1. **PURPOSE**

Under the authority vested in the Secretary of Defense by Section 113 of reference (a), this Directive supersedes reference (b) and establishes policy and assigns responsibilities for the Secretary of Defense Fellows Program.

2. **APPLICABILITY**

This Directive applies to the Office of the Secretary of Defense, the Military Departments, and the Chairman of the Joint Chiefs of Staff. The term "Military Services," as used herein, refers to the Army, the Navy, the Air Force, and the Marine Corps.

3. **POLICY**

It is DoD Policy that:

3.1. The Secretary of Defense Fellows Program shall be established to help build a cadre of future military leaders who:
3.1.1. Have an appreciation for how revolutionary changes in information and related technologies are influencing American society and business in ways that will affect the culture and operation of the Department of Defense over the next few decades, and for the skills required to address these matters.

3.1.2. Are able, during their assignment to the Secretary of Defense Fellows Program and throughout their careers, to conceive compelling military operational and organizational opportunities, innovations, and options that derive from these revolutionary changes in information and related technologies.

3.1.3. Motivate and lead their Services toward innovative responses to revolutionary changes in information and related technologies, and to challenge others to address these matters, thereby improving operational and organizational thinking throughout the Department of Defense.

3.2. The Secretary of Defense Fellows Program shall neither duplicate existing Fellows Programs within the Department of Defense nor be used to produce better acquisition specialists.

3.3. Annually, not later than June 30, each Service shall nominate two military officers (one from the Marine Corps), in the pay grade of O-5 or O-6 who have demonstrated high flag or general officer potential, for assignment to the Secretary of Defense Fellows Program. Each fall, selected Fellows shall be assigned for 10 months to a private business corporation or a public-sector institution (hereafter referred to as "the Sponsoring Institution").

3.4. Military officers assigned to the Secretary of Defense Fellows Program, as the final action of the assignment, shall provide a written information report and a briefing to the Secretary of Defense, the Secretary of their Military Department, and the officer's Service Chief that describes the work performed, insights gained regarding operational and organizational change, how these changes may influence the culture and operation of the Department of Defense, and appropriate recommendations for the Department of Defense, the officer's Military Service, and the Secretary of Defense Fellows Program.

3.5. Military officers who satisfactorily complete an assignment to the Secretary of Defense Fellows Program shall receive Senior Service college credit and shall incur an obligation to serve on active duty 2 additional years minimum.
4. RESPONSIBILITIES

4.1. The Under Secretary of Defense for Policy, as the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense for all matters concerning the Secretary of Defense Fellows Program, shall:

4.1.1. Designate the Director of Net Assessment as the official within the Office of the Under Secretary of Defense for Policy responsible for developing, coordinating, and overseeing the implementation of policy concerning the administration and management of the Secretary of Defense Fellows Program.

4.1.2. Designate a Director, Secretary of Defense Fellows Program, who shall:

4.1.2.1. Direct and manage the Secretary of Defense Fellows Program and all assigned resources.

4.1.2.2. Report to the Under Secretary of Defense for Policy (USD(P)) through the Director of Net Assessment.

4.1.2.3. Provide the Secretaries of the Military Departments with an annual projection of costs for the Secretary of Defense Fellows' travel and other anticipated special expenses.

4.1.2.4. Determine, in consultation with Sponsoring Institutions, the work plan for assigned Fellows.

4.1.2.5. Make frequent visits to the Sponsoring Institutions to obtain informal progress reports from the Secretary of Defense Fellows and Sponsoring Institutions.

4.1.3. In coordination with the Under Secretary of Defense for Acquisition and Technology, the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, and the Vice Chairman of the Joint Chiefs of Staff, recommend to the Secretary of Defense the Sponsoring Institutions to be considered for the Secretary of Defense Fellows Program. To be eligible, Sponsoring Institutions must be at the forefront of the information revolution and have a reputation for insightful long-range planning, organizational innovation, and adaptation. The selection of Sponsoring Institutions shall place special emphasis on corporations and other institutions that:

4.1.3.1. Have successfully managed and exploited the revolution in information and other technologies, reshaping their organizational structures and
methods of operation to remain competitive in a dramatically changed global business environment.

4.1.3.2. Are characterized by a strong strategic planning capability, constant innovation, and continuous efforts to exploit the principles behind time-based competition and the cultivation of corporate organizational agility.

4.1.3.3. Can significantly advance a Fellow's understanding of how the information revolution is influencing American society and business in ways that will influence the culture and operation of the Department of Defense.

4.2. The Secretaries of the Military Departments shall:

4.2.1. Annually, nominate two military officers from each Service (one officer from the Marine Corps) in pay grade O-5 or O-6 who have demonstrated high flag or general officer potential for a 10-month assignment with the Secretary of Defense Fellows Program. Nominations shall be submitted to the Secretary of Defense, through the USD(P), by June 30.

4.2.2. Provide administrative, personnel management, and all funding support, including that required for travel, housing, and other necessary needs, for all military officers assigned to the Secretary of Defense Fellows Program from their respective Departments.

4.2.3. Ensure Senior Service college credit is awarded to members of their Service upon their satisfactory completion of an assignment to the Secretary of Defense Fellows Program.

4.2.4. Upon completion of a military officer's assignment to the Secretary of Defense Fellows Program, complete officer evaluation and/or fitness reports using appropriate Service directives and forward them to the Director, Secretary of Defense Fellows Program, for endorsement by the Secretary of Defense.

4.2.5. Designate, and identify to the USD(P), a single point of contact within each Military Service for all matters concerning the Secretary of Defense Fellows Program.

4.3. The General Counsel of the Department of Defense shall provide legal and ethics advice to the USD(P) in support of the Secretary of Defense Fellows Program, to include the development of appropriate Memoranda of Understanding with Sponsoring Institutions.
4.4. The Director of Administration and Management, Office of the Secretary of Defense, shall provide administrative support for the Secretary of Defense Fellows Program, as required.

5. EFFECTIVE DATE

This Directive is effective immediately.

John P. White
Deputy Secretary of Defense