our Air Force is transforming from a force designed to fight traditional threats prevalent during the Cold War, to one also able to address emerging irregular, catastrophic, and disruptive threats today. To do that we must continue to balance modernization of weapon systems with development of Airmen who are ready, willing, and able to employ them. To that end, Air Force Services is finding innovative ways to transform our community support services and programs while avoiding unnecessary impacts to services delivered. One way we are transforming is through the headquarters realignment of Air Force Services from the Deputy Chief of Staff for Logistics, Installations, and Mission Support to the Deputy Chief of Staff for Manpower and Personnel. This transition moved us from a more logistics-focused organization to an

organization that better complements our people-focused mission, opening the door to increased efficiencies and a more seamless approach to customer service. Our new organization will better support the Air Force's recapitalization program, enhance our Airmen's career development, and most importantly improve our service to our Airmen and their families.

The Air Force faces significant challenges with funding, manpower and base realignment and closure (BRAC) actions as it addresses the critical issue of weapon system modernization. We realize that the Air Force's mandate for recapitalization will put pressure on Services' manning and funding in the near future. I will deal with these issues in greater detail later in this statement. Nevertheless, we remain committed to providing quality service and programs for our Airmen and their families.

To ensure we achieve our objectives, Air Force Services is developing a new five-year strategic plan, employing private sector best practices to develop our initiatives and performance measures. Our new vision is to provide innovative programs and services to enhance combat capabilities and a sense of community. We are developing new tools and procedures to constantly evaluate the needs and preferences of our Airmen and their families, ensuring that our programs remain relevant in today's rapidly changing society. The Air Force has always been a leader in strategy and innovation and Air Force Services is a proud part of this tradition.

### **Readiness**

Our Air Force Services troops provide combat support and community service across the spectrum of operations, from war to humanitarian missions, at home and away. They are the enabler of Airmen—the Airmen who project global power, the Airmen who need to be well-fed, well-rested, alert and focused—Airmen who are fit to fight. Services troops stand ready to do any mission asked of them.

As the Air Force continues to fight the Global War on Terror, our deployed Services warriors continue to be crucial joint force multipliers as they deliver life-sustaining and morale-building services. In 2006, approximately 1,400 active duty and 120 air reserve component Services warriors deployed to over 22 locations serving approximately 25,000 deployed troops around the world. Over 500 Services military personnel are deployed today to provide dining facilities, lodging and laundry operations, resale operations, fitness, recreation, and learning resource centers. In Operation Enduring Freedom they are delivering over 790,000 meals per month. In Operation Iraqi Freedom they are also keeping the troops well fed and morale high. For example, on Christmas Day our warriors at one of the Air Force's busiest expeditionary food service operations served a staggering 1,600 pounds of turkey, 3,000 pounds of steamship round, 750 pounds of ham, 6,250 servings of cornbread dressing, 5,600 servings of mashed potatoes and numerous other sides and desserts—not only meeting nutritional needs of roughly 7,000 troops, but also providing a taste of home to lift their spirits. I am truly proud of their hard work and dedication to making our war-time missions a success.

In addition to their traditional role of providing morale and life-sustaining services from rear-operating, fixed airfield locations, Services Airmen are also deployed to Afghanistan's Provincial Reconstruction Teams and Embedded Training Teams and to Iraq's Reconstruction Support Units. These Airmen are working side-by-side with their sister-service peers at forward operating locations like Qalat, Gardez, Jalalabar, Kabul, and Kirkush. Their performance in these non-traditional roles has been magnificent! They find themselves distributing humanitarian supplies alongside the local governor in Gardez; training Afghanistan soldiers on how to run food storage and feeding operations in Kabul; or overcoming hostile enemy attacks, like Senior Airman Huey Harris did, when his convoy was struck by an improvised explosive

device. Senior Airman Harris, who received multiple contusions to his body and a head wound, was not dissuaded by the enemy's actions; he was treated locally and returned to duty.

These Airmen are not only delivering important resources, training, and expertise to the local populace as part of a joint team, but also are ensuring the morale and well-being of the joint team itself. A salient example of this is Air Force Technical Sergeant Eric Caley, a member of Provincial Reconstruction Team Gardez in Afghanistan. Sergeant Caley led a project that established a small basic exchange with personal sundries and other popular items at his forward operating location. Prior to that, he and fellow members either went without or had to wait until they reached a main operating location for re-supply. The impact of Sergeant Caley's effort on unit morale was best summed up by a fellow Airman who was quoted in a local public affairs newsletter: "If you didn't get up to Bagram Air Field, you didn't have a chance to buy anything...we relied on the mail...we had to order toiletries and stuff over the Internet. This [field exchange] is probably the best thing for morale that has happened all year."

We continue to focus on the solemn duty to return our fallen comrades to their loved ones with honor and dignity. We deployed over 120 personnel in 2006 to augment the staff at the Charles C. Carson Center for Mortuary Affairs at Dover AFB, DE. This is truly a joint effort. Our Airmen work hand-in-hand with the Armed Forces Medical Examiner, the Federal Bureau of Investigations and our sister service liaisons to ensure the best care is provided. At the request of the Army, we recently deployed Services Airmen to the Joint Personal Effects Depot at Aberdeen Proving Grounds, MD to assist with this critically sensitive mortuary affairs mission.

In response to Section 562 of the John Warner National Defense Authorization Act (NDAA) for Fiscal Year 2007, the services must now utilize military or military-contracted aircraft rather than regularly scheduled commercial flights to transport our fallen comrades from

Dover to their final resting place. These smaller contracted aircraft can land at smaller airports, or be met off the main ramp when arriving at larger airports, easing access by the honor guard and family members. Even for those families who specifically request transportation of their loved one via a scheduled commercial flight, we are providing a higher level of support as airline and airport security requirements allow. I commend the commercial airport and airline personnel; across the board, they have been tremendously supportive. Since January 1, 2007 when these new procedures took effect, I have only heard high praise from our families, a sure sign we are doing the right thing.

In addition to our wartime contingencies, our Services Airmen also provide essential support for other known crises. Our Services Airmen provide essential support to a wide variety of humanitarian missions. During the short-notice evacuation of American citizens from Lebanon, our Airmen skillfully utilized a small contingency beddown site at Incirlik Air Base in Turkey to house 1,700 evacuees. They provided over 12,000 bednights, 16,000 meals, and 70,000 liters of bottled water and laundered almost 6,000 pounds of linen and personal garments. In addition, they created four development-focused safe havens plus a playground area for approximately 600 displaced children. With just two hours notice, our team at Ramstein Air Base in Germany rapidly produced and provided 4,000 meals to over 1,800 evacuees transiting from Lebanon. Despite this short-notice notification, the team recognized the ethnic differences and thoughtfully produced culturally-sensitive meals for the evacuees. I cannot express how proud I am of the Services men and women who successfully meet these challenges every day.

### **Military Funeral Honors**

Our Air Force honor guard never loses sight of its motto: "To Honor with Dignity." Daily I hear accounts of how our honor guard units live these words and how they make a

difference in the lives of those who survive our lost heroes. I was recently reminded of this patriotism and unflagging devotion to duty from pictures of the Buckley Air Force Base Honor Guard performing a funeral detail in Colorado. Those photos captured our young men and women standing tall and proud in their ceremonial dress uniforms during a snow storm. The pictures captured a most impressive, but not surprising, glimpse into the understanding and appreciation our honor guard members have of the critical mission they perform. There was not one sign of physical discomfort—instead only stoic, solemn faces as they laid to rest a fellow comrade in arms with dignity, honor and respect. These Airmen are representative of all of our Air Force honor guard members whether active duty, Guard, or Reserve.

In 2006, the Air Force honor guard performed over 31,000 funeral honors. This represents an all-time high and an increase of eleven percent over 2005. Although there was less than one percent increase in the number of veteran deaths from 2005 to 2006, there was a 23 percent increase in the number of veteran and retiree funeral requests. Funeral directors, as well as veterans and their families, are becoming more aware of the funeral honors benefit, increasing the number of requests for this entitlement. We expect this trend to continue and peak at 55,700 funeral honors requests by 2013.

This increased workload challenge is compounded by a reduced manpower pool and reduced financial resources. Some of our bases are responsible for covering military funerals over an area of up to 250,000 square miles, and some funeral honors teams must drive 600 miles each way to perform a single detail. Adding to this challenge are shifts in personnel related to base realignment and closure actions, eliminating some bases' ability to support military funeral honors. This shifts the workload to other bases, and increases the average distance funeral

honors teams must travel to complete their duty. With fewer military members at fewer bases, it will become increasingly more difficult to satisfy the increased demand for funeral honors.

We are addressing this problem using a total force solution. In 2006, the Air Reserve Component supported nearly 13 percent of our details. Without their assistance, we would not have been able to support all requirements. We will continue to rely heavily on them in the future.

Our partnership efforts with several state-run National Guard honors programs continue to help us meet the ever-increasing workload. We are working to integrate the federal and state aspects of our honors programs more fully. Among the success stories are the Missouri, Maryland, and New Hampshire state honor guard programs where their uniformed Guardsmen have performed an average of 75 percent of all Air Force details in those states. Several other states have begun the initial steps toward similar programs. We are looking forward to the assistance they will provide in the future.

Another success story that has strengthened our ties with our sister services is the joint honor guard supporting military funeral honors at the Dallas-Fort Worth National Cemetery. This joint team completed over 2,200 funeral honors in 2006. As more national cemeteries open, we will pursue similar joint ventures, so we can continue to successfully provide this important entitlement.

Recent legislation has increased workload on our honor guards. In response to Section 562 of the 2007 NDAA, a six-person honor guard now meets aircraft from Dover AFB carrying our Air Force members killed in the combat theater to their final resting place. That honors detail carries the flag-draped casket from the aircraft to the ground transportation for travel to a funeral home providing the appropriate honors these fallen heroes deserve.



## **Air Force Survivor Assistance Program**

We continue to expand the Air Force Survivor Assistance Program in an effort to provide the best possible individual service to Airmen who are seriously wounded, injured, or ill and families who have lost a loved one. The heart of this program is the family liaison officer (FLO) who is assigned to each patient for the duration of their need. The FLO serves as a single point of contact between the family and the numerous helping agencies. Our FLOs assist the family arranging in transportation, child care, or even care for a family pet. They do whatever is needed for as long as needed to help reduce the stress on the Airmen and families during this difficult time.

When an Airman is wounded, ill, or injured in the war zone the Survivor Assistance Program swings into action. Within hours, we begin tracking medical status and evacuation plans to regional medical facilities or back to the United States for treatment. At each stop along the way we ensure a FLO is there to meet the Airman and assist with any needs he or she may have. This often includes arranging local transportation and accommodations for family members, working through required paperwork, as well as being a friendly face for the Airman. When families travel to visit their seriously wounded or injured relative in a strange town, the FLO is there to provide needed assistance. The FLO is not expected to be the expert in each area, but is trained to find the right answers for the families he or she is working for. Our FLOs provide a critical resource to deal with the unfamiliar routine of the recovery process and prevent the Airman from being lost in the bureaucracy.

Last year I shared with you the great lengths a FLO went to assist the family of a seriously injured Airman who was receiving treatment at Walter Reed Medical Center. I described how this FLO was central to helping this Airman's family locate missing relatives and

recover from the loss of their home and possessions in the aftermath of Hurricane Katrina. We continue to monitor this Airman's long road to recovery and assist him as needed. We are pleased to report that he and his family are doing well. His mother returned to work and has a new place to live in New Orleans.

We do not just confine our attention to Walter Reed and other local hospitals. Our service reaches worldwide to ensure all of our wounded, injured and ill members are equally well cared for. For example, another Airman, then Staff Sergeant Israel Del Toro, was badly burned as the result of an IED attack in Afghanistan. He was in intensive care and in a coma at Brooke Army Medical Center in San Antonio, TX, and remained in that condition for four months. In the meantime, his wife and family needed to be relocated from Italy, where Sergeant Del Toro was stationed. His wife was not a US citizen and her application for registration, which had been filed at the US Embassy in Italy, could not be located. In keeping with the motto of "whatever the family needs," the FLO worked with the State Department to locate immigration paperwork for the spouse, worked to process her application, made housing arrangements for the family, and provided temporary lodging for other relatives. The FLO also secured permanent housing for the family on Randolph AFB, arranged the shipment of their household goods, organized a crew to assist placing their furniture in their new home, and picked up their car from the port. In addition, the FLO retrieved the family dog from the airport, enrolled the spouse in driver education and English classes, and arranged transportation for hospital visits, shopping trips and many other needs. Sergeant Del Toro's story illustrates how important the Family Liaison Officer can be to a family and is typical of the dedication and devotion our Air Force FLOs exhibit when they are taking care of one of their own.

As we devote more time to Airmen wounded in action, we have not lost focus on our service to the families of our deceased Airmen. In that respect, we now provide copies of *Military Widow—A Survival Guide* to Air Force widows. Written by military widows and reviewed and recommended by several Air Force widows, this book provides both assistance through the pain of losing a loved one and references to available resources and benefits. We mail this guide approximately sixty days after the widow suffers their loss. In addition, we worked with DoD to produce a standard organizing notebook for each military family who suffers a loss. This notebook is a single, handy tool that the families, with the assistance of the FLO, can use to keep valuable papers and information organized during this very stressful time.

Our Survivor Assistance Program provides an extremely valuable service for active duty members who are seriously wounded, ill, or injured and Air Force families who suffered a loss. Although we have not sustained as many casualties as other services, our program is set up to deal with any number of Airmen needing assistance. This program is an excellent example of Airmen helping their fellow Airmen and families.

### **Armed Forces Entertainment**

Armed Forces Entertainment (AFE) is the single point of contact for the Department of Defense for providing free, quality entertainment to our troops serving overseas with priority to remote and isolated locations, ships at sea, and contingency operations. Entertainment is provided to the Army, Navy, Air Force, Marine Corps and Coast Guard.

The Air Force remains the Executive Agent for providing this important morale building program to our forces. Although the AFE office is jointly manned with a nine person staff, the powerhouse behind this program's success is the numerous site and country coordinators and their volunteer force of men and women who host the tours.

In 2006, Armed Forces Entertainment conducted 118 tours that totaled 1,433 performances, reaching more than 500,000 military personnel at over 378 US military installations worldwide. Performers included Kid Rock, Drowning Pool, the Indianapolis Colt Cheerleaders, NFL Alumni, Harlem Globetrotters, and the fourth World Wrestling Entertainment holiday program in Iraq, which was broadcast on network television on Christmas night.

As a result of strong support from Air Force leadership, AFE provided \$8.1 million in quality entertainment in fiscal year 2006 including \$646 thousand in global war on terrorism funding. We expect funding up to \$7.7 million for fiscal year 2007, which will only support 83 percent of the combatant commanders' requests for tours.

As the lead agency for bringing entertainment to troops overseas, AFE provides transportation and logistical support for the United Services Organization (USO) in bringing additional celebrity entertainers to the troops. As of March 2, 2007, AFE has sent out 55 tours of its own, and 13 more tours in partnership with the USO, for a total of 68 tours and 536 performances so far this fiscal year. We have sent performances to contingency locations including Iraq, Djibouti, Bahrain, Kyrgyzstan, United Arab Emirates, Qatar, Kuwait, Afghanistan and locations in the Balkans.

The AFE mission remains the same: to provide a program of live, professional entertainment to enhance the quality of life and increase morale for US troops and family members stationed overseas. We are proud to serve our fellow service members across all the military branches. We greatly appreciate the committee's continued support for this program, our troops and their families stationed around the world.

## **Fitness**

Good physical fitness is the cornerstone of combat capability. Airmen who are physically fit are healthier, think more clearly, handle more stress, and are more able to complete the mission despite reduced sleep and extended hours. This translates directly to increased combat capability from our most important weapon system—our people. The Air Force Fit to Fight initiative charges our commanders to ensure their Airmen not only meet fitness standards, but also are fully prepared to handle the rigors of a deployed environment.

Our success is reflected in increased participation and improved fitness assessment scores. Since program inception fitness center usage increased 23 percent, the number of Airmen passing their fitness assessments has increased from 90 to 98 percent, and the number of Airmen who scored in the “excellent” category increased from 16 to 28 percent.

Throughout this program, Services has led the way. Our 5-Star Fitness Recognition Program continues to drive high quality facilities and programs by rewarding centers that achieve excellence in operations, programs, training, customer service and facilities. In 2006, nine additional bases achieved 5-Star recognition bringing the total to 30. This reflects the commitment and support of our leadership and fitness teams to a “Fit to Fight” Air Force.

Facility quality is a key part of our fitness program and your support has helped us improve our centers. From fiscal year 2000 through fiscal year 2006, we completed 35 major fitness construction projects at a cost of \$345 million. One major project is planned in fiscal year 2007, and one in fiscal year 2008, for a total cost of \$38 million. We continue to work within the Air Force to include nineteen additional facilities in the out years. These new facilities, combined with our sound fitness programs, staunch leadership, and your continued strong

support will ensure our Airmen are combat ready for whatever mission our nation calls upon them to do.

### **Child Care and Youth Programs**

We recognize that readily available, high quality and affordable child care and youth programs are a workforce issue with direct impact on mission readiness. Airmen must balance the competing demands of parenting and military service, particularly challenging in today's environment of higher operations tempo, increased mobilization, and longer periods of time away from home. We are committed to serving these Airmen and their families by redoubling our efforts to reach out and assist all members of the total force through robust child and youth programs wherever the member resides.

Our Air Force Home Community Care program reduces out-of-pocket expenses for Air Reserve Component members by providing free in-home quality child care during their scheduled drill weekends. This program provides the same quality child care available to Airmen assigned to or living on a military installation. This past year, the Home Community Care program provided more than 10,000 child care hours, enabling our Air Reserve and Air Guard's mission readiness. As one Air Guard member concluded, "This is an invaluable asset to a dual military couple! Drills have always been a headache for child care and it is great to have someone to count on for these times! Thank you, Thank you, Thank you!" Another Air Guard member shared, "The Air Force's Home Community Care program is greatly appreciated. If not for this program, I would have to consider leaving the Air National Guard."

Similarly, the Air Force Expanded Child Care programs provides 18,000 hours each month of child care during non-traditional hours at no cost to the military member. These programs enable Airmen to obtain high quality child care even when the mission requires duty

hours at night or on weekends. The Air Force Family Child Care Subsidy program saves families an average of \$125 per child per month by subsidizing the care received in an Air Force home when a slot is unavailable at the child development center. This program is of particular help to those Airmen with children under the age of three or children with special needs, and to those Airmen who work shifts outside of a normal duty day.

Our youth programs focus on children elementary age through teens. They are a key component of our strategy to support the quality of life of Airmen and their families. Our two ongoing partnerships with Boys & Girls Clubs of America and the US Department of Agriculture's 4-H program provide additional means to reach families living both in communities and on active installations. The *Mission: Youth Outreach* program provides a one-year free membership in a local Boys & Girls Club. Through this important program, active duty, Guard and Reserve families who do not live near a military installation still have a safe and positive place for their youth to spend their out-of-school time. Our partnership with 4-H fosters the development of 4-H clubs on Air Force bases, and specially appointed State Military Liaisons reach Air Guard and Reserve families with these quality youth programs.

We offer a variety of summer camp opportunities including residential camps, specialty camps and other base specific camp programs. For the Guard and Reserve youth, our base youth programs have partnered with the National Military Family Association to provide residential youth camps during the summer. Over 5,000 Air Force youth participated in camps last year designed to help them achieve their potential, develop their self-esteem and build their resistance to negative pressures.

Our Stay Connected deployment kits provide children and parents with a way to maintain a solid connection while they are separated during deployments. To date, over 13,000 of these

kits have been provided to Airmen and their families. In the words of one reserve spouse, “Thanks again from all of us who are trying to make their deployment over there easier. I know my husband enjoyed the message I made him on the recorder pen, and I play the one from him almost everyday.”

A recent national study highlighted the DoD child care program as leading the nation in quality standards and effective oversight. We are proud of this honor and believe that our child care is extremely important to our single and dual military parents, enabling them to focus on the mission. Unfortunately, we still have approximately 5,000 children on our waiting lists. To reduce this shortfall for our Airmen, we are adding 2,176 child care spaces using emergency intervention funding from OSD. The military construction program has changed funding for child development centers, dropping the number of facilities from 12 projects in the out-year program to eight. Child and youth programs are vital to our readiness and we ask for your continued support.

### **Lodging**

Air Force Inns is committed to delivering quality facilities and service, and maximizing room occupancy rates while minimizing operating costs. As our Air Force transforms, Air Force Inns must do likewise to maintain its contributions to readiness and quality of life. To this end, we have begun centralizing management of our 94 lodging operations into a single headquarters in San Antonio, Texas. This transformation, modeled on lodging industry trends, will maximize efficiencies and increase purchasing power. We have benchmarked our standards to align with quality commercial mid-priced hotels chains. Lodging managers will be measured by their ability to meet these standards rather than exceed them. This approach will promote consistency



while keeping costs to the official travel line low. Centralized management of our recapitalization funds will ensure guest rooms are updated systematically to maintain quality.

To improve our service further, we have joined forces with Navy Lodge to field a web-based reservations system that links into the Defense Travel System. Now we will now be able to provide DoD travelers with one-stop shopping for airfare, lodging, and rental cars.

Fundamental to our improvement efforts is addressing facility quality. We are replacing previously substandard facilities through our Visiting Quarter (VQ) construction program. This past summer we opened a 96-room MILCON-funded VQ at Kirtland AFB, NM. We currently have several new VQs under construction, to include a 175-room VQ at McGuire AFB, NJ, a 152-room VQ at Kunsan AB, Korea, a 265-room VQ at Andrews AFB, MD, and a 120-room VQ at Hurlburt Field, FL. These projects, coupled with recently completed projects at Nellis AFB, NV and Travis AFB, CA, will cost \$231 million and are projected to save the Air Force \$43 million per year in higher off-base lodging costs, thereby recouping our investment in less than six years.

Our Temporary Lodging Facilities (TLFs) provide an important quality of life benefit for our Air Force families by keeping out-of-pocket moving expenses to a minimum. Our current inventory of TLFs is insufficient to meet our transient families' needs. To help reduce this shortfall, in 2007 we will open a new 50-unit TLF at McGuire AFB, NJ, a 20-unit TLF at Dover AFB, DE, and begin construction on a 39-unit TLF at Mountain Home AFB, ID.

### **Food Service**

Our food service professionals provide more than 89 million meals in 277 facilities, ensuring our Airmen are well-fed and mission ready. Many of the past year's initiatives focused on support for contingency operations. We now use automated commercial food service systems

in all contingency operations, and we installed them at our Services Combat Training sites. We continue to develop a single all-electric kitchen with multi-ration preparation capability.

Our food service training program is extremely important to develop our food service Airmen so they are ready to meet the mission at home and on deployment. For over five decades, we have enhanced our training through partnerships with companies and organizations like the National Restaurant Association (NRA). Our affiliation with the NRA has been a win-win opportunity for industry and the Air Force. Each year, NRA Board members travel with Air Force evaluation teams to select the best food service operations in the Air Force. In doing so, our industry partners get a better appreciation for what the Air Force does for our country and we gain insight into the latest innovations, trends, and technological advances in industry. In February this year, the National Restaurant Association Educational Foundation, Hennessey Travelers Association and a number of other hospitality-related organizations co-sponsored a week of culinary training for 50 of our military food service members at the Greystone Campus of the Culinary Institute of America, St Helena, California. Our Airmen gained valuable knowledge and experience with the latest food production techniques and regional product evaluations. Certified Master Chef Adam Busby, Director of Continuing Education at Greystone passed on to us that "the Air Force had the most disciplined, fundamentally sound, and eager students he has ever had at Greystone." I am extremely proud of our Airmen and how well they represented the Air Force. Working together with our industry partners on events like this strengthens the union between our nation and our military, and we look forward to another five decades of successful partnerships.

## **Clubs**

Our clubs play a strategic role in support of the Air Force mission supporting Air Force traditions, protocol events, and commanders' military functions. To adapt to the changing needs of our Airmen and their families, we are pursuing new approaches to club services. We have several working groups building a strategic plan for better integration of all our food and beverage operations across Services.

Club membership has continued to decline for several years and represents one of our primary challenges. As the size of the active duty force gets smaller, our new club member recruitment initiatives become even more important. Both our "UBU" (You Be You) and "Take It To The MAX" initiatives introduced our newest Air Force members to Services and clubs. Although these programs are only in their third and second years respectively, they have reached a combined 89,000 new Lieutenants and Airmen Basic personnel. As a result, we have recruited over 12,000 new club members.

The Military Free Cash Rewards program is one-of-a-kind, designed specifically for our club members. Due to its popularity, it has become the standard offer now made to all new members. For all purchases made with their club membership card, each member earns double "cash back" points in Services activities, the Base Exchange (except for gas) and the commissary. Points can then be redeemed for cash or gift cards with major merchants.

Our partnering initiatives with industry, AAFES, and other Services activities are paying dividends to both Airmen and the Air Force. Our restaurant portfolio includes both name-brand and proprietary Air Force Signature Brands, casual-themed and quick-service restaurants. We currently have 18 name-brand fast food operations on ten Air Force bases. Additionally, we have 19 Starbucks "We Proudly Brew" Services locations. Our three Chili's restaurants in

Germany, Japan and Korea are three of the top-selling Chili's restaurants in the world. We will open another Chili's in Japan and a Romano's Macaroni Grill in Germany and we plan to add a third Chili's in Japan next year. Discussions are underway at five bases for additional name-brand restaurants. We also have 21 Air Force Signature Brand operations at 18 bases. Our clubs are partnering with Air Force Inns to incorporate our Rickenbacker's coffee shops into our new visitor quarters. These themed food and beverage operations provide quality leisure opportunities for our Airmen worldwide.

### **Outdoor Recreation**

Our outdoor recreation programs provide a wide range of activities and facilities that directly support our Airmen, their families, and the larger Air Force community. Our diverse offerings include instructional classes, single and multi-day trips, outdoor adventure activities, aquatics programs, parks, and family campgrounds. Outdoor recreation is very popular with our customers, and national participation trends point toward continued strong growth and interest in these activities.

Outdoor recreation supports Air Force fitness through lap swimming, cycling, hiking, and other fitness activities. On many bases, outdoor recreation partners with fitness centers to host fun runs, triathlons, adventure races, and other events to promote fitness and esprit de corps. Our activities and facilities allow couples and families to spend time together building the bonds that sustain our military families in challenging times. To promote family well-being, we launched the Four Season Family Program this year. This program offers year-around opportunities tailored to each season for families to enjoy outdoor recreation activities together.

We established a 5-Star Award program to encourage outdoor recreation programs and facilities to reach new heights in serving our customers. Since inception in 2004, the number of

bases achieving the 5-Star Award has increased from five to eighteen. We continually evaluate the award criteria to ensure we are focused on the needs of the Airmen and their families.

### **Golf**

Our golf program achieved over 2.1 million rounds of golf in 2006, providing a valuable recreational program to our base communities. We are focused on introducing golf to more Airmen and their families, and upgrading our facilities and programs to golf industry standards. Player development programs, designed to remove the intimidations of learning golf, have been a key factor in the success of our learn-to-golf programs. We plan to expand these learn-to-golf programs to encourage more women and seniors to play. To facilitate program improvement, we have also instituted a 5-Star Award program for our golf program. Since inception in 2004, eight of our courses have achieved 5-Stars, and our courses increased ten percent in overall stars.

### **Aero Clubs**

Our aero clubs achieved over 70,000 flying hours while providing a benchmark for general aviation safety in the United States. These clubs offer Airmen and their families a safe opportunity to learn and sharpen aviation skills and gain Federal Aviation Administration certifications. They also offer a link to Air Force heritage through social interaction and the passing of experience from retirees to the younger Airmen. Many of our members use the life skills they developed through the aero club to enhance their careers during and after service in the Air Force. One great example is Senior Master Sergeant Robert Tess, USAF Retired, grand prize winner of our “Driven to Fly” promotion. Sergeant Tess works as a flight engineer on a Boeing 747 under government contract to deliver support to our troops in Iraq. He credits the aero club as the primary reason he was hired for this good job. As a young Airman, he joined an aero club and achieved his childhood dream of flying. He then used his new found knowledge

and skills to cross-train as an Air Force Flight Engineer. When he is at home in Nebraska, he still supports the Offutt AFB Aero Club as a member, honing his aviation skills and mentoring young Airmen following in his path.

### **Other Programs**

Our libraries, art and crafts centers and bowling centers provide education and recreation opportunities for our Air Force communities. Library programs provide information access to our Airmen around the world. We support our deployed warfighters with reading materials as well as virtual resources at eight Learning Resource Centers in Southwest Asia. Each month, over 250 remote sites and contingency operations receive a variety of books and magazines centrally purchased by the library program. Our base general libraries served over 200,000 voluntary education and professional military education students with research and reference resources in 2006. Our libraries also provide Internet and e-mail access, online databases for newspapers, full-text journals, languages and country studies, as well as books, CDs, and DVDs. Fifty percent of our libraries now have wireless Internet capability. In 2006, 98 percent of our eighty-one general libraries met or exceeded DoD MWR library standards. In a 2006 Air Force library customer survey, nearly all customers surveyed stated our libraries had a positive impact on their career (92 percent), their education (95 percent) and their family (97 percent).

Similarly, our arts and crafts centers provide self-enrichment and recreational programs for the base community. Our numerous craft activities include framing, engraving, ceramics, woodworking, pottery and photography. Our instructional courses improve customer proficiency and develop life skills. Our auto hobby centers provide car care instruction and assistance for Airmen in a safe and affordable facility. These centers help Airmen build skills, improve self-confidence, and relieve stress by learning, accomplishing, and saving. Our Airmen also rely on

our bowling centers for unit camaraderie and for a safe recreational haven for their families. Over 7.4 million games were bowled in our centers last year, highlighting the important recreational service these centers bring to our base communities.

New to Services is the Force Sustainment Division, which integrated into the Directorate of Services as a part of our realignment under Manpower and Personnel. Our Force Sustainment professionals are charged with four overarching missions. The first is to meet our Airmen's basic needs through policies relating to compensation, allowances and entitlements. Second, our Airman and Family Readiness experts help Airmen adapt to the realities of life in an Expeditionary Air Force, providing personal and family readiness counseling, personal financial management, and Air Force Aid assistance. They also provide spouse career planning, and transition and relocation assistance. Third, our Human Relations Team consisting of experts in the Equal Opportunity and Sexual Assault Prevention and Response arenas, run programs ensuring Airmen exercise positive and productive relationships, both professional and personal. And fourth, we ensure Airmen exhibit positive and productive institutional behaviors consistent with Air Force Core Values. To date, we have only integrated these functions at the headquarters level. We are anticipating a future integration at base level, where it will improve efficiency and service to our customers.

### **Funding**

We continue to follow Congressional direction regarding the proper source of funds for our categories of activities. However, resources are becoming tight, especially given the need to recapitalize aging Air Force weapon systems. We and our leadership recognize the critical impact of quality of life programs and we are committed to preserve essential programs.

Commanders throughout the Air Force provided their Services activities with \$12 million less appropriated funds in fiscal year 2006 than in fiscal year 2005, a decrease of two percent. The Global War on Terror drives dual missions for Services; we provide wartime capability in war zones, while maintaining full peacetime capabilities on the home-front. We have met the funding challenges of increased military operations while maintaining all DoD standards for funding in fiscal year 2006, with Category A programs receiving 96 percent appropriated fund support, and Category B programs receiving 65 percent support.

We appreciate the support the committee has provided to help reduce the burden of utility expenses to our Category C programs like our clubs and bowling centers. Your action in the fiscal year 2005 NDAA, confirming appropriated funds for most utility expenses in Category C activities, would have allowed us to put \$8.5 million in nonappropriated funds toward quality of life programs rather than the cost of keeping government buildings open. Due to funding constraints, we have only been able to move about \$500 thousand this past year into improved programs for our troops and their families.

One innovative way we are transforming our community support services is our Nonappropriated Fund Transformation (NAF-T) project which successfully met initial operational capability on June 1, 2006. To date, we have installed the new Air Force Services Financial Management System at 17 bases, and we project installation at 23 more bases by the end of this fiscal year. This new commercial-off-the-shelf business solution provides centralized accounting and payroll service to base-level activities and, when fully deployed, will save approximately \$12 million per year in taxpayer and Airmen dollars. Phase two of our NAF-T effort includes a variety of new initiatives to move our business systems into an e-commerce environment modeled after benchmark organizations like the Marriott Corporation, which



operate similar hospitality and recreation properties. Our focus is on eliminating manual and no-value-added processes, improving management information flow, and saving dollars through efficiencies and better decision-making.

However, for all of our actions, the funding outlook for the next couple of years will remain challenging. The Air Force has wisely redirected a portion of funding from manpower and base operating support to address its recapitalization need. This will require us to change the way we do business in many of our activities. For example, although our libraries remain open, our centralized programs such as on-line databases and full-text journals and newspapers have been significantly reduced. Another example is our food service. We continue to provide the Airmen high quality meal options, but where appropriate we have closed underutilized facilities and reduced some hours of operation. Commanders in the field have made business-based decisions, taking into account the availability of other service options mitigating the adverse impact on the largest number of people. But, in the end, resource reductions drive us to economize services. We and our leaders are committed to ensure the needs of our Airmen and their families are met.

We are equally concerned for the financial outlook for nonappropriated funds, especially from the Army and Air Force Exchange Service (AAFES). Five years ago, AAFES dividends to Air Force were averaging nearly \$90 million per year. They dropped to \$73 million last year and are expected to be less than \$57 million in the current AAFES fiscal year--\$100 thousand below our previous low in fiscal year 1995. As a result of this extreme drop in AAFES dividends, we will have to cancel our construction program again, curtail centrally-funded programs and staff, and risk cutting into base-level dividend flows. This will have a huge negative impact on the quality of life programs for the troops and their families, especially in a time of war.

## **Construction**

Air Force leadership places a high priority on quality facilities. The goal of our construction program is to provide validated and up-to-date facilities for our Air Force members and their families. While replacement of older facilities and elimination of substandard facilities is the long term intent of the program, the recapitalization processes address the most urgent needs first. Our Services construction program combines nonappropriated fund construction and military construction (MILCON) to optimize plans for the future of our Airmen.

Increased costs and continued declining AAFES dividends in 2006 constrained our nonappropriated fund capital improvement construction program. We were able to fund eight projects for a total of \$45.3 million compared to seventeen projects totaling \$60.3 million in 2005. Rising fuel and construction material costs exacerbated by effects of Hurricane Katrina had significant impacts on the program. NAF facilities are funded primarily with the Air Force's share of AAFES dividends which have been declining steadily and are approaching new lows. This reduced funding coupled with the increase in construction costs will likely cut this summer's program submission to only three projects. Our NAF construction program will reduce even more in future years if AAFES dividends continue to decline, as currently reflected in their approved financial plan.

Our 2006 MILCON program included construction of a new fitness center at Vandenberg AFB, CA, and the upgrades to the fitness centers at Charleston AFB, SC and Malmstrom AFB, MT. These new facilities provide optimal environments for our members to stay Fit to Fight for their wartime missions. In addition, we built a new Airmen's dining facility at Little Rock AFB, AR, a Child Development Center at Offutt AFB, NE, and a Family Support Center at Aviano AB, Italy. We appreciate the committee's continued support for these facilities, as is evidenced

through the congressional insertion of the projects at Little Rock, Malmstrom and Offutt AFBs. It is imperative we provide the men and women of our Air Force the required facilities they need to support and defend our nation.

### **Personnel**

Our Services civilian workforce is an important piece to the success of our programs, especially as many of them fill-in behind our Airmen on deployment. We are focused on ensuring they have the best possible personnel system to serve their needs while enabling our supervisors at all levels to accomplish the daily mission. We are pleased with the implementation of the National Security Personnel System (NSPS). The NSPS has adjusted the appropriated fund personnel system to mirror many of the valuable features of our nonappropriated fund (NAF) personnel system such as flexibility of hiring and ease of use.

### **Base Realignment and Closure**

Air Force Services is actively engaged in preparing for the base changes effected by the 2005 BRAC legislation. We are developing plans to adapt our programs to ensure our Airmen continue to receive high quality programs and service appropriate to the realignment or closure action. We are counting on the support for the operational costs and investment funds to make this happen and have identified \$136.5 million in requirements to the Air Force.

The Air Force and Air Force Services fully support the concept of Joint Basing, but we cannot allow Joint Basing to compromise our mission readiness or the well-being of our Airmen. We remain concerned with the negative impacts Joint Basing could have on our civilian personnel and combat readiness. The appropriated personnel career programs and job consideration procedures differ between branches of service. Nonappropriated personnel systems also differ between the services in terms of retirement programs, severance benefits, and

portability between NAF and APF. In addition, they differ on eligibility of NAF flexible schedule employees for transfer and NAF guidance regarding business-based actions, the NAF equivalent to a reduction in force. We are also concerned about the significant differences between component services on prioritization and funding of warfighter and family services, and the negative impact component service facility conditions may have on future NAF construction requirements.

The Joint Basing initiative gives all services the opportunity to establish the highest standards at each Joint Base. We are working closely with our sister services to develop common procedures and practices taking into account our unique missions, demographics and geographies; however this task has proven to be extremely difficult. We are committed to providing quality installation support as efficiently as possible that retains full mission capability and the highest standards as we work towards a better joint fighting force.

### **Conclusion**

I am extremely proud of the hard work and dedication our Services personnel put forth daily to accomplish their mission. They provide life-sustaining support to our troops in the field and essential community programs to our Airmen and their families back home. The stories and insights I've shared with you today demonstrate that our professionals never forget the importance of what we are charged with accomplishing. Through innovative systems and programs, the hard work of our dedicated personnel, and the support of the community, we continue to provide critical mission capability for our commanders and vital support for our members and their families. The entire Air Force Services team makes our mission, and therefore the Air Force mission, happen every day all over the world. We recognize this would not be possible without tremendous support from the Military Personnel Subcommittee. We

thank you and look forward to working with you as we press forward in helping to sustain America's Air Force.