

Vollrath Takes On Readiness and Commissary Oversight As PDASD, R&FM

By LARRY LAPKA
ASSOCIATE EDITOR

• WASHINGTON

Late in March, Lt. Gen. Frederick E. Vollrath, USA (Ret.), joined the ranks of the Senior Executive Service (SES) and was sworn in as principal deputy assistant secretary of defense (PDASD), Readiness and Force Management (R&FM). Vollrath is the first senior executive to be formally appointed to this new position.

Among Vollrath's numerous responsibilities as PDASD, R&FM, is the day-to-day supervision of the Defense Commissary Agency (DeCA) and the Department of Defense Education Activity (DoDEA). He is also responsible for all matters related to civilian and military personnel policy, readiness of the force, military community and family policy, diversity management, and equal opportunity.

With this new appointment, Vollrath became dual-hatted, since he is also performing the duties of assistant secretary of defense, Readiness and Force Management (ASD, R&FM). Lynn C. Simpson, the former chief of staff, office of the Under Secretary of Defense, Personnel and Readiness (USD, P&R), who was previously delegated the authority to perform those duties, was named March 5 to the position of senior advisor and executive in residence to the president of the National Defense University (NDU).

CAREER PATH

Prior to his latest appointment, Vollrath accumulated more than 40 years of human resource management and executive leadership experience, including information technology (IT) management, organizational development, business transformation and development, and strategic planning.

He last served as president of Vollrath Consulting, and has also served as vice president of human resources for Computer Sciences Corp.

Vollrath retired from the Army in 1998, reaching the rank of lieutenant general after serving 35 years in human resource management command and staff positions. He last

—Continued, Vollrath



Vollrath

AAFES Names Retail, Business and Restructuring Expert Tom Shull as First Civilian Director

By PHIL GRAY and LARRY LAPKA
MANAGING EDITOR ASSOCIATE EDITOR

• DALLAS

On May 23, after what it described as a rigorous process led by executive search firm Reffett Associates, Ltd., the Army & Air Force Exchange Service (AAFES) Board of Directors named Thomas C. "Tom" Shull, as the Exchange's first civilian director/chief executive officer (CEO).

Shull — who is currently the co-founder and CEO of Meridian Ventures, LLC, a venture management and turnaround firm — has an extensive and varied background that ranges from top-level leadership, restructuring and consulting roles in corporate retail, food and direct marketing, to service both in the military and with the White House in a national security capacity.

In an announcement informing the Exchange's 43,000 employees of the selection, the organization's chairman of the board, Lt. Gen. Raymond Mason, USA, cited Shull's "vast retail experience and proven leadership skills," and predicted that he "will be a magnificent first director and chief executive officer as the Exchange moves forward in an ever-changing marketplace."

—Continued, AAFES Director



Shull

Dillon Appointed Director, Semper Fit And Exchange Services Division

• QUANTICO

William C. Dillon was appointed director of the Semper Fit and Exchange Services (MR) Division of the Marine Corps' Manpower and Reserve Affairs Department, the resource and program sponsor overseeing the Marine Corps Exchange (MCX), effective April 22.

Dillon succeeds Maj. Gen. Timothy R. Larsen, USMC (Ret.), who stepped down as director on Aug. 3, 2011 (see *E and C News 10/11*). Dillon has been MR's interim director since that time.

As the director of MR, Dillon is responsible for Semper Fit and Recreation Programs, including the Single Marine Program, Fitness and Health Promotion, Competitive Sports, Combat Fitness, and Benefits-Based Recreation; Exchange Services, such as the MCX, Services, Food and Hospitality, and Recreational Business Programs; Deployed Support Services, including tactical field exchanges (TFE), Fitness, Recreation, and Communication Services; and Enterprise-wide Support Services contributing

to the efficient operation and functions of all Marine Corps Community Services, Marine and Family Programs, and Wounded Warrior Programs. These include Finance and Accounting, Human Resources, Information Technology, Construction, and Procurement and Contracting Services.

Dillon, a former Marine Corps first lieutenant, has experience in national and international corporate businesses as well as enterprise-level knowledge of appropriated fund (AF) and non-appropriated fund (NAF) business processes.

While serving as interim director, Dillon also remained as MR's chief financial officer (CFO), a position he held since June 2004. As this issue went to press, there was no word on who would succeed Dillon as MR CFO.



Dillon

2013 NDAA Spotlights 'Fiscal Sanity,' Sustainable Buying

By PHIL GRAY
MANAGING EDITOR

• WASHINGTON

Working swiftly on the 2013 National Defense Authorization Act (NDAA), the House Armed Services Committee (HASC) released its markup May 8, less than six weeks after the bill's March 29 introduction, and the full House quickly followed suit, approving H.R. 4310 on May 18, by a vote of 299-120.

Reflecting "concern about America's mounting debt," HASC Chairman Howard P. "Buck" McKeon (R-Calif.) promised the \$554 billion House bill would "restore fiscal sanity to the defense budget ... also ensuring that our armed forces have the resources they need to meet an increasingly dangerous world."

With many in the military community wondering just how much more in the way of proposed budget cuts they might be able to endure, McKeon pointed out that the bill "recognizes that the military has absorbed 50 percent of deficit reduction efforts to date, though it comprises only 20 percent of the

—Continued, Authorization Bill

—Continued, Vollrath

served as the Army's Deputy Chief of Staff (DCS) for Personnel (G-1), where he directed all aspects of human resources management and administration for the total Army.

"TAKING CARE OF SOLDIERS"

Vollrath also serves as the president of the Maude Foundation, an organization dedicated to preserving the legacy of Lt. Gen. Timothy J. Maude, USA, by continuing to take care of soldiers in America's Army. Maude was serving as the Army's DCS for Personnel when he was killed in the attack on the Pentagon the morning of Sept. 11, 2001.

DISTINGUISHED PROFESSIONAL

Vollrath holds a Bachelor of Business Administration in Management from the University of Miami and a Master of Arts in Personnel Management from Central Michigan University. He is a Professional Member, Society of Human Resource Management (SHRM); a member of the Senior Executives Human Resources Round Table, University of California, Los Angeles (UCLA); past member of the Advisory Board for California State University, Dominguez Hills; and co-chairman of the Army Chief of Staff Retiree Council.

His military awards and decorations include the Distinguished Service Medal; Legion of Merit; Bronze Star; Meritorious Service Medal; and the Army Commendation Medal.

—Continued, AAFES Director

VARIED BACKGROUND

In selecting Shull as the Exchange's future director, the AAFES board effectively unites the executive's business acumen with his experience in government and defense matters.

Shull served 10 years as an active-duty Army officer from 1973 to 1983. He was appointed a White House Fellow and also led a comprehensive review of the National Security Council (NSC) while serving from 1981-85 as military assistant to Robert C. McFarlane, the national security advisor to President Ronald Reagan. He was also an assistant professor at USMA West Point, N.Y., and is also familiar with the lives of the active-duty servicemember he will be serving, having been a commander of a mechanized infantry company during his time on active duty.

BUSINESS PEDIGREE

Concurrently with managing Meridian Ventures since 1990, Shull has served in executive leadership roles with national retail, food, clothing and direct marketing companies, most recently from 2008 to 2009, as chief restructuring officer and plan facilitator of Fred Leighton Inc.; from 2004 to 2008 as chairman of Wise Foods; and from 2000 to 2004 as CEO and president of Hanover Direct Inc., and also as chairman/CEO of Merry Go Round Enterprises.

Shull's high-profile retail executive positions have also included president/chief operating officer (COO) from 1997 to 1998 and later, CEO from 1998 to 1999 of Barney's New York Inc.; executive vice president of R.H. Macy and Company Inc., from 1992 to 1994; and membership on the executive committee of Sanger Harris/Federated Department Stores from 1985 to 1986.

Shull's client portfolio at Meridian Ventures has included consulting assignments and executive roles for numerous nationally and internationally-known businesses such as Louis Vuitton Moët Hennessey, Federated Department Stores, and Mobil Corp, and also as chief restructuring officer of Spiegel Brands. He rose to prominence in this field as senior consultant for McKinsey & Company Inc., from 1986 to 1990. Shull has also been the leader of many startups including idealab, eve.com, myhome.com, and ice.com.

ACCOLADES

The son of the late retired Army Brig. Gen. Lewis F. Shull, AAFES's incoming director served in numerous Army line and staff assignments while on active duty. He was also President Reagan's lead representative in successfully overseeing the construction of the Vietnam Veterans Memorial. His government and service awards include the Defense Superior Service Medal; Meritorious Service Medal; Infantryman's Badge; Ranger Tab and Airborne Wings.

Shull attended the Harvard Business School, where he received a Master of Business Administration (MBA) degree with honors after earning a bachelor of science (BS) degree at the U.S. Military Academy.

—Continued, Authorization Bill

federal budget." The bill's funding level, though less than last year's request, is nearly \$4 billion more than the President's budget request.

Across the aisle, the Senate introduced its corresponding authorization bill, S. 2467, on April 26, and anticipated completing its markup by May 24.

Addressing disagreement on the bill, Secretary of Defense Leon Panetta noted, "My concern is that if Congress now tries to reverse many of the tough decisions that we reached by adding several billion dollars to the president's budget request, then they risk not only potential gridlock ... [but] they could force the kind of trade-offs that could jeopardize our national defense."

RESALE PROVISIONS

The bill, as reported in the House, included several provisions that directly affect military resale.

One of these, section 642 — "Repeal of Certain Recordkeeping and Reporting Requirements" — could impact the assortment of U.S. and host-nation merchandise purchased for sale in OCONUS stores. The measure would eliminate the requirement for the Secretary of Defense to report to Congress "the changes in restrictions on the sale of merchandise in commissary and exchange stores overseas that are required to prevent the resale of such merchandise in violation of treaty obligations of the U.S. or host nation laws."

Another, Section 644 — "Purchase of Sustain-

able Products, Local Food Products, and Recyclable Materials for Resale in Commissary and Exchange Store Systems" — would require guidelines to be established within two years, "for the identification of fresh meat, poultry, seafood, produce, and other products raised through sustainable methods that are not harmful to the ecology." The committee called for the guidelines "to consider the impact of implementing sustainable product policies on the cost of goods and the pricing of the products offered to patrons." It also would require that goals be established no later than Sept. 30, 2017, for all exchange and commissary stores to purchase sustainable products, local food products, and recyclable materials.

EXTENDED ELIGIBILITY

Another measure, in section 631 of the bill, seeks to extend the period of eligibility, which is scheduled to expire at the end of this year, for commissary and exchange benefits for servicemembers involuntarily separated from the military for two years from the date of separation, from January 2013 through the end of December 2018.

FOOD DONATIONS

In section 641, the bill also seeks to clarify that the Secretary of Defense may make donations of "Unusable Commissary Store Food and Other Food Prepared for the Armed Forces," to charitable food banks, food pantries, and soup kitchens.

COMMISSARY CONSTRUCTION

The bill includes an extension of the 2010 commissary construction authorization for the MCMWTC Bridgeport, Calif., store of \$6.8 million.

OTHER MEASURES

Among other quality-of-life measures passed by the House were a 1.7-percent military pay increase and extended military bonuses and special pay. Committee Chair McKeon emphasized that the bill "restates the firmly-held sense of Congress that prior service to our nation is a pre-payment of healthcare benefits in retirement" and rejects the administration's proposed new and increased TRICARE fees.

Also included in H.R. 4310 is Rep. Scott Rigell's (R-Va.) bipartisan Military Housing Oversight and Accountability Act, which targets assurance of adequate housing for servicemembers and their families.

BRAC

The Committee, Rigell said, also sent a clear signal that it would not move forward on a new round of domestic Base Closure and Realignment (BRAC) called for in the most recent federal budget.

"Unless and until we ensure there is a legitimate national security need for each and every one of our overseas military installations, there should be absolutely no talk of a domestic BRAC," said Rigell.

The bill also authorized \$88.5 billion for Overseas Contingencies Operations (OCO).