



**DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010**

AUG 02 2019

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Defense-Wide Review

The Secretary of Defense has directed a comprehensive zero-based review of all defense-wide (DW) functions and activities. The immediate goal of this review is to identify time, money, and manpower resources that can be reallocated to our highest priorities in support of the National Defense Strategy (NDS) through the FY 2021-2025 Program and Budget Review, as well as adjustments to FY 2020 where feasible. The review will also support a longer-term focus on structural reform, ensuring all DW activities are aligned to the NDS while evaluating the division of functions between DW organizations and the Military Departments. This longer-term focus will produce additional savings in support of future budget cycles.

I will lead the review with key support from the Office of the Chief Management Officer, Office of the Under Secretary of Defense (Comptroller), and Office of the Director, Cost Assessment and Program Evaluation. These offices will be contacting you to provide further guidance and to collect data from your organization to inform weekly decision meetings chaired by the Secretary of Defense (as his schedule allows). We will begin immediately and move forward aggressively, as all DW organizations, appropriations, funds, and accounts will be included in the zero-based budgeting review. Given the variety of DW organizations and functions, we will tailor the review approach as needed. The review will consider all ideas—no reform is too small, too bold, or too controversial to be considered. The kick-off session will occur on 10 August and will focus on reviewing the Defense Threat Reduction Agency.

As Secretary Esper said in his confirmation hearing, in “an era of mounting fiscal challenges and competing demands, we must actively seek ways to free up time, money, and manpower to invest back into our top priorities.” This review is a key element of that commitment; it will be up to us to identify the resources we need to enhance lethality and meet the readiness and modernization demands of the NDS. I expect all leaders to review their budgets carefully, to ensure that every dollar is spent wisely and is focused on increasing the lethality of our men and women in uniform.

A handwritten signature in blue ink, appearing to read "Daniel L. M. J.", is located at the bottom right of the page.