

**STATEMENT OF
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CHIEF OF NAVAL PERSONNEL
AND
DEPUTY CHIEF OF NAVAL OPERATIONS
(MANPOWER & PERSONNEL)
BEFORE THE
SUBCOMMITTEE ON PERSONNEL
OF THE
SENATE ARMED SERVICES COMMITTEE
ON
PERSONNEL OVERVIEW
9 MARCH 2000**

INTRODUCTION:

Mr. Chairman, and distinguished members of this subcommittee, I appreciate this opportunity to appear before you today to discuss the focus and direction of Navy personnel programs. People are, and will always be, our most vital resource.

Navy personnel readiness hinges upon an effective and cohesive strategy for recruiting, retaining, training and taking care of intelligent, motivated, enthusiastic people. When I testified before you two weeks ago, I described today's recruiting and retention atmosphere as a war . . . a sustained engagement to recruit and retain the very best men and women this nation has to offer. Winning this war is essential to Navy personnel readiness and will preclude our placing national security at serious risk. We continue to confront a thriving economy and an extremely competitive recruiting market. I discussed the significant investment that has already been made to help us win, but cautioned that fleet leadership is telling us that we must continue to do more; to focus on providing improvements in quality of service. Our ability to provide challenging job and advancement opportunities, more time with family, fair compensation, quality health care, adequate housing, and a competitive retirement package, all contribute to our effectiveness in attracting and keeping the kind of people we need to sustain the very best in the world.

This year presents an opportunity to leverage the momentum and success of the past year, solidify our commitment to provide our Sailors with quality of service in return for the sacrifices they make on behalf of our nation. We must remember that this is an all-volunteer force and we must divest Navy of a "conscription mentality." We must continue to support meaningful initiatives that recognize the sacrifices of these dedicated volunteers, the arduous nature of sea duty, high operational tempo (OPTEMPO) and lengthy and frequent separations from family. One of the ways we are demonstrating our commitment to improve quality of service for our people is through initiatives to provide comfortable and affordable housing to every Sailor that serves. Secretary of Defense Cohen's recent announcement to significantly reduce, and eventually eliminate, out-of-pocket housing expenses, is a great start and has been favorably received. In concert with this, we are determined to provide single shipboard Sailors the opportunity to live ashore when in homeport so that they, too, can experience living accommodations comparable to that of their married shipmates, Sailors on shore duty and their counterparts in the other Services.

Demonstrating that we "value each and every individual" means more than just pay and benefits. It also means continuing to improve the environment and climate in which our people work and live and creating opportunities for advanced training, education and upward mobility. With renewed emphasis, we are creating a more positive retention climate from the top down to the deck plates. We have aggressively implemented the CNO's and fleet commanders' inter-deployment training cycle (IDTC) initiatives and Secretary Danzig's "Smart Work" measures. We are also developing initiatives to expand advancement opportunities, perhaps the best indication that we truly recognize our Sailor's sacrifices and value their contributions.

We must ensure our preparedness to respond, and prevail in battle, by continuing to provide an environment conducive to attracting, training, and retaining the officers, chief petty officers, and Sailors needed to achieve and maintain optimum personnel readiness in the 21st Century. The strong economy, increased personnel tempo (PERSTEMPO), desire for enhanced quality of life, and other factors, have resulted in a twenty-year-low retention rate and an extremely challenging recruiting environment. This, in turn, has produced inventory and distribution problems resulting in gapped billets both afloat and ashore.

In FY98, the at-sea enlisted manning gap averaged just over 17,300. A number of aggressive initiatives helped reduce that number to approximately 12,000 by the end of FY99. Our progress continued, as we entered the new century with the gap at 9,757, and we anticipate it averaging less than 10,000 throughout the remainder of this fiscal year. We continue to pursue a number of internal management actions to reduce it further. Additionally, efforts continue unabated to address the root causes of the gap, to include: improving retention, building a healthy Delayed Entry Program (DEP), and making adjustments to minimize the impact of phasing accessions and losses. We are taking a hard look at whether it might be beneficial to modify existing incentives, given the extremely arduous nature of shipboard sea duty, to enhance the effectiveness of critical distribution tools in our inventory. This may be vital to our continuing efforts to narrow the at-sea-manning gap and will undoubtedly have some desirable residual retention impact.

The at-sea manning gap and end strength constraints are focal points as we address retention and recruiting efforts and continue to improve quality of service in the upcoming years. We must capitalize on our FY99 recruiting success by developing a trend that helps turn the tide in our war for people. We must continue to revive the retention climate so that our Sailors want to stay Navy, and we must continue to improve Navy programs that enhance their quality of service.

RETENTION – OUR HIGHEST PRIORITY

We continue to face significant challenges in retaining high quality personnel. While we met end strength requirements last year, retention rates across all terms of service were the lowest in almost 20 years. As the drawdown began, we initiated multiple force-shaping tools and programs and the focus on retention declined. We are reversing this trend by establishing retention improvement as a top priority and have tasked leaders and managers to reengage in the retention arena by focusing specifically on mentoring junior personnel. Taking this a step further, Secretary Danzig and Admiral Johnson recently authorized standing up a new branch within our manpower and personnel directorate that turns the spotlight on retention. Led by a flag officer, this Retention Center will be specifically chartered to focus on retention and funnel energy and resources towards meeting the retention challenge. The effort has already begun with our retention teams gauging the “pulse” of the fleet to help further determine the direction and next level of effort that we must apply to this daunting issue. We are committed to providing leaders with the necessary tools to effectively and aggressively attack retention, reinvigorating our efforts and shifting away from the drawdown mentality. Clearly, the retention focal point remains at the unit level with our commanding officers. The new retention center concept should greatly enhance the unit commander’s effectiveness in carrying out his/her retention responsibility.

We have, and will continue to emphasize the challenge, opportunities, rewards and excitement a Navy career offers, with particular emphasis on the immense pride associated with serving in the world’s greatest Navy. Much has already been accomplished in establishing or enhancing a broad range of targeted, cost-effective, incentive pays and bonuses, significant quality of life and workplace improvements, easing personnel tempo (PERSTEMPO) and the burden of the inter-deployment training cycle (IDTC). Continued focus is being placed on building the early and mid-career experience base through aggressive and effective retention and anti-attrition measures.

NAVY RECRUITING - WHERE IT ALL BEGINS

A key element of what makes our Navy the greatest in the world is our Navy recruiting effort. Our Navy Recruiting team, led by Rear Admiral Barbara McGann, has met the formidable challenge this past year, in the most competitive market since the inception of the all-volunteer force. When we entered FY99, we had fallen short of our previous year's accession requirement by nearly 7,000 recruits and our Delayed Entry Program (DEP) pool of recruits lingered nearly 17 points below our target. Facing an extremely formidable task, Navy leadership assessed the situation, determined the necessary resources that were needed and took the necessary steps to turn the near-term situation around. One year later, we were looking at a different picture, as Navy Recruiting, with significant help from Congress, achieved 100.1% of the overall FY99 enlisted accession mission, including over 100 percent of some of our most critical nuclear ratings. While this success was most welcome and critical to Navy's overall personnel readiness, we were unable to rebuild our DEP pool, currently at 28 percent, to the desired level of 40-45 percent. Additionally, our success was tempered by imbalance in the distribution, or mix, of recruits across ratings, leaving many gaps to be filled as we enter FY00.

Successes of FY99

FY99 was a comeback year for Navy Recruiting on the heels of FY98's painful wakeup call. Starting the year with a record low DEP pool, and facing the lowest unemployment rate in a quarter century and an extremely competitive civilian job market, the recruiting battle has been a significant struggle. Further hampering our efforts, a diminishing and disenchanted veteran/retiree population is providing less encouragement to young people to enter the military services. Additionally propensity to enlist, while showing some recent improvement, continued to decline overall. Finally, while the size of America's youth population began to rebound from its low point in the mid-90s, high school graduates have been opting for college over enlistment in the military.

Our Navy Recruiting team, with exceptional support from Congress, the Administration, and Navy leadership, overcame near-term obstacles and achieved most FY99 accession goals. This turn-around was largely attributable to a combination of infusion of manpower and capital, enhanced recruiting tools, development of internal strategies and initiatives, and exceptional team commitment. We increased the size of our recruiter force by over 30 percent, increased the Enlistment Bonus (EB) and Navy College Fund (NCF) budgets while authorizing increases in the maximum amounts payable, developed new and improved educational programs and created a new multi-faceted advertising campaign.

Ultimately, we exceeded our overall enlisted accession mission and filled over 100 percent of our most critical technical ratings, including our crucial Nuclear Field (NF). In doing so, we met or exceeded all Department of Defense (DOD) quality benchmarks. Ninety-percent of our FY99 accessions were High School Diploma Graduates (HSDG) and 65 percent scored in the upper half of the Armed Forces Qualification Test (AFQT). No recruits were accessed from the lowest recruitable test category (Category IV).

The year also proved encouraging for officer recruiting. Medical officer recruiting built on its successes of FY98, achieving goal in most categories, including 100 percent of the Dental Financial Assistance Program (FAP) goal for the first time in its eight-year history. Despite large goal increases, the only misses were in some particularly challenging specialties, such as Orthopedic Surgery, Family Practice, Health Care Administration, Optometry and Pharmacy. Nuclear Program Officer Candidate (NUPOC) recruiting experienced a remarkable improvement

in FY99. We accessed 81 percent of NUPOC goal compared to 53 percent in FY98. Additionally, skillful placement into the out-years positioned NUPOC recruiting to enter FY00 with reasonable confidence of achieving its first fully successful recruiting year since FY96. The strong performance of NUPOC recruiting was largely attributable to our increasing the collegiate pay grade from E-3 to E-6, increasing the signing bonus to \$8,000, increasing the number of VIP field trips for applicants and development and distribution of new promotional materials. Navy Recruiting also achieved 109 percent of general officer recruiting goals (includes all categories except Nuclear and Medical), meeting most program objectives except for Civil Engineering Corps (CEC), Aviation Maintenance Duty Officer (AMDO), Explosive Ordnance Disposal (EOD), Oceanographer and Naval Flight Officer (NFO). FY99 marked significant performance improvement over FY98, particularly for Supply Corps and NFO communities. Aggressive recruiting to targeted specialties resulted in a strong showing for officer recruiting in FY99.

Challenges of FY00

Despite the performance of our dedicated recruiter force, Navy Recruiting is not yet positioned for long-term success. We continue to face a daunting market: low unemployment, stiff competition and low propensity for military service. Size of the youth population is slowly increasing but more are opting to attend college following high school. Propensity, while still low, showed a small tick upward this Fall, but with a vanishing veteran population and record low unemployment we will have to work hard to sustain any increase. The most troubling factor at the dawn of FY00 was that, while we improved significantly in most areas of recruiting, we were not able to improve our DEP posture (still 28 percent against a target of 40-45 percent) through FY99. This forces recruiters to work on a sub-optimal month-to-month basis, struggling to meet each month's accession goal. The forced focus on in-month goals negatively impacts overall productivity and detracts from efforts to improve the sustainable, long term health of recruiting.

The continued hard work of our recruiters, application of extra resources in FY99 and FY00, and the initiation of new programs, have resulted in achieving the accession mission for 17 consecutive months through February 2000. We are cautiously optimistic that we will achieve our overall FY00 accession mission. However, my optimism is tempered by the fact that we have entered our toughest recruiting season, February through May, without a healthy DEP. Our long-term strategy continues to be building a stable recruiting program with a healthy DEP and recruiting the right mix to meet the Navy's 21st century requirements. With your continued support, we are focusing on acquiring and effectively utilizing resources needed to pursue recruiting quality people in the numbers needed to maintain your Navy's worldwide preeminence.

Planning for Success

Given the challenging requirements and conditions Navy Recruiting is expected to face over the next several years, we have developed a robust strategy with four focus categories. With strong congressional support, FY98 and FY99 saw many improvements in:

- the recruiter force,
- advertising,
- incentives, and
- market penetration.

Several additional high priority recruiting resource requirements have been identified which will allow us to continue expanding upon recent successes through FY00 and FY01.

Sustaining the Recruiting Force

The quality and depth of our recruiting force is the single most important factor in the recruiting formula. In less than one year, we increased the size of the force by 35 percent to 5,000 production recruiters. Based on prevailing market conditions and accession requirements, we are striving to maintain that level at least through FY01 or until we have achieved a healthy DEP. This cadre of 5,000 men and women includes 74 recruiters selected as E-4s (many were advanced to E-5 after selection for recruiting duty) to whom recruiting duty was first opened in FY99. This change expanded the pool of personnel eligible for recruiting duty and is expected to positively impact productivity, since our junior E-5 personnel were observed to be our most productive. The new E-4's are highly motivated volunteers, usually reporting from a successful first sea tour that permits them to relate exceptionally well to their target audience. Preliminary production data indicates that they are more productive than their senior counterparts. In no small part due to their demonstrated success, we intend to increase the participation of E-4 personnel.

We are also working to optimize the locations and productivity of our recruiters. We have opened, or are constructing, over 200 new recruiting stations to reestablish a presence in communities we left in the early 90's. We are also working toward our long-term goal to staff all of our stations with two to four persons, a level research indicates is the optimum size recruiting station. (We now have one-person stations only where geography dictates). As we increased the size of our production recruiter force, we discovered a need to provide increased administrative support to maximize recruiter production time. To that end, we have hired over 100 district-support personnel and have identified a CNO priority requirement to contract out administrative support duties in our recruiting stations. In January, we kicked-off a Bluejacket Hometown Area Recruiting Program (HARP) to augment our existing recruiter force. Senior Navy leadership is helping to seek out motivated young Sailors, generally on their first tour of duty, to return home on government-funded travel to assist local recruiters for up to two weeks. We have already scheduled over 745 volunteers with plans to seek more among students awaiting instruction and prior-service personnel awaiting in-processing.

Recruiter Quality of Life

Not a day goes by that we are not deeply inspired by our recruiters' efforts. They are on the front lines, attracting and accessing America's finest into the Navy. This fall we conducted our most recent Recruiter Quality of Life survey. We were pleased to learn that recruiters believe their role is important, that they are learning valuable skills and that their contributions are recognized and appreciated. We were not at all surprised to hear that they find recruiting duty to be more stressful than other Navy jobs, that they work over 60 hours a week and that they do not feel adequately prepared or compensated. These stellar young men and women are excelling on our behalf, but at great personal sacrifice. They are often located in sites far removed from the typical Navy support services. Housing, subsistence and medical care present amplified challenges to the average recruiter. We cannot overstate the importance of improving the support we provide for our recruiters.

Inaccessible health care, leading to greater out-of-pocket expense, and the complexity and difficulties associated with claims processing are major dissatisfiers for recruiters. We are

trying to assist our recruiters through our health care benefits advisors network. We strongly support the Chairman of the Joint Chiefs of Staff's position that improving TRICARE, particularly benefits like TRICARE Prime Remote, is one of DOD's top priorities.

In addition to hiring district support personnel and station administrators to ease the administrative burden on recruiters, we are also actively pursuing a series of Smart Recruiter initiatives to help recruiters work smarter rather than harder. These initiatives include not only providing cell phones and a 1:1 vehicle ratio for the 5,000 member recruiting force, but also developing enhanced recruiter training, using the same training techniques that have been so successful for the Marine Corps.

Getting the Message Across

In FY00 Navy received \$70.1 million for active duty recruitment advertising. We are using all media markets, including television, radio, Internet, direct mail, printed materials, newspapers, magazines, job fair and convention support, public service announcements, and CD-ROM's. Last year, an OSD sponsored study by Bozell-Murphy made several recommendations for improvement. Among those that we have completed, or nearly completed, are: increasing staff expertise, reducing national sports event media buys, implementing dark-periods during the media year in order to focus budget resources on key periods and integrating public affairs into advertising. A number of other recommendations are under review, including, expanding investment in local advertising, increased investment in internet banner advertising, conducting more research, and retooling media tactics by segmenting our market into various age groups, including our influencer market, with distinct strategies for each segment.

For FY01 our advertising budget remains constant at \$71.6 million. We have identified a need for additional funding to enable us to continue the very innovative and aggressive advertising programs discussed above and to continue leading the assault in initiating new advertising strategies using emerging technologies.

Enhancing the Appeal

We are constantly working to expand incentives and programs to create the best possible product for our recruiters to offer America's young people. With your support, we have enhanced financial incentives in the form of Enlistment Bonuses (EB) and Navy College Fund (NCF), the latter being an augmentation of the valuable Montgomery GI Bill. We have developed educational programs to increase our appeal to the college-bound market, including Navy College Assistance Student Headstart (NavyCASH), Technical Preparation (TechPREP) partnerships and the Navy College Program (NCP). We have also established added incentives to persuade new recruits to access as General Detail (GENDET) Sailors, including the GENDET Targeted Enlistment Program (GTEP), Homeport Guarantees and bonuses.

The Enlistment Bonus (EB) is used to attract prospective recruits, and as a channeling tool to persuade quality applicants to access into our most critical ratings and during our most challenging seasons. In FY99 and FY00, we have offered a seasonal shipping bonus to increase accessions during the difficult February to May season. The bonus was \$3,000 in FY99 and increased to \$5,000 this year. Our highest bonus levels are reserved for our most high-tech, demanding, critical ratings, such as Nuclear Field. Starting in late FY98 and continuing through this fiscal year, we are offering bonuses to GENDET accessions. The GENDET apprenticeships are undermanned and difficult to recruit to as recruits increasingly

look for a guarantee of technical training. GENDET EB is proving popular with take rates consistently at or near the top of all eligible ratings. We thank you for the authority granted in the FY00 Defense Authorization Act to increase our maximum bonus amount to \$20K.

An opportunity to earn money for college is consistently one of the top three reasons new recruits list for joining the military. The GI Bill is still the most widely recognized educational benefit of military service and a key selling point used by recruiters. Navy College Fund (NCF) compliments the GI Bill and is funded at nearly twice the FY97 level. This program has proven to be a strong incentive for attracting the highest quality individuals into our most technically demanding ratings. In FY00, we began offering the EB/NCF combination option that affords our prospective recruits an ideal opportunity to tailor their incentive package to meet their individual needs.

Expanding Opportunities to Serve

In January 1999, Navy reduced its requirement for accessions with a high school diploma from 95 percent to 90 percent, the DOD standard. The intent of this change was to provide opportunities for military service to those proven performers who had previously been excluded based on lack of a specific type of education credential. The High School Diploma Graduate (HSDG) requirement is used as a measure of attrition risk, while the Armed Forces Qualification Test (AFQT) score requirement (62 percent of accessions must score in the upper half on the AFQT) is used as a measure of skills, trainability and qualification for various ratings. Because the greatest concern associated with increasing non-high school diploma graduates (NHSDG) accessions is an increased risk of attrition, Navy Recruiting tightened its existing screening process. Additionally, new measures were taken in DEP management and at Recruit Training Command (RTC) to reduce attrition risk. One such measure is a one week Academic Capacity Enhancement (ACE) course provided at the beginning of RTC to NHSDG accessions to improve their academic and social skills and increase their chances of completing recruit training.

With just one full year of accessing to the 90 percent benchmark and less than a full year of RTC attrition data available on these carefully screened individuals, it is too early to reach any solid conclusions, but several positive observations can be made. The Navy was able to access 2,500 individuals who otherwise would have been excluded from service, which certainly helped us to reach our FY99 accession mission. Partially because of the screening requirements for these NHSDGs, our quality actually improved from 64 percent to 65 percent of accessions scoring in the top half of the AFQT. While we increased by five percent the number of NHSDG accessions, RTC attrition in FY99 was virtually identical to that of the previous year. The attrition gap between HSDG and NHSDG has not increased. RTC attrition was more than 2 percent lower in the second half of FY99 than in the same period of FY98. So far in FY00, RTC attrition is continuing to trend downward despite an increased number of NHSDG accessions. At least one division composed largely of NHSDG ACE graduates has earned CNO honors for superior performance at RTC. Starting in FY00, RTC is offering ACE students without a GED a chance to earn one. Of those who have taken the required exam, 82 percent have earned their GED.

We continue to explore other options to expand opportunities for service within the constraints of quality requirements. We are developing a DEP enrichment program. The objective will be to enhance the basic skill-level of otherwise fine candidates before accessing them into the Navy. We will identify individuals with high school diplomas and favorable background checks, but whose test scores are slightly too low to qualify them for enlistment in

the Navy (though eligible under broader DOD guidelines). They will be provided basic skills training and an opportunity to retake the Armed Services Vocational Aptitude Battery (ASVAB) to raise their AFQT score. If successful in raising their AFQT to at least Navy's minimum of 31, they will be enlisted. These individuals will be good retention candidates based on education credentials and represent low disciplinary risk based on clean records. They may even already qualify for some ratings based on composite line scores. They are just slightly lacking in basic verbal and mathematical skills measured by the AFQT. By providing basic skills training, we give these individuals a second chance to prove themselves and go on to serve with distinction.

In FY00, we are returning to a policy of actively recruiting prior-service personnel, a pool of talent that was relatively neglected during the downsizing. Prior-service accessions were limited, if not virtually shut down during the nineties as the focus was on encouraging individuals to leave, not to enter the military. As we review the gaps in our overall manning, it becomes increasingly attractive to seek out not only the best, young, new recruits, but also those individuals with valuable experience who are qualified to return to service. We have begun obtaining regular mailing lists, developing advertising materials, and aggressively seeking out Prior Service personnel to welcome back into the Navy. We have accessed 1186 Prior Service personnel through the end of February and are aiming for a minimum of 3,000 for FY00. This would bring us close to the numbers achieved in the late 80's.

QUALITY OF SERVICE

Several other issues factor into the recruiting and retention equation. These issues most assuredly fit into our quality of service commitment, are particularly noteworthy, and deserve recognition. Although these may be less tangible, they play a critical role in attracting men and women to serve and incentivize them to stay Navy. In addition to continuing efforts to reduce Sailor workload through Smart Work and Smart Ship programs and continued Inter-Deployment Training Cycle improvements, we are also addressing many other areas to help compensate our people for the sacrifices they endure in serving to our nation. These include, continuing pursuit of Thrift Savings Plan for military members, fulfilling our inherent responsibility to provide the very best health care available in the world, and providing access to outstanding educational opportunities.

Thrift Savings Plan

Navy continues to strongly support implementation of the Thrift Savings Plan for our Sailors. It is a "win-win" program that encourages our young Sailors to save for the future, aids recruiting and retention and makes military compensation more competitive with the civilian sector. Feedback from the Fleet indicates our Sailors have a strong desire for this tax deferred saving plan. Finding an offset for the PAYGO provision has unfortunately kept DOD from implementing this program. We are hopeful that this can be resolved and that TSP will soon be available to our Sailors. If implemented, TSP will serve as a centerpiece of our Personal Financial Management Program by helping Navy men and women establish savings early in their careers.

Health Care

Health care remains an integral part of our overall readiness and retention equation and as stated before, our commitment to quality of service. The Department of the Navy is working actively with the Department of Defense, the Joint Chiefs of Staff, and the other Services on ways to improve TRICARE and, while hard work remains, civilian and military leadership is committed to making the health care system responsive to its customers.

I strongly echo both the SECNAV's and CNO's views that while TRICARE has been fully implemented, we have more to do before we truly deliver on our commitment to provide quality, accessible health services to the entire beneficiary population, including retirees. The Nation needs to keep faith with those over 65 who believe we have broken the promise of lifetime care for their sacrifices. As you know, our retirees are the grandparents, great grandparents and even great, great grandparents of our Navy. They built our Navy through their hard work and devotion to duty. It has been said that freedom has a price the protected will never know, but our retirees know the price and they willingly paid it. Chief among their concerns is access to medical care. We are diligently monitoring Department of Defense demonstration projects to discern the value of supporting the decision to allow our MEDICARE eligible retirees to enroll in the Federal Employees Health Benefit Plan as well as expanding enrollment to a mail-order pharmacy program. We must be mindful of their needs because they are also the grandparents of the young men and women we need so desperately to recruit. How we respond to this issue sends a powerful message to today's Sailors as well as those considering military service.

Educational Opportunities

Educational incentives continue to be a top reason young people join the Navy and clearly provide highly effective retention tools. In further support of this data, we are finding that Sailors are increasingly pursuing educational opportunities to acquire new skills for career advancement and as a means to provide a better quality of life for themselves and their families. Education not only reaps dividends for our Sailors, but serves as a force and quality of life multiplier. They are involved in Academic Skills Learning Centers, testing programs for college credit and college admission, or taking college courses on-base or at-sea under the Program for Afloat College Education (PACE). Navy members continue to indicate that education is a major factor in both their recruitment and retention.

An educated and trained Sailor is better equipped to handle the demanding, fast paced, high tech Navy of the 21st century. The higher tempo and complexity of future operations will test our Sailors' and Marines' abilities to innovate, adapt, and apply their knowledge and experience to a variety of tasks in dynamic situations. Continuous learning is necessary for keeping our Sailors and Marines on the cutting edge, including an increased reliance on advanced distance learning systems. The Department's goal of putting career-long emphasis on each Service member's educational and training needs and accomplishments is clearly in consonant with Navy's retention priorities. Navy recognizes that with the prevailing increase in the number of students choosing to attend college immediately after high school, it is essential to portray the Navy as a viable source of higher education, in partnership with national colleges and universities. We have begun three relatively new and exciting programs to promote Navy's image as a viable source of advanced education in cooperation with civilian institutions: TechPREP, NavyCASH, and the Navy College Program (NCP).

TechPREP

Navy began to form TechPREP partnerships with community colleges in FY99. Interested students sign up during their junior year in high school and complete 15 college credits while in high school, another 15 credits after high school graduation while in DEP and all remaining required credits through Navy basic and select advanced technical training. Upon completion participants are awarded an associate's degree from a partner community college. Already 37 community and three college consortiums around the country have signed articulation agreements, with many more in the works and high school students are already participating in these programs. TechPREP participants are also potentially eligible for bonuses, NCF and/or loan repayment programs when they access on active duty.

NavyCASH

An additional program, currently limited to nuclear field and critical submarine ratings applicants is the NavyCASH program. Selected applicants enlist in the Navy in an inactive paid status for up to one year while attending college before they ship to RTC. This exciting program improves the entry-level training of applicants and allows the Navy to manage the shipment timing of recruits. Currently limited to 150 work-year quotas per year, this program is proving extremely popular, with roughly two thirds of the quotas for FY00 obligated by mid-February.

Navy College Program

A third program that highlights Navy educational opportunities is the Navy College Program (NCP). Effectively kicked-off in October 1999, NCP assists Sailors in obtaining advanced degrees as quickly as possible. It incorporates and expands upon all existing Navy education programs. Every Sailor is given guidance to develop a roadmap for obtaining a degree based on pre-service education, rating technical training, existing distance learning and testing programs and in-service college attendance using Tuition Assistance. Transcripts are available to Sailors detailing all current credits from any active duty educational experience. Partner colleges will award appropriate degrees upon completion of necessary credits. From a recruiting perspective, it is gratifying to be able to describe to recruits this clear indication of Navy's support of lifelong learning for all Sailors.

Expanding Training Opportunities

Today's youth are immersed in a high-tech world that demands ever-greater levels of technical training. Prospective recruits are increasingly likely to demand technical training in the form of formal A-school guarantees. This has made general detail (GENDET) recruit apprenticeships harder to fill. Several initiatives have been developed to combat this problem; one of our most successful programs is the GENDET Targeted Enlistment Program (GTEP). This program allows an individual to join the Navy, spend 12-18 months as a GENDET, then go on to attend a guaranteed Class "A" school. In this way, Navy fills its near-term GENDET requirements and provides the individual desired technical training. Although it first became available in June 1999, we sold 433 GTEP quotas through the remaining four months of FY99. We have already sold over 360 GTEP seats in FY00.

LIFELines

The LIFELines' System of Care is a Joint Military Services Partnership project that delivers Quality of Life (QOL) services and programs using the Internet, Teleconferencing, Satellite Broadcasting and Cable TV. It is a test pilot project system whose architecture was created by its users and partners and was officially opened to the military and civilian public in January 1999. The project is migrating to a third generation implementation phase which will incorporate knowledge management networking, interactive, and customization technology capabilities such as electronic schoolhouse course delivery, audio-video streaming, on-line customer survey/polling, interface links, relocation services and directories, and electronic transactions. The LIFELine Quality of Life Support Services Delivery System initiative was recently selected as one of 10 award winners from the Government Technology Services Board, Center of Excellence for Information Technology for successfully applying web-enabled technology to reengineer business practices. In Oct 1999, LIFELines was also recognized by GSA as one of two best sites among 200 government web-based sites that was using technology innovations to provide transactional service delivery.

Morale, Welfare, and Recreation (MWR)

Navy MWR is a critical element in our Navy recruiting, retention and quality of service strategy. The program focuses on providing an environment that encompasses a hometown atmosphere for active duty Sailors and their families reminiscent of the communities they left behind when they volunteered to serve our country. We must sustain an environment in which members will want to continue serving their country and will ultimately decide to make the Navy a career choice.

Indicators of success in MWR programs are numerous. Physical readiness is enhanced and sustained from living in a fitness culture that has readily available quality fitness centers, gyms and athletic programs. A 1999 MWR study found 65 percent of enlisted and officers identified MWR as a direct contributor to their physical readiness. In the same study, 85 percent of enlisted and 88 percent of officers identified MWR as important because of the recreational opportunities provided while serving on active duty. Childcare and youth activity programs are also highly valued as they permit our men and women in uniform to perform their military duty without being distracted over concern for the welfare of their children.

Over 44 percent of our workforce is E-4 and below, of which a large percentage of this group are unmarried. This means we have a special challenge at hand. That is, we must be able to adequately address the concerns of this important military community by providing a range of activities that target individual Sailors needs while balancing Navy mission readiness and retention needs. We have rapidly expanded our single Sailor program. We now have over 30 single Sailor centers in fleet concentration areas compared to just ten centers three years ago.

Clearly MWR is helping us meet the retention challenge. A recently completed study specifically cited MWR as a factor that positively influenced 30 percent of enlisted and 37 percent of officers to decide to make the Navy a career choice. To sustain this benefit, we are supporting MWR through our continued commitment to fund these programs. We are close to our goal of funding all the costs of our mission support programs such as gyms, fitness centers, and sports with appropriated funds. We are also very close to meeting the OSD goal of providing appropriated funds to finance 65 percent of the cost of community support programs.

In addition, we are successfully operating our business type services such as clubs, bowling, golf, marinas, and concerts without appropriated funds.

Our challenge is to continue to focus our programs on the needs of our customer, thereby maximizing the MWR contribution to retention. We have revised our master plan to help us strengthen our fitness culture, ensure resources are used to meet our customers greatest needs, and to ensure core programs of quality are available on all our bases. MWR is a significant contributor to retention and the personal readiness of our Sailors.

Family Service Centers

Through the system of 55 Family Service Centers (FSC), with service delivery at 65 sites, and over 1,300 dedicated counselors, educators, program coordinators, and support staff, Navy provides annual services and responses to over four million contacts. The FSC mission is to increase Navy's operational readiness by supporting commanding officers and providing information, education, and counseling to Sailors and their families. Today, 69 percent of our officers, 89 percent of warrant officers, and 56 percent of enlisted personnel are married, and Navy family members total approximately 512,000. Offering a wide range of programs that enhance Quality of Service for Sailors and their families, FSCs provide assistance to commanders through readiness support capabilities for operations, mobility, counseling and advocacy, and management and technology support. FSC regionalization continues using advanced technology to provide support services to dispersed personnel and family members.

Preventing Workplace and Domestic Violence and Harassment

Key to quality of service is our commitment to ensuring that both the Navy workplace and Navy family are as free from workplace and domestic violence and harassment as possible. Navy has several programs that address these issues as we strive to keep our Sailors and their families safe. Our Navy Family Advocacy Program (FAP) is an essential component in meeting this challenge and is a valuable resource to Navy commands and their families. FAP services, provided through Family Service Centers and Family Advocacy Centers, include prevention, identification, treatment, follow-up, reporting of child abuse and neglect, and spouse abuse. Both the victim and the offender are the focus of FAP's intervention efforts. In keeping with the FY00 National Defense Authorization Act, Navy appointees serve on the Defense Task Force on Domestic Violence which will develop a long-term strategic plan to more effectively address matters relating to domestic violence. In the interim, Navy has been coordinating with the Naval Criminal Investigative Service's Domestic Violence Units to standardize training, response, and reporting; as well as ensuring that all investigative findings are reported to appropriate agencies and officials.

Sexual Harassment Prevention

Navy's data trend for the prevention of sexual harassment and unprofessional behavior continues to be encouraging. The number of SITREPs reporting formal EO and sexual harassment complaints is down from last year. We continue to emphasize fair and equitable treatment of all hands, by all hands, at all times. The 1999-2000 Navy Equal Opportunity and Sexual Harassment Survey (NEOSH) is currently out in the Fleet. Results should be available by mid-summer.

Training and education emphasize to Sailors the types of behavior that are prohibited and what actions should be taken if they occur. Commanding officers are responsible for their

command climate and assess their EO environment periodically. Gender neutral sexual harassment prevention training is incorporated in all accession training and is reinforced through annual Navy General Military Training (GMT). Appropriate behavior is also embodied in the Navy Leadership Continuum curriculum.

Family Advocacy Program

Addressing the problem of domestic violence within Navy families, the Family Advocacy Program (FAP) exists as an essential quality of service program. FAP services, provided through Family Service Centers and Family Advocacy Centers, include prevention, identification, treatment, follow-up, reporting of child abuse and neglect, and spouse abuse. Both the victim and the offender are the focus of FAPs intervention efforts. We implemented victim support services for victims of child and spouse abuse as part of our overall effort to assist victims of violent crimes. Our most recent initiative has been to coordinate efforts with Naval Criminal Investigative Services' Domestic Violence Units to standardize training, response, and reporting; as well as ensuring that all investigative findings are reported to appropriate agencies and officials. Navy policies ensure leadership's involvement, service member accountability, victim safety and support, and quality of services provided to the Fleet. The New Parent Support Program is our primary child abuse prevention initiative providing early intervention home visitations that are designed to promote healthy functioning families, child development, and positive parent-child interactions. Successful Sailors tomorrow are a measure of today's initiatives and Today's Children Are Tomorrow's Sailors.

Sexual Assault Victim Intervention

Navy's Sexual Assault Victim Intervention (SAVI) Program is the only dedicated sexual assault prevention/assistance program in the Services. We are implementing a comprehensive, standardized, victim-sensitive system to prevent sexual assault Navy-wide, but to respond swiftly and effectively when it does occur, as we work toward eliminating this type of crime from our installations and ships. The program contains three components: (1) awareness and prevention education, (2) victim advocacy and intervention, and (3) collection of reliable data. There are currently 28 full-time SAVI Program Coordinator positions at Family Service Centers in overseas, isolated, and fleet concentration areas.

Victim and Witness Assistance Program

Striving not to re-victimize those affected by a crime, our Victim and Witness Assistance Program (VWAP) is designed to ensure that victims and witnesses are treated with fairness and respect and are afforded their rights throughout the criminal justice process. Navy VWAP consists of four functional areas: law enforcement/investigation, prosecution, corrections, and service providers. Service providers are trained professionals including mental health counselors, medical staff, and legal assistance attorneys. Liaison officers also chair interdisciplinary councils to address local issues and resolve concerns at the lowest possible level. With the assistance of a grant from the Office for Victims of Crime, Department of Justice, Navy VWAP personnel worldwide received essential training. Regional VWAP liaison officers ensure that command level VWAP coordinators receive the necessary training to implement the program's policies.

Honoring Our Heritage

Our Navy Family

Ours, however, is not a position of watching and waiting. One of our key retention objectives is to ultimately return our Sailors to civilian life, properly trained and experienced, imbued with a sense of purpose and duty to become productive citizens. Simply stated, we want them to become good ambassadors for our Navy. Therefore, I have synchronized efforts of my staff, utilizing existing assets, to achieve more. I am asking our Fleet, force and regional commanders to renew their support and appreciation for those that have supported us for so many years by engaging with our retiree population to better understand their issues and address them appropriately. I am also looking forward to the wisdom and guidance offered by the Secretary of the Navy Retiree Council, scheduled to meet later this year. This group, founded more than 30 years ago, provides us with solid recommendations to help us improve our delivery of services.

Funeral Honors

We have a natural tendency to focus on taking care of people in life. Our responsibility doesn't stop there. We have a moral obligation to ensure that we remember our Sailors, past and present by rendering appropriate military funeral honors upon their death. And we are deeply committed to fulfilling that inherent responsibility, whenever possible. Navy provided funeral honors support to over 5,400 fallen shipmates this past year. However, providing funeral honors has become increasingly challenging over the past several years. Requirements continue to grow straining today's smaller force. As our population ages, we fully expect requests for funeral honors support to increase next year. Navy is a full partner in a broad coordinated effort by the Department of Defense, the Department of Veterans Affairs, and veterans' service organizations to develop solutions to provide support when requested. Our collective goal is to provide funeral honors, not just because of a congressional mandate, but because it is clearly the right thing to do. It is our duty to former shipmates to provide the time-honored tradition of military funeral honors. Our Sailors, and their families, expect and deserve nothing less.

SUMMARY

Personnel readiness has never been more critical to our national security. We are in a war for people, a war the Navy is committed to winning. Last year's NDAA was a critical step in helping us in the recruiting and retention battle, and again, I thank and applaud the Congress and this subcommittee's efforts. That said, wherever I go in the fleet I am repeatedly reminded that the one step is not enough; that more is needed from both within the Navy and through help from Congress to continue to rightfully recognize the efforts and sacrifices of our Sailors and their families. We need to leverage the successes in 1999 to sustain and build the force for the years ahead. We are dedicated to doing this. The more tools we can apply to this daunting task, including this year's legislative agenda and new recruiting, retention and quality of service initiatives, the better we will be able to address our shortfalls. Although I am optimistic about the outcome, your continued focus and attention to our efforts will be pivotal in achieving the optimum personnel readiness.