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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
                                 CHAIRMAN OF THE JOINT CHIEFS OF STAFF
                                 UNDER SECRETARIES OF DEFENSE
                                 DEPUTY CHIEF MANAGEMENT OFFICER
                                 CHIEF, NATIONAL GUARD BUREAU
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                                 CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF
                                    DEFENSE
                                 ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE
                                    AFFAIRS
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                                    AFFAIRS
                                 DIRECTOR OF NET ASSESSMENT
                                 DIRECTOR, STRATEGIC CAPABILITIES OFFICE
                                 DIRECTORS OF DEFENSE AGENCIES
                                 DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Accelerating Enterprise Cloud Adoption

Last month the Secretary of Defense visited Seattle, Washington, and Palo Alto, California, two epicenters of innovation in our country. That trip reflected several realities: (1) technologies in areas like data infrastructure and management, cybersecurity, and machine learning are changing the character of war; (2) commercial companies are pioneering technologies in these areas; and (3) the pace of innovation is extremely rapid. The Secretary is determined to prevent any potential adversary of the United States from surprising us or overtaking our military advantage. In that regard, I am directing aggressive steps to establish a culture of experimentation, adaptation, and risk-taking; to ensure we are employing emerging technologies to meet warfighter needs; and to increase speed and agility in technology development and procurement. While technological modernization has many dimensions, I believe accelerating the DoD's adoption of cloud computing technologies is critical to maintaining our military's technological advantage. To that end, I am directing the following:

The Department will establish a Cloud Executive Steering Group (CESG) to devise and oversee the execution of a strategy to accelerate the adoption of cloud architectures and cloud services, focusing on commercial solutions. The CESG will report directly to the DSD. It will be chaired by Ellen Lord, Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L)). The standing voting members of the CESG are Dr. Will Roper, Director of the Strategic Capabilities Office (SCO); Raj Shah, Managing Partner of the Defense Innovation Unit Experimental (DIUx); Chris Lynch, Director of the Defense Digital Service (DDS); and Joshua Marcuse, Executive Director of the Defense Innovation Board (DIB). John

Bergin, Business Technology Officer for the DoD Chief Information Officer (CIO), will serve as an advisor to the CESG.

This cloud adoption initiative will occur in two phases. During phase one, DoD will use a tailored acquisition process to acquire a modern enterprise cloud services solution that can support unclassified, secret, and top secret information. This cloud services contract will also include, at a minimum, in-depth technical analysis of the current environment, the necessary cloud migration support, change management, and training. I am tasking the Director of DDS to lead phase one. During phase two, the CESG will rapidly transition select DoD Components or agencies to the acquired cloud solution, and, to the maximum extent possible, operationalize its mission using the security, software, and machine learning capabilities that cloud technology provides.

The CESG will brief the DSD on a bi-weekly basis on its progress in accomplishing the following actions:

- Investigation of the results of existing cloud migration efforts;

- Establishment of adequate funding for phase two and beyond;

- Identification of a program office and contracting activity that will support DDS for phase one and administer the contract in phase two;

- Drafting of an acquisition strategy for phase one;

- Awarding the phase one contract;

- Identification of phase two candidates;

- Identification of major risks with corresponding mitigation strategies for phase two; and

- Project management plan of execution with schedule and reporting metrics on progress.

The CESG will deliver a formal report outlining the Department's action plan and progress toward the action items by November 15, 2017.

This effort is a Department priority. Speed and security are of the essence. I expect all offices and personnel to provide all reasonable support necessary to make rapid enterprise-wide cloud adoption a reality.