THE COMMISSION ON PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION REFORM
Final Report

COMMISSION ON PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION REFORM

DEFENSE RESOURCING FOR THE FUTURE

FINAL REPORT

MARCH 2024
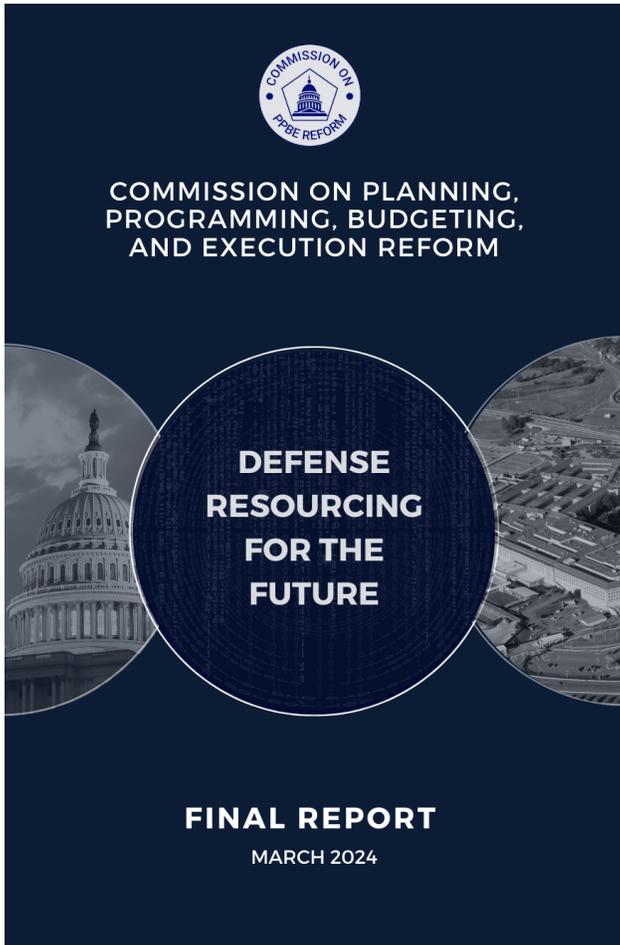
5 identified critical areas for reform

24 months of research, analysis, and discussions

400+ interviews with subject matter experts

28 recommendations to transform the defense resourcing process

Access the Final Report and other Commission products on our website at ppbereform.senate.gov

The Commission on Planning, Programming, Budgeting, and Execution (PPBE) Reform has concluded that **a new approach to the defense resourcing process is required** to better maintain the security of the American people.

The Department of Defense (DoD) needs a new process, one that enables strategy to drive resource allocation in a more **rigorous, joint, and analytically informed way.** The new process should also embrace changes that enable DoD to **respond effectively to emerging threats** while leveraging technological advances.

THE COMMISSION IDENTIFIED FIVE CRITICAL AREAS AND 28 RECOMMENDATIONS FOR REFORM

Improve the Alignment of Budgets to Strategy

1. **Replace the PPBE Process with a new Defense Resourcing System**
2. **Strengthen the Defense Resourcing Guidance**
3. **Establish Continuous Planning and Analysis**
4. **Transform the Budget Structure**
5. Consolidate RDT&E Budget Activities

Foster Innovation and Adaptability

6. **Increase Availability of Operating Funds**
7. Modify Internal DoD Reprogramming Requirements
8. **Update Values for Below Threshold Reprogrammings**
9. **Mitigate Problems Caused by Continuing Resolutions**
10. **Review and Consolidate Budget Line Items**
11. **Address Challenges with Colors of Money**
12. Review and Update PPBE-Related Guidance Documents
13. Improve Awareness of Technology Resourcing Authorities
14. Establish Special Transfer Authority Around Milestone Decisions
15. Rebaseline OSD Obligation and Expenditure Benchmarks
16. Encourage Use of the Defense Modernization Account

Strengthen Relationships Between DoD and Congress

17. **Encourage Improved In-Person Communications**
18. Restructure the Justification Books
19. **Establish Classified and Unclassified Communication Enclaves**

Modernize Business Systems and Data Analytics

20. **Create a Common Analytics Platform**
21. Strengthen Governance for DoD Business Systems
22. Accelerate Progress Toward Auditable Financial Statements
23. Continue Rationalization of the OSD Resourcing Systems
24. Modernize the Tracking of Congressionally Directed Actions

Strengthen the Capability of the Resourcing Workforce

25. **Continue the Focus on Recruiting and Retention**
26. Streamline Processes and Improve Analytic Capabilities
27. **Improve Training for Personnel Involved in Defense Resourcing**
28. Establish an Implementation Team for Commission Recommendations

RECOMMENDATIONS IN BOLD ARE KEY RECOMMENDATIONS