Fiscal Year 2016 President's Budget

Office of the Secretary of Defense (OSD)

February 2015

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Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2016 Budget Estimates

Operation and Maintenance, Defense-Wide Summary ($ in thousands)

	FY 2014 Actual	Price Change	Program Change	FY 2015 Enacted	Price Change	Program Change	FY 2016 Estimate
OSD	1,993,310	46,299	-110,610	1,928,999	46,998	-52,917	1,923,080

* The FY 2014 Actuals column **includes** $59,300 thousand of FY 2014 Overseas Contingency Operations (OCO) Appropriations funding (PL 113-76).
* The FY 2015 Enacted column **excludes** $135,664 thousand of FY 2015 OCO Appropriations funding (PL 113-235).
* The FY 2016 Estimate column **excludes** $106,704 thousand of FY 2016 OCO Funding Budget request.

I.   Description of Operations Financed:

	FY 2014 Actual	FY 2015 Enacted	FY 2016 Estimate
A. Core Operating Program:	350,193	344,574	361,307

The OSD Core Operating Program provides the necessary resources to support the operations of the Office of the Secretary of Defense (OSD) and the centrally funded support services within OSD. Funding in this sub activity group includes all civilian personnel compensation and benefits. Costs/funding for Intergovernmental Personnel Act (IPA) are also included in the Core Operating Program for FY 2014, FY 2015 and FY 2016.

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I.   <u>Description of Operations Financed (cont.)</u>

$ in Thousands

	Civilian <u>Pay</u>	Full-Time Equivalents <u>(FTEs)</u>
<u>Estimated FY 2016 Civilian Pay and Benefits for Major OSD Principal Staff Assistants (PSAs):</u>		
OUSD(AT&L)	91,242	448
OUSD(Comptroller)	27,997	152
OUSD(Intelligence)	32,485	174
OUSD(P&R)	26,361	142
OUSD(Policy)	65,589	362
O,DCMO	19,662	118
D,CAPE	22,974	125
DoD CIO	21,841	112
Other DoD Offices	53,156	286
Total Estimated Civilian Pay and Benefits	**361,307**	**1,919**

	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	FY 2016 <u>Estimate</u>
B. <u>Other DoD Programs and Initiatives:</u>	270,176	394,653	356,382

<u>1</u>/**Includes one-time congressional increase of $44,000 in FY 2014 & FY 2015 for Grants and DAWDF Funding in FY 2015-$12,333**

I.   Description of Operations Financed (cont.)

This Subactivity is comprised of:

	FY 2014	FY 2015	FY 2016
Assistant Secretary of Defense, Legislative Affairs (ASD(LA))	534	466	505
Assistant Secretary of Defense, Public Affairs (ASD(PA))	5,756	5924	6,027
Office of General Counsel (OGC)	173	661	517
Directorate of Administration	4,640	3,852	**0
Assistant Secretary of Defense (Intelligence Oversight)	246	863	**0
Office of the Director Net Assessment(ODNA)	9,734	28,663	9,092
Boards, Commissions and Task Forces (BCTF)	4,338	7,300	10,506
Test Resource Management Center (TRMC)	4,700	3,529	3,526
Capital Security Cost Sharing (CSCS)(State Department Bill)	173,997	276,494	317,007
Director for Operational Test and Evaluation	975	134	130
Other DoD Programs and Initiatives(*includes Grants)	*65,083	*66,767	9,072
Total Other DoD Programs and Initiatives	**270,176**	**394,653**	**356,382**

**FY 2016-SECDEF guidance to transfer Directorate of Administration(DA),Historian Office($571K)functions to Washington Headquarters Services.

**FY 2016-SECDEF guidance to transfer DA, Defense Privacy Office and DA, Operations($3,281K) functions to Deputy Chief Management Officer(DCMO.)

**FY 16-SECDEF guidance to transfer ASD, Intelligence Oversight($863K)functions to DCMO.

   a. **Assistant Secretary of Defense (Legislative Affairs)** serves as the principal staff
      assistant and advisor to the Secretary of Defense for DoD relations with the U.S.

I.   <u>**Description of Operations Financed (cont.)**</u>
     Congress and has overall supervision of DoD legislative affairs. The OASD(LA)
     promotes the Administration's defense budget and the Department's strategy,
     legislative priorities, and policies to the U.S. Congress.

   b. **Assistant Secretary of Defense (Public Affairs)** Assistant to the Secretary of
      Defense (Public Affairs) is the principal staff advisor and assistant to the
      SECDEF and Deputy Secretary of Defense (DEPSECDEF) for public information,
      internal information, community relations, information, training, and audiovisual
      matters. ATSD(PA)follows the Secretary¹s guidance in providing Defense Department
      information to the public, the Congress and the media. ATSD(PA) sponsors the DoD
      Defense.gov web site, which are the official website of DoD and the starting point
      for finding U.S. military information online. ATSD(PA) supports all Secretary of
      Defense Press briefings and responds to all public inquiries to the DoD.

   c. **Office of General Counsel (OGC)** provides advice to the Secretary and Deputy
      Secretary of Defense regarding all legal matters and services performed within or
      involving the Department of Defense.

   d. **Office of the Director Net Assessment (ODNA)** supports projects of broad
      importance to the Secretary and the Deputy Secretary of Defense for research in
      support of the Net Assessment mission. These projects address near- and long-term
      problems and opportunities for U.S. military forces and policies, as seen from the
      perspective of the SECDEF. They draw on sources of expertise not available within
      DoD and that cannot be developed within DoD. This research differs in character
      and focus from other DoD research programs which are concerned with issues of
      current or near future policy.

I. <u>**Description of Operations Financed (cont.)**</u>

e. **Boards, Commissions, and Task Forces (BCTF):** Boards, Commissions, and Task Forces BCTF)is a subset of the Department of Defense Federal Advisory Committee Management Program Managed by the DA. The Department's program is mandated by law – the Federal Advisory Committee Act (FACA) of 1972 and the Government in Sunshine Act. Other Federal statutes and regulations impact on DoD FACA Program (i.e., the Freedom of Information Act (FOIA), the Privacy Act (PA), and the American's with Disability Act ADA). Once established, the Department is required by Federal statutes to provide each advisory committee it establishes or supports with adequate resources so the advisory committee can conduct its independent work without undue influence from the Department, Federal employees, military officers, or interest groups. Program alsoprovides resources and funding to support the Defense Business Board, and the 50th Anniversary Vietnam War Commemoration Committee.

f. **Test Resource Management Center (TRMC):** A Field Activity under USD(AT&L)created by Congress to complete and maintain a Strategic Plan for T&E Resources, review and provide oversight of proposed DoD T&E budgets, certify Service and Defense Agency T&E proposed budgets. Administers Central Test and Evaluation Investment Program (CTEIP) and Test and Evaluation/Science and Technology (T&E/S&T). To accomplish this mission, TRMC exercises oversight of the DoD T&E infrastructure, has a statutory requirement to review and certify the adequacy of the Service and Agency T&E infrastructure Budgets, administers the Test and Evaluation/Science and Technology (T&E/S&T) Program and the Centrally-Funded T&E Investment Program (CTEIP), provides a persistent distributed capability for the test and evaluation (T&E) of warfighter capabilities to create a Joint Mission Environment Test Capability (JMETC), and has taken ownership of the National Cyber Range (NCR) to ensure its incorporation in the national Test and Evaluation (T&E) infrastructure.

I.   <u>**Description of Operations Financed (cont.)**</u>

g) Director for Operational Test and Evaluation(DOT&E): Title 10, U.S. Code requires the Director Operational test and Evaluation to assess the adequacy of operational and live fire testing conducted for programs under oversight and to include comments and recommendations on resources and facilities available for operational test and evaluation and levels of funding made available for operational test and evaluation activities. DOT&E monitors and reviews DoD and Service-level strategic plans, investment programs, and resource management decisions to ensure capabilities necessary for realistic operational tests are supported.

h) Capital Security Cost Sharing (CSCS): The CSCS budget request funds the Department's share of the CSCS and Maintenance Cost Sharing (MCS) Program as authorized by section 604 of the Secure Embassy Construction and Counterterrorism Act (SECCA) of 1999. The CSCS also funds the Department's share of the CSCS International Cooperative Administrative Support Services (ICASS) Pass Through. Further explanations of the two Components of the Department's CSCS Budget request are:

  1. **Capital Security Cost Sharing:**

       The CSCS program funds the construction of new secure, safe, functional diplomatic and consular facilities to replace the most vulnerable facilities currently occupied by U. S. Government personnel overseas. It is authorized by the SECCA of 1999. The MCS program funds the maintenance, repair, and rehabilitation of non-residential facilities with an interagency presence. It was authorized in 2012 by an amendment to SECCA.   The costs for CSCS & MCS are billed on a per-capita basis of DoD personnel assigned to embassies and is dependent on the type of office space they're occupying. The

I.   Description of Operations Financed (cont.)

rates for the three office space types are the same at every embassy and are as follows: Closed Access Area office, Non-Closed Access Area office, and Non-Closed Access Area Non-office.

   2. **CSCS International Cooperative Administrative Support Services (ICASS) Pass Through:**

   The CSCS/MCS Program charges the DoD for its pro-rated share of CSCS costs for ICASS Servicing positions overseas based on the relative percentage of DoD use of ICASS services worldwide.

$ in Thousands

	FY 2014 [1]/**Actual**	FY 2015 [2]/**Enacted**	FY 2016 [3]/**Estimate**
C. Under Secretary of Defense (Acquisition, Technology, and Logistics):	323,204	258,353	282,934

[1]/FY 2014 Actuals columns **includes** $12,294 thousand of OCO funding (PL 113-76)
[2]/FY 2015 Enacted columns **excludes** $5,000 thousand of OCO funding
[3]/FY 2016 Estimate columns **excludes** OCO funding..

The OUSD(AT&L)is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense for all matters relating to DoD Acquisition System. OUSD(AT&L)

I.   Description of Operations Financed (cont.)

supervises DoD procurement of research and development; advanced technology; developmental test and evaluation; production; logistics; installation management; military construction; procurement; environmental security; and nuclear, chemical, and biological matters. Requested resources will provide for the offices of Performance Assessment and Root Cause Analysis (PARCA); the Director of Developmental Test & Evaluation (DT&E), and the Director of Systems Engineering (DSE).

   a. **Congressional Mandate**:
   1) **Contingency Business Tools**: Program funds and supports Enterprise Business Tools integrating financial, contracting, and logistics products to provide timely solutions based on procurement data standards to enduring emergency and contingency challenges as well as provide a dual use base of systems in the continental United States. In conjunction with the Joint Staff, we are committed to leveraging existing resources and knowledge to quickly provide Combatant Commanders and contingency forces with information technology and simple, user-friendly e-business tools in an emergency or contingency environment.

   2) **Chief Financial Officers (CFO) Act Compliance**: This program funds and supports the development and implementation of new policies, processes, and procedures required to meet the 2010 National Defense Authorization Act. This public law directs accounting for and valuing DoD resources, and addresses property accountability for general property, plant and equipment (GPP&E) audit preparation. The Department must be audit ready by 2017 and owns more than 80 percent of the GPP&E, operating materials and supplies, and inventory, which encompasses $1.4 trillion in acquisitions and a net book value of $827 billion.

I. Description of Operations Financed (cont.)

The program also supports additional mandates such as the Campaign to Cut Waste and Managers' Internal Control Program (OMB Circular A-123).

3) **Committee on Foreign Investment in the United States (CFIUS):** This program funds and supports the inter-agency committee that reviews the national security implications of foreign investments in U.S. companies or operations in agreement with the Exon-Florio Amendment of the Defense Production Act. OUSD(AT&L) must consider potential effects of these transactions on U.S. technological leadership and supply chain reliability and integrity in areas affecting U.S. national security and critical infrastructure, and whether the acquirer is controlled by, or acting on behalf of a foreign government.

4) **Electronic Business Center of Excellence (e-Business COE):** This program funds and supports the requirements for transforming the Department's business processes related to acquisition, procurement, and implementation of e-Government initiatives. This program facilitates procurement data standards implementation and compliance, as well as procurement data validation and verification, supporting federal and departmental traceability and transparency efforts.

5) **Legacy Resource Management:** This program funds and supports DoD's primary means of funding innovative and cost-effective national and regional projects that sustain long-term military training and testing while providing stewardship for its natural and cultural resources. Legacy projects support both statutory and mission-related environmental conservation requirements that support DoD training and testing. Projects funded are selected on the basis of the most positive effects on military readiness, increased conservation efficiencies, and the need to meet Congressional intent.

I.   <u>**Description of Operations Financed (cont.)**</u>

   6) <u>**Native American Lands Remediation**</u>: This program funds and supports DoD's environmental impacts to Native American Lands, environmental mitigation projects on Indian Lands, training and technical assistance to tribes, and implementation of DoD Policy and consultation responsibilities to American Indians, Alaskan Natives, and Native Hawaiians.

   7) <u>**BRAC Round Planning and Analyses**</u>: This program funds and supports the requested authority from Congress to conduct a new round of Base Realignment and Closure BRAC) to align infrastructure with planned force structure changes. The BRAC process requires extensive up-front analysis including a 20-year force structure plan, a comprehensive inventory of installations, and a discussion of categories of excess infrastructure and infrastructure capacity. To support this effort, BRAC funds are required to develop recommendations and to manage these efforts.

   b. <u>**Improve Acquisition & Logistics Processes**</u>:
   1) <u>**Acquisition Program Support Systems (APSS)**</u>: This program funds and supports the flow of mission-essential information, expedites acquisition decision making, and assures continuity of business/leadership operations through disaster recovery scenarios. Services include Portfolio Management, Information Assurance, Application Development, Application Hosting, Infrastructure Engineering, and Website Governance services for over 100 AT&L mission applications and tools. APSS supports over 50 public, intranet, and classified websites such as ACQweb. AT&L SharePoint has developed nearly 300 collaborative sites. Portfolio Management, Infrastructure and DoD Governance expertise is provided for Mission Applications such as DAMIR and related Acquisition

I.   <u>**Description of Operations Financed (cont.)**</u>
Visibility Services, Unmanned Warfare Information Repository, DAB Calendar, DAE Tracker (DAT), and the Executive Information System (EIS). This program leverages Pentagon and OSD/WHS Enterprise Services and Data Center offerings on behalf of AT&L software application sponsors thereby delivering manpower efficiencies and cost savings. The customer base supported by this program and its applications includes the AT&L staff and approximately 7,300 external clients to include other DoD, Federal and Legislative entities.

2) <u>**Contingency Contracting**</u>: This program funds and strengthens combat power and support of contingency operations. Contractors now provide essential capabilities to all of our military Services and, in combat contingency operations, constitute over half of the personnel forward on the battlefield. This level of reliance brings key challenges to the (DoD) in planning, integrating, and managing requirements for contracted support in forward areas. The Contingency Contracting program drives improvements to contracting in support of deployed forces, humanitarian or peacekeeping operations, and disaster relief through policy, guidance, and oversight. It enables the Military to focus on key initiatives; develop critical tools; and implement policy, processes, regulations, and doctrine to maximize speed and efficiency of responses to improve contingency support across the DoD.

3) <u>**Corrosion Prevention Program**</u>: This program funds and supports the implementation of DoD's long-term strategy to reduce corrosion and the effects of corrosion on military equipment and infrastructure throughout the acquisition and sustainment lifecycle as defined in 10 U.S.C. 2228.

I.   **Description of Operations Financed (cont.)**

   4) **Defense Management Initiative**: This program funds and supports the improvements of Defense installations' services and facilities management (including housing). The initiative evaluates concepts, approaches, policies and systems for studying selected Departmental functions, and produces tools needed to improve installation management.

   5)   **Defense Industrial Base (DIB) Cyber Security**: This program funds and supports critical DoD programs and technology by protecting DoD unclassified information resident on and transitioning DIB unclassified networks. This project further establishes the DoD Damage Assessment Management Office (DAMO) to coordinate the conduct of assessments involving the loss of DoD information requiring controls resulting from the unauthorized access and/or exfiltration of technical data maintained on unclassified DIB networks. The DAMO identifies and categorizes the impact of the loss of acquisition information contained on the affected systems, organizes and coordinates the assessment reports with all affected components and DIB members, and establishes a process to appropriately share collected information with all affected parties. The DAMO establishes policy and procedures for conducting damage assessments applicable to all DoD components and in concert with Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation (DFAR) procedures pertaining to contracts with the DIB.

   6) **Defense Installation Spatial Data Infrastructure (DISDI)**: This program funds and supports the organization of people, policies, standards and protocols to optimize Component acquisition, management, and sustainment of geospatial imagery and mapping investments. The DISDI protocols will enable the use of previously disparate data, allowing decision makers to visualize the

I. <u>**Description of Operations Financed (cont.)**</u>

installations' complex array of natural and physical assets in an integrated manner.

7) <u>**Defense Procurement & Acquisition Policy (DPAP)**</u>: This program funds and supports changes throughout the DoD Acquisition, Technology, and Logistics community; supports acquisition policy initiatives; supports the development, review, and coordination of DoD acquisition policy and regulations, develops and maintains the Defense Acquisition Guidebook; facilitates the review and management of major acquisitions services; and furthers the development and staffing of acquisition policy initiatives.

8) <u>**Developmental Test and Evaluation (DT&E)**</u>: This program funds and supports DoD Developmental Test and Evaluation (DT&E), under Title 10, section 139b of the United States Code. For major defense acquisition programs, the Deputy Assistant Secretary of Defense for Development Test and Evaluation (DASD(DT&E)) supports program managers in developing DT&E test strategies that support the development and acquisition lifecycle. This includes reviewing and approving the developmental test and evaluation plan within the test and evaluation master plan; and monitoring and reviewing the developmental test and evaluation activities of the program. DASD(DT&E) develops detailed technical assessments to support significant acquisition decisions. In addition, DASD(DT&E) provides advocacy, oversight, and guidance to elements of the acquisition workforce responsible for developmental test and evaluation. This funding acquires analytical support to accomplish the above efforts and is primarily focused on development of analytical methods and processes that apply to all services/programs.

I.   **Description of Operations Financed (cont.)**

9) <u>**Operational Energy Plans and Programs (OEP&P)**</u>: This program funds and supports Operational Energy Plans and Programs (OEPP), under Title 10, section 138c of the United States Code (USC). This requires the appointment of an Assistant Secretary of Defense for Operational Energy Plans and Programs (ASD(OEPP)) to serve as the principal advisor to the SECDEF and the principal policy official within the senior management of DoD regarding operational energy security. The USC also requires the ASD(OEPP) to have sufficient professional staff of military and civilian personnel to enable the ASD(OEPP) to carry out the prescribed duties and responsibilities. The ASD(OEPP) is responsible for: (1) Providing leadership and facilitation of communications and management oversight for OEPP within DoD; (2) establishing the DoD Operational Energy Strategy; (3) coordinating and overseeing Planning, Programming, Budgeting, and Execution (PPBE) activities for DoD related to implementation of the operational energy strategy; and (4) monitoring and reviewing all operational energy initiatives within DoD.

10) <u>**Environmental, Safety, & Occupational Health (ESOH)in Acquisition**</u>: This program funds and supports the Department's efforts to carry out newly assigned acquisition ESOH oversight functions in accordance with DoDI 5000.02. As an official Defense Acquisition Board Advisor, I&E is required to conduct oversight related to ESOH requirements in major DoD acquisitions as defined in the December 2013 DoD Instruction (DoDI) 5000.02, including developing ESOH acquisition policy and guidance; conducting reviews of over 175 Major Defense Acquisition Programs (MDAPs) and Major Automated Information Systems (MAISs); and providing policy implementation assistance for program managers. Evolving regulatory issues such as the international chemical management regulation

I.   <u>**Description of Operations Financed (cont.)**</u>
called "REACH" now require monitoring due to their potential impact to development and O&M life cycle costs of weapons systems. Additional ESOH expertise is needed to address these issues and ensure that ESOH considerations are integrated properly before major milestone reviews. This is critical to ensuring system capabilities while ensuring ESOH risks and costs are minimized throughout system life cycles.

11) <u>**I&E Business Enterprise Integration (BEI)/(formerly Facilities Program Requirements FPRS)**</u>: This program funds and supports both I&E and DoD-wide information needs for installations management, energy management, environmental management, safety and occupational health. BEI develops IT information, data, and technical standards to enable lifecycle Real Property, Energy, Environment, Safety and Occupational Health management and; Oversees IT investment for all I&E systems to ensure compliant, cost- effective, and integrated solutions.

12) <u>**Emerging Contaminants**</u>: This program funds and supports early identification of Emerging Contaminants (EC), assessments of impacts to human health and DoD functions, and development of risk management options. The program applies lessons learned from DoD's experience with perchlorate and other ECs.

13) <u>**Human Capital Initiative (HCI**</u>): This program funds and supports the execution of the DoD-wide acquisition workforce statutory requirement to strengthen the workforce and continuously improve its quality, capability and capacity. This program assesses the current AT&L workforce and identifies competency gaps to improve the future AT&L workforce. Funds support HCI efforts to manage Department-wide acquisition workforce planning, analysis, policy, and programs to include the Defense Acquisition Workforce Education, Training, and Career

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I.   <u>Description of Operations Financed (cont.)</u>
     Development Program (DODD 5000.52 and DODI 5000.66); update and implementation
     of the Defense Acquisition Strategic workforce Plan; the Acquisition
     Demonstration Program (AcqDemo Program Office), the Defense Acquisition
     Workforce Development Fund (DAWDF), and all supporting workforce initiatives.

   14) <u>**Industrial Policy Program Support**</u>: This program funds and supports the Deputy
       Assistant Secretary of Defense (DASD) of Manufacturing and Industrial Base
       Policy (MIBP) who serves as the Department's primary liaison with industry to
       ensure industry understands the Department's policy intent and helps align
       procurement efforts at all phases of the acquisition process. It acts as the
       Department's focal point for industrial and manufacturing base policy
       initiatives, studies, and reviews to determine effects of changes, as well as
       the overall health of, the industrial base to meet future needs. It funds
       efforts to sustain an environment that ensures the Industrial base on which the
       Department depends is reliable, cost-effective, and sufficient to meet DoD
       requirements. The DASD(MIBP) is the federal Government's "executive secretariat"
       of the Defense Production Act Committee (DPAC), tasked with conducting
       industrial base assessments and coordinating recommendations to the President on
       effective use of statutory authorities for preserving/creating domestic
       manufacturing capabilities deemed essential for the national defense. MIBP is
       organizing multiple inter-agency assessment teams and preparing strategic
       guidance on behalf of DPAC members for consideration by the President. Finally,
       MIBP is the Department's new point of contact for the statutory Committee on
       Foreign Investment in the U.S. The committee findings are signed out by Deputy
       Secretary of Defense and the President of the United States of America.

I.   Description of Operations Financed (cont.)

15) **Installation Climate Change Vulnerability Assessment**: This program funds and supports comprehensive assessments of the vulnerability of DoD installations to the projected impacts of climate change to support strategic risk assessments and development of adaptation plans and options tailored to facility managers, natural resource managers, test and training range managers, and installation military mission planners.

16) **Information Superiority Integration Support (ISIS)**: This program funds functional and acquisition oversight of all critical war-fighting communications, command and control (C2), and cyberspace capabilities in DoD, and funds programs, projects and activities to support the DASD C3 & Cyber. This funding increment underwrites development of analyses of alternatives and studies for selected capabilities; portfolio investment strategies, system synchronization plans and roadmaps to support acquisition programs and enterprise capabilities; and planning, resourcing and executing activities which improve operational capabilities for the war-fighter.

17) **Integrated Acquisition Environment (IAE) (GSA Bill)**: This program funds and supports the Department's share of mandatory GSA e-Government shared service costs for federally mandated procurement-related systems. The IAE portfolio, established in 2001, provides federal-wide regulatory required systems that are used to support the procurement and finance processes. The Military Services and Defense Agencies are the primary customers of IAE capabilities and data, and use them extensively to support procurement, grants, and vendor payment processes throughout the Department. Federal agencies' required monetary contributions to sustain the IAE budget are established by the Office of

I. <u>**Description of Operations Financed (cont.)**</u>

Management and Budget (OMB). Provided IAE capabilities include vendor identification and payment information through the Central Contractor Registration (CCR) system, centralized advertising of solicitation opportunities through FedBizOpps, and required collection of contract award data for congress and the public at the Federal Procurement Data System (FPDS). These are authoritative sources of data and provide a single federal interaction point with the vendor community for certain processes, all required to be used by statute and/or regulation. Capabilities do not exist in the Department to accomplish the processes they support

18) <u>**The Joint Purchase Card Program Office**</u>: This program funds and supports integration of policy, oversight, and data mining tools to combat fraud, waste, and abuse of the purchase card by purchase card officials. These requirements were directed federal government-wide by the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act), Public Law 112-194 and further implementation guidance was provided by the FY2013 OMB Memorandum, M-13-21: Implementation of the Government Charge Card Abuse Prevention Act of 2012.

19) <u>**Logistics Systems Modernization Support (LSMS)**</u>: This program funds and supports essential L&MR activities necessary to effectively carry out functional mission of the ASD Logistics and Materiel Readiness (L&MR) who serves as the principal staff assistant and advisor to the OUSD(AT&L), Deputy Secretary of Defense (DEPSECDEF), and Secretary of Defense (SECDEF) on logistics and materiel readiness in DoD. These resources are designed to support the logistics mission area activities at an acceptable level that will move the Department towards critical improvements in logistics systems and processes. The program facilitates efforts to make effective supply chain management and logistics

I. <u>**Description of Operations Financed (cont.)**</u>
processes a reality in the Department – from sources of supply to operational customers and from early acquisition planning through sustainment and disposal.

20) <u>**Mission Capabilities (MC)/Systems Engineering (SE):**</u> This program provides funding for Public Law 111-23, "Weapons System Acquisition Reform Act of 2009" (WSARA) which directed the appointment of a Deputy Assistant Secretary for System Engineering (DASD(SE)) and establishment of an SE office subordinate to the OUSD(AT&L). This program sets policy for SE practices and specialty engineering, and serves as functional leader for the systems engineering workforce. DASD(SE) also oversees effective policy and guidance implementation, including leading assessments of technical approaches and plans for major defense acquisition programs (MDAP); providing independent expert program review support to program managers as requested; and conducting systemic analysis of acquisition issues to identify causal factors contributing to program execution shortfalls. DASD(SE) develops technical risk assessments of (MDAPs) to ensure technical risk is effectively considered and managed through the MDAP development lifecycle.

21) <u>**Performance Assessment & Root Cause Analysis (PARCA):**</u> This program funds and supports Public Law 111-23, "Weapons System Acquisition Reform Act of 2009" (WSARA) in support of MDAP programs directed the SECDEF to designate a senior official to serve as the principal official for conducting and overseeing Performance Assessments and Root Cause Analysis (PARCA) for Major Defense Acquisition Programs (MDAPs).

I.   <u>**Description of Operations Financed (cont.)**</u>

22) <u>**DoD Siting Clearinghouse**</u>: This program funds and supports development of a basic capability to perform assessments of proposed wind and solar projects in the private industry for their impact on DoD mission, development and evaluation of possible mitigation measures, development of tools to assist developers, and the development of more timely, transparent and consistent processes.

23) <u>**Research, Development, Test and Evaluation (RDT&E) Oversight**</u>: This program funds and supports centralized management and administrative expenses of RDT&E programs across the Assistant Secretary of Defense for Research and Engineering (ASD (R&E))enterprise.

24) <u>**Small Business Program Support**</u>: This program funds the Office of Small Business Programs of the Department of Defense implementation and management of the statutory and regulatory requirements within the office of small business programs as well as the Office of Small Business Programs market research Center of Excellence (COE) initiative, which supports Better Buying Power 2.0 and is key to improving effectiveness of the acquisition workforce and the Departments ability to achieve small business performance goals.

25) <u>**Space & Intelligence Major Defense Acquisition Program (MDAP) Oversight**</u>: This program funds and supports management, technical and programmatic evaluation, and functional oversight for all DoD and Intelligence Community Space and Intelligence programs, to ensure investment and risk are balanced over specific capability focus areas, leverage capabilities across Services and organizations, and ensure avoidance of duplicative efforts.

I.   **Description of Operations Financed (cont.)**

26) **Strategic Sourcing**: This program funds and supports development, implementation, governance and execution of the acquisition oversight framework for contracted services, and for the championing of strategic sourcing policy and initiatives, for DOD. Services acquisitions have accounted for more than half of all DOD contracting dollars spent in support of the Warfighter in recent years. Services Acquisition is responsible to ensure the proper process execution of services procurement results in the best value at the most reasonable cost. The Services Acquisition Directorate is also committed to reshaping the DoD acquisition enterprise through strategic sourcing to support customers making more efficient and effective business decisions about acquiring goods and services through the use of enterprises portfolio spend analyses. The Strategic Sourcing program conducts annual portfolio spend analyses and additional spend-related ad hoc studies and analyses that are utilized by, but not limited to, OUSD(AT&L), PDUSD(AT&L), OSBP(AT&L), DP(AT&L), DPAP(AT&L), and DoD Components to make business decisions that lead to greater efficiency and productivity in DoD spending for goods and services.

27) **Countering Weapons of Mass Destruction (CWMD) Sustainment**: This program funds and provides sustainment and the operational capability portion of CWMD. It also funds the administrative costs associated with analyses, oversight, and portfolio management. Program funding will ensure the long-term success and stability of the CWMD System. The CWMD program is an integrated and interconnected CWMD capabilities-based system that defines and enables a comprehensive, global awareness and readiness for CWMD steady-state and surge postures.

I.   <u>**Description of Operations Financed (cont.)**</u>

28)<u>**Countering Weapons of Mass Destruction (CWMD) Expert Fellows Program**</u>: This program establishes a cost-effective and stable source of funding for Fellowship programs that allows the Department of Defense to compete annually for academic experts that provide direct benefit to AT&L. This provides funding for Fellows within AT&L each year, beginning with American Association for the Advancement of Science (AAAS) fellows and Nunn-Lugar fellows. Annual placements for experts with S&T and academic expertise will provide an infusion of fresh ideas and will ensure that DoD is no longer under-represented in specific fellowships that provide direct and cost-effective benefits to the Department.

c. <u>**Promulgate Policy**</u>

1) <u>**Transform Procurement Regulations**</u>: This program funds and supports the continuing initiative to increase the efficiency and improve the quality and effectiveness of DoD procurement regulatory process and rule making capability. This ongoing initiative maintains the development, implementation, publication, and communication of hundreds of policies, laws, and changes in the FAR and DFARS as a web-based capability.

2) <u>**Acquisition Visibility (AV)**</u>: This program funds and supports the Defense Acquisition Executive (DAE), OSD senior leaders, and OSD and Component analysts in acquiring and sustaining war-fighting capability for the Department via Major Defense Acquisition Programs (MDAPs), Major Automated Information Systems (MAIS), and all other programs. AV is the capability that supports USD(AT&L) responsibilities by providing critical information for acquisition analysis, oversight, and decision making. AV institutionalizes governance of data and

I.   Description of Operations Financed (cont.)

business rules used in acquisition decision making, and it combines and builds on functions of different capabilities. The product is a centrally accessible collection of tools, including Defense Acquisition Management Information Retrieval (DAMIR); capabilities; data and related access services; and data standards for use across Congress and the Department, particularly in support of the Defense Acquisition Executive and his decision authority.

d. Regulatory Requirement:

1) Defense Environmental International Cooperation: This program funds and supports bilateral and multilateral environmental initiatives with foreign defense departments and militaries in support of global basing/operations and the Secretary's Security Cooperation Guidance goals.

2) International Cooperation Program: This program funds and supports the requirements for the Department pursuing more effective cooperation with U.S. Allies and friends in the research, development, production and support of weapons systems and related equipment. International Cooperation Program supports the USD(AT&L) in carrying out his responsibilities and exercising his authorities on all international matters. This mission involves developing and monitoring the implementation of defense policies on international cooperation in coordination with U.S. government agencies, foreign governments and industry.

3) Low Observable/Counter Low Observable Export Control (LO/CLO): This program supports the Director of Special Programs' review of arms export control and license applications to include the review and approval of those technologies associated with Low Observables (LO) and Counter-Low Observables (CLO).

I.   <u>**Description of Operations Financed (cont.)**</u>

        4) <u>**Readiness and Environmental Protection Initiative (REPI**</u>): This program funds and supports efforts to sustain military readiness while assisting in the protection of valuable habitat and open space. The Military Departments identify expanding development and urban growth as an increasing challenge to range and installation viability and a growing impediment to mission readiness. The initiative supports cooperative agreements with states and local communities, and other interested stakeholders to acquire key conservation easements thus preventing incompatible development around military bases and ranges. DoD promotes such partnerships through its Sustainable Ranges Initiative.

     e. <u>**OSD Analysis and Support:**</u> This program funds and provides the Secretary and the entire OSD staff and Joint Chiefs of Staff with a source of funds to explore management and programmatic options before committing to a course of action. These funds provide assurance that future budget requests contain programs and policies that have been explored in some depth and represent an optimum solution to a particular problem. The OSD Studies Program falls under the OSD Analysis and Support umbrella developing requirements for analytic support within the OUSD(AT&L) and conducting joint studies with other components of OSD and the Joint Staff. The program improves the ability of executive decision makers in OSD and Joint Staff components to execute their missions in a complex global environment, by allowing access to specialized technical support. Foremost among the areas supported are installation management, international cooperation and security policymaking, environmental protection.

I.   **Description of Operations Financed (cont.)**

    f. <u>OTHER: Travel Program</u>: This program funds and supports travel for Acquisition, Technology and Logistics program managers throughout the AT&L community. Travel activities include, but are not limited to, travel in support of bilateral and multilateral International treaties, major acquisition program reviews, advancement of Small Business outreach, science and technology reviews, critical manufacturing and industrial base activities, nuclear treaties and security initiatives, strategic operational energy initiatives and defense installations and environment management.

I.   Description of Operations Financed (cont.)

$ in Thousands

	FY 2014 Actual	FY 2015 Enacted	FY 2016 Estimate
E. Under Secretary of Defense (Policy):	71,134	57,406	55,238

1/FY 2014 Actuals column **includes** $14,324 thousand of OCO funding (PL 113-76)

2/FY 2015 Enacted column **excludes** $9,500 thousand of OCO funding

3/FY 2016 Estimate **column excludes** OCO funding

The Office of the Under Secretary of Defense for Policy(OUSD(P))oversees matters relating to international security policy and political-military affairs. The Under Secretary is the principal staff assistant and advisor to the Secretary and the Deputy Secretary of Defense for all matters on the formulation of national security and defense policy; the integration and oversight of DoD policy and plans to achieve national security objectives; and represents the Secretary and Department of Defense in the interagency process, with Congress, and in public/media outreach.

a) Defense Critical Infrastructure Protection: Oversees policy formulation, strategic planning and execution of the Defense Critical Infrastructure Program (DCIP), which is an integrated risk management program designed to support DoD mission assurance. The DCIP's risk management program supports the DoD's ability to mobilize, deploy, support, and sustain military operations in an all threats and all hazards environment. DCIP ensures the resiliency of networked infrastructure assets, whether owned or operated by DoD or

I.   Description of Operations Financed (cont.)

private industry as part of the Defense Industrial Base, that are critical to executing military missions. Activities include identifying critical assets, conducting vulnerability assessments, monitoring and reporting on the status of infrastructure, managing risk remediation and mitigation efforts, and modifying plans to enhance the resiliency of cyber and physical infrastructure supporting the execution of the National Military Strategy.

b) OUSD(P) Operations: Funds support the day-to-day operations of essential services and general contractor support of the office of the Under Secretary of Defense (Policy). Program includes support for requirements of the various OUSD(P) Staff Offices. Among the areas supported are administrative management, mission essential travel, systems acquisition and architecture, communications and software assurance, Intergovernmental Personnel Act (IPA) program, and comprehensive workforce training.

c) OUSD(P) Mission Support: Funds support mission requirements within the OUSD(P) by allowing the USD(P) to represent the Department of Defense, as directed, in matters involving national security policy; develop DoD policy for defense-related international negotiations; develop DoD policy and positions for international negotiations on arms control implementation and/or compliance issues; develop DoD policy on the conduct of alliances and defense relationships with foreign governments, their military establishments, and international organizations; oversee the implementation of DoD policy to reduce and counter threats to the United States, U.S. Armed Forces, and U.S. allies, from weapons of mass destruction and other militarily significant technologies and force capabilities, to include counter-proliferation policy, arms control policy, and security policy. The program funding provides the Assistant Secretaries of Defense (ASDs) the capacity to execute their missions in a complex global environment, by allowing access to specialized technical support capabilities. Supported ASDs include ASD Asian and Pacific Security Affairs (APSA), ASD for Homeland Defense and Global Security (HD&GS), ASD for

I.   Description of Operations Financed (cont.)

International Security Affairs (ISA), ASD for Special Operations and Low-Intensity Conflict (SOLIC), and ASD Strategy, Plans and Capabilities (SPC). Among the areas supported are oversights of capability development to include general-purpose forces, space and information capabilities, nuclear and conventional strike capabilities, missile defense, security cooperation programs and organizations, foreign military sales, military education and training, supervision of homeland defense activities of the Department of Defense, to include domestic antiterrorism, the Defense Continuity Program, other homeland defense-related activities, and alignment of homeland defense policies and programs with DoD policies for counterterrorism and counter narcotics.

d) International Defense Programs: Program provides stable interface with US allies, the North Atlantic Treaty Organization (NATO) and its member states, responses to terrorism and unstable conditions in fragile and failed nation states that involves NATO-member state support, weapons of mass destruction bilateral measures, and support of overseas facilities. Program supports staff coordination requirements on those matters both internal and external to the Department of Defense.

e) Rewards Program: This program provides resources needed to publicize and administer the program and pay rewards for information or nonlethal assistance beneficial to force protection and operations against international terrorist activities. Information and nonlethal assistance derived through the program has led to the prevention of planned attacks against U.S. and allied armed forces, disruption of a planned foreign presidential assassination, capture of high-value individuals, interdiction of improvised explosive devices, seizure of weapons and ammunition caches, and recovery of missing service members and sensitive equipment. Originally implemented in FY 2004 in Iraq and Afghanistan with great success, combatant commands sought to expand and replicate that success, beginning in FY 2007, by implementing the Program in other non-OCO countries.

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I.   <u>**Description of Operations Financed (cont.)**</u>

Today, combatant commands have programs operating in close to 20 countries and are planning or considering implementation in other countries. Of these, only handfuls are appropriate to fund using OCO. This evolution of the program to non-OCO countries have caused a significant shift in where funds are spent. Whereas in FY 2006 DoD spent ten percent of the baseline in non-OCO countries and 90 percent in OCO countries. By FY 2011, the program's baseline was reversing that trend with close to 70 percent of the baseline in non-OCO countries and only 30 percent of the baseline in OCO countries. This transition will continue through FY 2016. The DoD Rewards Program has proven to be a critical and effective tool, worldwide and not just in OCO countries, at protecting the force and enabling operations against international terrorism.

f) Strategy and Force Development: The Under Secretary of Defense (Policy) is responsible for assisting the Secretary of Defense in the development of national security and defense strategy; advising the Secretary on the forces necessary to implement that strategy to include serving as the principal advisor to the Secretary of Defense for the planning phase of the Planning, Programming, Budgeting and Execution System (PPBES) and for monitoring the degree to which the program underwrites the strategy. USD(P)is also responsible for the development, coordination, and oversight of the implementation of international security strategy and policy; political-military policy on issues of DoD interest relating to foreign governments and their defense establishments, to include arrangements for U.S. military facilities, access and operating rights, and status of forces. Program funding informs the development of the future force by supporting external/internal research and analyses that provide independent and objective assessments of the broad range of potential threats and challenges the US and DoD may have to confront now and in the future, alternative approaches to countering those threats, and unbiased insights into current and future defense programs and policies that may be best suited or require adjustments to counter

I.   Description of Operations Financed (cont.)

those threats. The program also supports requirements necessary to fulfill legislative
requirements such as the Quadrennial Defense Review (QDR), to include tailored modeling
and simulation of future warfare, increased analysis of threats to U. S. security
interests and the development and understanding of the implications of alternative U.S.
strategies and force postures, and to examine the range of alternative force structures,
budgets, and strategies. These resources also further support the Secretary's Title 10
responsibility, delegated to the Under Secretary of Defense for Policy, to provide
written policy guidance for the preparation and review of operational and contingency
plans, including those for nuclear and conventional forces, and in reviewing such plans
through the use of technical expertise to strengthen the connection of plans to
resources. Without funding support, the ability to ensure that the Secretary and
President have a broad range of executable defense strategy options and sustainable
defense program options to underwrite the strategy will be severely diminished and the
potential risk for an un-executable strategy will be high. Furthermore, the value of the
QDR and defense strategies will be diminished to the extent that it fails to take maximum
advantage of external analyses and alternative points of view.

$ in Thousands

	FY 2014 Actual	FY 2015 Enacted	FY 2016 Estimate
E. Under Secretary of Defense (Comptroller) and Chief Financial Officer:	36,975	43,853	57,939

I. **Description of Operations Financed (cont.)**

Comptroller and Chief Financial Officer: The Office of the Under Secretary of Defense Comptroller)/Chief Financial Officer (OUSD(C)/CFO) oversees and sets policy for budget and fiscal matters including financial management, accounting policy and systems, management control systems, budget formulation and execution, and contract audit administration. The office is responsible for the analysis of force planning and programming as a part of the process upon which force structure, system acquisition, and other resource allocation actions are based. The five main areas of operations financed include Comptroller Initiatives, Administrative Support, the Defense Resource Management Institute, Next Generation Resource Management System, and Enterprise Funds Distribution System Support.

   a. **Comptroller Initiatives**:
      1) Support for monitoring and reporting progress in achieving auditable financial statements for the Department; includes developing financial improvement and audit preparation methodologies and guidance and reviewing, improving, and executing Component financial improvement plans. Also provides examinations and audit support for selected Defense Agencies.
      2) Oversee Department business transformation efforts to a simplified, standard, cost effective environment characterized by accurate, timely, standard financial information, streamlined business processes, resource and asset visibility and accountability, and compliance.
      3) Maintain tools designed to display and track budgetary data and performance metrics such as the Comptroller's internal dashboard, the Overseas Contingency Operations support tool, and the legacy budget systems.
      4) Implement the course-based DoD Financial Management Certification Program to

I. <u>**Description of Operations Financed (cont.)**</u>
       improve the professional and analytical skills and abilities of the financial
       workforce and to support financial improvement and audit readiness and the
       changing business needs of the department.

 b. **Defense Resource Management Institute**: Provide and conduct integrated,
    professional education to selected military and civilian personnel involved in
    resource management and allocation functions.

 c.   **Administrative Support**: Funds services including general office support, data
    administration, records management, workflow and correspondence tracking, travel,
    communications, and other administrative tasks.

 d.   **Next Generation Resource Management System**: Maintain automated system used to
    formulate, justify, and present the Department's budgets and to support delivery of
    timely and accurate budgets which reflect the goals of the Administration and the
    Secretary of Defense.

 e. **Enterprise Funds Distribution System Support**: Maintain the automated system used for
    controlling and distributing funds including apportionment, reprogramming,
    rescissions, continuing resolution, etc.

    More detailed information on the mission and functions of the OUSD(C) can be found at
    he following website: http://comptroller.defense.gov/.

I.   Description of Operations Financed (cont.)

$ in Thousands

	FY 2014	FY 2015	FY 2016
	1/**Actual**	2/**Enacted**	3/**Estimate**
F. **Under Secretary of Defense (Personnel and Readiness)**:	629,623	626,763	588,660

1/FY 2014 Actual column **includes** $2,682 thousand OCO funding (PL 113-76)
2/FY 2015 Enacted column **excludes** $13,764 thousand of OCO funding
3/FY 2016 Estimate column **excludes** OCO funding

The Under Secretary of Defense for Personnel and Readiness (OUSD(P&R))is the principal staff assistant and advisor to the SECDEF for Total Force Management. OUSD (P&R) develops policies, plans, and programs for Total Force personnel. This includes the allocation among DoD Components and between the Active and Reserve components and Reserve Component Affairs to promote the effective integration of the Reserve component capabilities into a Cohesive Total Force; health and medical affairs; recruitment, education, training, equal opportunity, compensation, recognition, discipline, and separation of all DoD personnel; interagency and intergovernmental activities, special projects, or external requests that create a demand for DoD personnel resources; readiness to ensure forces can execute the National Military Strategy (NMS) along with oversight of military training and its enablers; and quality of life for our military and their families.

The following programs are supported:

Includes the Workforce Recruitment Program for College Students with Disabilities to increase the number of people with targeted disabilities in the federal civilian

I.   <u>**Description of Operations Financed (cont.)**</u>
workforce to support a DoD goal of two percent DoD-wide, emphasizing the benefit for wounded service members. The Defense Equal Opportunity Management Institute develops curricula and trains military and civilian personnel in cultural competencies/awareness for engaging in warfare and to provide a website and clearinghouse materials for deployed military equal opportunity advisors. Growing Diversity in the Senior Ranks will improve diversity in key occupational pipelines that feed into the military flag/general officer and civilian senior executive service positions by increasing diversity in DoD internship programs.

a. <u>**Assistant Secretary of Defense (Health Affairs) Operations**</u>: The ASD(HA)is the principal medical staff advisor to the Secretary of Defense and principal program manager for all DoD health matters to include medical readiness, health care delivery, preventive medicine, medical military construction, and the procurement, development, training and retention of medical military and civilian personnel.

b. <u>**Assistant Secretary of Defense (Reserve Affairs) Operations**</u>: Funds managed by ASD (RA) are utilized to conduct valuable research and analysis for specific topics and issues that are related to the National Guard(NG)and Reserve components (RC). These efforts provide mandated reports, data and recommendations as potential solutions or courses of action to DoD and Congress. The research results provide an opportunity for focused analysis to aid ASD(RA)in making informed decisions on policies and future direction for the NG and RC in the areas of resourcing, manpower, personnel, material, facilities, readiness, training, and mobilization. Funds are also used for travel of ASD (RA), Principal Deputy, Deputy ASDs, and actions officers to conduct Active and Reserve component and Combatant Command site visits in addition to attending training and conferences as necessary to remain current on Reserve and National Guard issues and requirements in the operational/field environment.

I.   <u>**Description of Operations Financed (cont.)**</u>

C) <u>**Combatant Commanders Exercise Engagement and Training Transformation (CE2T2):**</u>
Supports the joint training requirements of the Department of Defense to include
exercises for nine Combatant Commands as well as training that prepare the Services to
operate as part of a joint force. CE2T2 is the key resource for Combatant Commanders'
and Services' ability to conduct joint, combined, and interagency training and
exercises. This training and exercises are key to improving mission essential task-
based readiness levels as well as supporting each Combatant Commander's Theater
Campaign Plan (TCP). The priority use of these funds is the readiness of our forces
and that of the Combatant Commanders to execute missions assigned to them by national
command authorities.

Aside from Overseas Contingency Operations and Title 22 Security Assistance programs,
CE2T2 provides the lion's share of Combatant Commanders' funds for military-to-military
engagement. Because of their international political impact, Combatant Commanders'
exercises are tools of national power, and the exercises directly advance U.S. national
strategy. In addition to their primary purpose of training U.S. forces, the Combatant
Commanders' exercises have corollary effects which assist in strengthening alliances.
Furthermore, the exercises generate international interest and shape the geopolitical
environment. For example, CE2T2 funds U.S. Central Command's International Mine
Countermeasures Exercise in the Straits of Hormuz; by participating in this exercise,
the U.S., allies, and partners demonstrate our collective resolve to protect freedom of
navigation, thus deterring Iranian provocation.

For Service joint training, the CE2T2 program supports the participation of multiple
Service units/capabilities in Service training venues, for example, Air Force

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I. Description of Operations Financed (cont.)

participation in Army's pre-deployment exercises at the National Training Center. , CE2T2 also provides training enablers for realistic and robust combat training with interagency participation in Service events, realistic opposing forces, feedback and lessons learned, and development of a more adaptive joint force.

The CE2T2 funding resources the following critical training programs:

   1) **The Joint Exercise Transportation Program (JETP):** Is a key component of the Joint Exercise Program and funds transportation of personnel and equipment to worldwide exercises. It enables combatant commanders' to train battle staffs and participating forces in joint and combined operations, evaluate Contingency and Operations Plans (CONPLANs/OPLANs), and execute theater engagement. It also provides an opportunity to stress strategic transportation systems as well as Command and Control and intelligence, surveillance, reconnaissance systems to evaluate their readiness across the range of military operations. Consistent with defense strategy, JETP funds have been redistributed across Combatant Commands to support the rebalance to the Asia-Pacific region and other defense strategic priorities.

   2) **Service Incremental Funding (SIF):** Funds Service participation in combatant command exercise and engagement events. Through a collaborative planning process, CCMDs identify forces required. SIF is then provided to pay for the additional costs that would otherwise be borne by the Services. This allows CCMDs to achieve Theater Campaign Plan objectives without having a detrimental impact on Service training budgets. SIF is essential to the realistic conduct of field training exercises – exercises which include forces on the ground, in the air, or at sea, rather than exercises merely for headquarters.

I.   Description of Operations Financed (cont.)
    3) J7 Support to Combatant Command Exercises: Each year, combatant commanders'
conduct exercise/engagement events ranging from small-scale, unilateral to major,
multi-lateral events. To maximize effectiveness of these events, the Joint Staff J7
annually supports one to two exercises per combatant command. This support includes
scenario development; observer/trainers; exercise management; and subject matter
expertise in Interagency, Information Operations, Cyber Operations, Intelligence,
Communications Synchronization, Public Affairs and other warfighting functional areas.
J7 also provides this support to United States Forces Korea (USFK) and to select
Executive Branch organizations during one annual National Level Exercise (NLE).

    4) Combatant Command Training and Exercises: Provides the Combatant Commands with
 funding resources to facilitate their participation over 170 annual training,
 exercises, and engagement events to ensure overall CCMD readiness to conduct assigned
 missions. Additionally, the program supports the development, evaluation, and
 integration of a single, high quality training environment. In addition to serving as
 the operating budget for CCMD J7s, this program ensures readiness of CCMD and
 component staffs to execute key operational plans (OPLANs) in support of U.S. national
 strategy.

    5) Joint National Training Capability (JNTC): Uses a mix of live, virtual, and
 constructive (LVC) training resulting in the most realistic joint mission experience
 possible. The LVC environment links and combines existing exercises with live forces,
 augmented by appropriate modeling and simulation, to create a more realistic training
 experience for the joint force. Through the use of over 42 persistent, networked
 training sites, JNTC also enables Joint, Interagency, Intergovernmental, and

I.   Description of Operations Financed (cont.)

Multinational (JIIM) context to a greater extent than otherwise available. Through a network of subject matter experts, JNTC provides a vital link between joint training activities and ongoing operations. This linkage is crucial to institutionalizing lessons learned (and lessons anticipated) from 13+ years of conflict. JNTC also funds improvements to training realism, including advanced range instrumentation (threat replication), opposition forces, and Afghan role-players for pre-deployment exercises. Overall, JNTC increases training effectiveness while mitigating gaps and seams between Service-centric training programs.

   6) Joint Training Coordination Program (JTCP): Provides funds for the Services and U.S. Special Operations Command to participate in the exercises of the other Services. Through such participation, U.S. forces develop the skills and cross-Service familiarity that is necessary to operate in a joint environment. JTCP facilitates the integration of special operations and conventional forces – critical to the defeat of terrorists – including al-Qaeda. By providing or replicating cross-Service participation in pre-deployment exercises at Army's Combat Training Centers, USAF's Green and Red Flag at Nellis AFB, the Marine Air Ground Task Force Training Command at Twenty-Nine Palms, and the Navy's Fleet Training Program at multiple locations, JTCP improves pre-deployment training for warfighters who will be on the front lines.

   d)   Defense Safety Oversight Council (DSOC): Supports mishap and injury prevention efforts and projects to meet the Secretary's accident reduction goals. It includes support for installations and sites pursuing excellence in safety management systems to include Voluntary Protection Program recognition.

I.   <u>**Description of Operations Financed (cont.)**</u>

   e) <u>Defense Readiness Reporting System (DRRS)</u>: DRRS provides an adaptive, capabilities-based, near real time readiness information environment with tools, standards and policy for all of DoD. DRRS allows for quick analysis of force capability issues, based on intelligent agents, dynamic databases, semantic middleware, and publish/subscribe concepts. The system provides a logically uniform view into the multiple databases and information sources that allow for more effective management of the Department better inform both deliberate and crisis action planning. DRRS funding supports system enhancements to include: Mission Assurance Category I compliance, integration of DRRS with the Adaptive Planning & Execution System implementation of the Air Force Input Tool effective program oversight, operator training, and data maintenance.

   f) <u>Lost Work Days System (LWD)</u>: Lost Work Days aims to increase operational readiness by providing data and analysis to eliminate preventable mishaps.

   g) <u>Military Naturalization Support</u>: Funding was added to OUSD (P&R) for Military Naturalization Support Services in response to Congressional Language in the FY 2010, Department of Homeland Security (DHS) conference report (House Report 111-298). Section 1701 of the FY 2004, National Defense Authorization Act (P.L. 108-136) directed the U.S. Citizenship and Immigration Services (USCIS) in DHS not to charge fees to military members applying for naturalization to become US citizens. Funding of the Military Naturalization program was directed by OMB and included in DoD appropriations beginning in FY 2011. Estimated cost per applicant is $675 and approximately 9,400 applications are processed per year.

   h) <u>Studies Program</u>: The Department contracts for assistance in facilitating studies

I.   Description of Operations Financed (cont.)
  that improves the overall operation and efficiency of the OUSD (P&R) and the programs
  over which it exercises oversight. Major themes of these studies include the three main
  focus areas of recruiting, retention, and readiness along with the full continuum of
  subjects that impact these major themes. Population of interest is the Total Force.

  i) Training Transformation: Provides oversight of the Department's Joint training
effort, including DoD training ranges.

$ in Thousands

	FY 2014 1/**Actual**	FY 2015 2/**Enacted**	FY 2016 3/**Estimate**
G. Under Secretary of Defense (Intelligence):	182,346	82,890	80,767

1/FY 2014 Actual column **includes** $30,000 thousand of OCO funding (PL 113-76)

2/FY 2015 Enacted column **excludes** $107,400 thousand of OCO funding

3/FY 2016 Estimate column **excludes** OCO

The Intelligence Management project includes funding for the staff in the four Directors
for Defense Intelligence (DDI) and four direct report offices within the OUSD(I). The
USD(I) advises the Secretary of Defense and Deputy Secretary of Defense regarding
intelligence, counterintelligence (CI), security, sensitive activities, technical
collection, capabilities, special programs and other intelligence-related matters. The
OUSD(I) exercises the SECDEF's authority, direction, and control over the Defense
Agencies and DoD Field Activities that are Defense intelligence, CI, or security
components; and exercises planning, policy, and strategic oversight over all DoD

I.   <u>**Description of Operations Financed**</u> **(cont.)**
intelligence, CI, and security policy, plans and programs. The USD(I) is dual-hatted as the Director of Defense Intelligence within the Office of the Director of National Intelligence (ODNI). In this capacity, the USD(I) reports to the DNI on Defense Intelligence matters.

a) <u>**DDI Warfighter Support(WS)**</u>: Ensures that intelligence support across the Department meets critical and timely warfighter requirements through policy development, planning, operational oversight, and resource advocacy. DDI WS aligns policies and programs with current operational requirements to include Special Operations. This includes ensuring the Intelligence Community (IC), via the Combat Support Agencies (CSAs), the Joint Staff, and the Services provide effective and efficient intelligence support to the Combatant Commands (CCMDs), across all intelligence disciplines, during all phases of operations, and along the entire spectrum of conflict. DDI WS advises national leadership regarding the planning and execution of global reconnaissance operations and identifies, rationalizes, and institutionalizes emerging Intelligence Surveillance and Reconnaissance (ISR) capabilities through the expeditious delivery of ISR systems, technologies, policies, and processes. DDI WS also ensures that Defense Intelligence (DI) effects are appropriately considered in DoD's Deliberate Planning Process and properly reflected in final plans. WS oversees DI support to global SOF operations and sensitive activities as well as to global cyber operations and the growing Cyber Force. The WS DDI oversees Special Technical Operations (STO) ensuring the effective employment of STO capabilities in CCMD plans, operations and campaigns.

b) <u>**DDI Intelligence Strategy, Programs and Resources (ISP&R)**</u>: Develops DoD's investment strategy for ISR and environmental system capabilities, as well as governance, concepts, and technologies to enhance the Defense Intelligence Information Enterprise (DI2E). The office executes this investment strategy through management of the Military Intelligence

I. <u>Description of Operations Financed (cont.)</u>

Program (MIP) as well as the Battlespace Awareness (BA) Portfolio, balancing investment and risk over specific capability focus areas. The office also provides oversight support to USD(I) for ISR programs and synchronizes MIP investment with those investments in the National Intelligence Program (NIP) that support military planning and operations. Finally, the office identifies, manages, and coordinates ISR systems and programs through the OSD and DNI requirements and acquisition processes.

c) <u>DDI Intelligence and Security (I&S)</u>: The principle staff office within the OUSD(I) that is responsible for developing policy; conducting oversight; and ensuring adequacy of resourcing for DoD in the areas of HUMINT, Counterintelligence (CI), Security, Insider Threats, Clandestine Operations, Sensitive Activities, National Programs and Policy Support, Intelligence Sharing and Partner Engagement, and Defense Analysis. The office represents OUSD(I) and OSD at DoD, IC, national, and international forums; ensures that intelligence support provided by these areas is fully coordinated and synchronized with other intelligence and operational component activities; and ensures these functional areas are responsive to the needs of both DoD and the broader Intelligence Community.

d) <u>DDI Technical Collection & Special Programs(TCSP)</u>: The DDI established to strengthen policy development and operational oversight of the National Security Agency, National Geospatial-Intelligence Agency, the Defense Intelligence Agency's Science and Technology Directorate, cyber space activities and capabilities, and other technical intelligence and intelligence-related special programs. DDI TCSP will drive development of new capabilities and responses to strategic situations and synergize efforts to cultivate new integrated technical solutions. It oversees, enables and integrates technical collection, cyberspace activities, clandestine technical operations, capabilities development and the Foreign Materiel Program. DDI TCSP advocates, as necessary, for Defense Intelligence Enterprise resources to support technical operations and other

I. Description of Operations Financed (cont.)

traditional military activities, as assigned, in support of DoD and National intelligence and intelligence related activities. DDI TCSP ensures coordination and synchronization of technical capabilities, operations and activities among stakeholders, to include the IC and DoD components. DDI TCSP also represents OUSD(I) and OSD at DoD, IC, national, and international technical forums and conducts outreach activities with DoD components, other elements of the U.S. Government, industry, and our foreign partners.

e) Direct Report Offices (DRO): Consists of the Chief of Staff Office, Human Capital Management Office, Congressional Activities, and the Special Access Program Central Office.

f) Chief of Staff (CoS) Office: Serves as the focal point for coordination of organization-wide management and administrative matters; Defense Intelligence Mission Assurance; and Intelligence Policy. The office of the CoS provides customer focused administrative, management, policy, and operational support capabilities that enable the day to day functions of the OUSD(I). Responsible for managing OUSD(I) Continuity of Operations/Continuity of Government requirements and full integration with OSD; and serves as the DoD lead for the Defense Intelligence Mission Assurance activities ensuring Combat Support Agencies are fully integrated into DoD and IC efforts. Responsible for the development and coordination of DoD intelligence, CI and security policy, strategy and planning guidance to reflect the USD(I)'s strategic direction and priorities; and provides a framework for effective intelligence operations worldwide. Synchronizes DoD policy with IC policy to foster intelligence integration in support of national intelligence requirements and the warfighter. Identifies and fills policy gaps to provide critical guidance in emerging and evolving intelligence mission areas. Ensures Joint Staff Intelligence Doctrine is accurate and correctly reflects intelligence policy guidance.

I.   Description of Operations Financed (cont.)

g) The Human Capital Management Office (HCMO): Exercises policy oversight of personnel in Defense intelligence positions to ensure that Defense intelligence, CI, and security Components are manned, trained, equipped and structured to support the missions of the Department. Develops and oversees the policies associated with the Defense Civilian Intelligence Personnel System (DCIPS). Develops policy and provides oversight on training, education, and career development of personnel within the Defense Intelligence, CI, and security Components and ensures integration of Defense intelligence into other DoD training within the DoD and the IC, as appropriate. Oversees the implementation of DoD detailee and joint duty policy within the Defense intelligence, CI, and security Components, and exercises approval authority over the assignment of those personnel. Develops and advocates policy, strategies, and programs for meeting Defense Intelligence Enterprise (DIE) needs for foreign language skills and country/cultural knowledge capabilities. Plans, implements and maintains the Defense Intelligence Organization Server for the DIE.

h) Congressional Activities: Works in support of the USD(I), the ASD (Legislative Affairs) and the OSD (Comptroller), and facilitates OUSD(I) interaction with Defense and Intelligence oversight committees, and Members of Congress and their staffs in order to provide information on the MIP and OUSD(I) legislative priorities consistent with DoD objectives.

i) Special Access Program Central Office: Manages security and ensures policy compliance for Special Access Programs (SAP) executed by OUSD(I). Provides guidance, direction and compliance support to SAPs executed by other DoD components and overseen by the USD(I). Serves as the Designated Accreditation Authority for SAP

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I.   Description of Operations Financed (cont.)

<div align="right">$ in Thousands</div>

	FY 2014 Actuals	FY 2015 Enacted	FY 2016 Estimate
H. Director, Cost Assessment and Program **Evaluation (CAPE):**	25,601	26,567	27,037

The Director, CAPE (D,CAPE) provides critical analyses of DoD programs and independent advice to the SECDEF and DEPSECDEF regarding the defense program. CAPE develops and analyzes program alternatives, manages the Future Years Defense Program (FYDP) and validates the costing and funding of programs throughout DoD.

  a. **Long Range Planning**: This program provides independent advice to the SECDEF for analysis and advice on Planning, Programming, Budgeting, and Execution (PPBE) decisions, cost estimation and cost analysis for major Defense acquisition programs, strategy and force planning, the Quadrennial Defense Review, and transformation. Specific areas of focus include:

   1) Cost Estimating Analysis and Economic Research
   2) Strategic, C4, and ISR Programs
   3) Irregular Warfare Analysis
   4) Conventional Forces Analytical Support
   5) Defense Program Projection Support (DPP)
   6) Force Structure, Weapons Systems, and Warfighting Analysis

I.   **Description of Operations Financed (cont.)**
   7) Mobility Capability Analysis
   8) Scenario Analysis and Simulation and Analysis Center (SAC)
   9) Defense Contract and Resource Center (DCARC)

   b. Industrial Base Study Program: This program continues the congressionally directed effort focusing on Space and Ship programs initiated in FY 2009. The program provides for the collection and analysis of data to support assessment of industrial base health, and tools to continually monitor program and contractor performance. Some of the current efforts include the development of automated tools for the analysis of industrial and government work forces, program performance data, investment trends, and assessment of alternative acquisition strategies.

   c. Future Years Defense Program (FYDP) Improvement: This program is a transfer from OUSD(Comptroller), effective 2013. It maintains the FYDP information system used to collect, transform, disseminate, build reports, and provide analytical displays for PPBE deliverables. It also improves the efficiency and effectiveness of PPBE processes and systems and supports PPBE decision making by the Secretary of Defense and senior DoD leadership.

More detailed information on the mission and functions of CAPE can be found at the following website: *https://www.cape.osd.mil.*

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I.   <u>Description of Operations Financed (cont.)</u>

<div align="right"><u>$ in Thousands</u></div>

	FY 2014 **Estimate**	**FY 2015** **Enacted**	**FY 2016** **Estimate**
I. <u>**DoD Chief Information Officer**</u>:	75,154	67,409	78,227

<u>**Chief Information Officer Mission:**</u> Responsible for all matters relating to information and the information environment including command and control (C2), communications, radio frequency spectrum, network operations, information systems, information assurance, defense cybersecurity, the joint information environment, and position, navigation, and timing (PNT) policy. Supports all aspects of the Defense Information Enterprise – its policy development and oversight; strategic, business, infrastructure, and capital planning; resource management (e.g., people, funds, and technology); and its design, development, configuration, operation and protection. Emphasis is placed on providing plans, policies, processes, IT governance structures and compliance oversight, engagement with DoD, OMB, and Inter-Agency Governance forums/processes, analytic assessments, enterprise-wide architecture, and technical expertise to achieve the Department's Joint Information Environment (JIE). Funds support DoD CIO responsibilities for the development and integration of Command, Control, Communications, Computing Network, and Information Infrastructure Capabilities (C4&IIC) to include cloud, data center, identity/access management, and asset management policies to ensure successful implementation of the JIE. For initiatives impacting the Department's information sharing, supporting the full range of Defense operations from tactical through strategic levels. Provides for C4&IIC technical strategy development and analysis activities (e.g. bandwidth assessments, spectrum analysis, satellite communication, integrated joint C2

I.   Description of Operations Financed (cont.)

capability plans, and commercial wireless analysis), capability advocacy, and domestic and international policy engagement. Funds the analysis and oversight of implementation

strategies for IT-based systems, services, standards, specifications and protocols to enhance the efficiency and effectiveness of capabilities and ensure compliance with the Department's JIE objectives. Enables management and oversight of Department and Component-level strategies for C4&IIC programs to include technical analyses and evaluations of cost, schedule, performance, dependencies and requirements, and provides leadership with solid capability strategies and economic alternatives. Funds technical analysis, architecture development, and systems engineering analysis of C4&IIC related programs, technical evaluation and assessments of acquisition strategies and requirements, analyses of alternatives, and systems integration and synchronization. The funds also support the DoD CIO role as the Secretary's Principal Staff Assistant (PSA) for command and control and National Leadership Command Capabilities, and supports the availability and provisioning of fully capable and collaborative nuclear and national C2 networks, systems, and equipment. Funds support efforts to: improve visualization of the status of National and Presidential communications networks and information services, oversee and monitor secure voice and cryptographic device/equipment modernization (both nationally and nuclear command and control), and develop engineering and architecture of future systems. These funds also support the oversight and preparation of OMB and Congressional justification materials for the DoD Information Technology budget, to include the Department's cybersecurity budget

a. **Information Systems Security Program (ISSP):** Supports policy development, program oversight, development of strategies, the integration of all DoD Information Assurance (IA) efforts such as Computer Network Defense (CND), and capabilities for the restoration of information systems. Supports: IA and CND architecture development and oversight; IA

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I.   Description of Operations Financed (cont.)
and CND operations process integration, and impact assessment and mitigation planning.
Also supports oversight and development of IA education, training and awareness –

including IA Scholarship Program – defense information systems security programs,
engagement with our allies on Internet Governance, and capabilities that support mission
assurance and implementation processes.

b. e-Gov Initiatives and Government-Wide Councils: This program implements OMB IT
Management requirements supporting the President's agenda for IT Efficiency,
transparency, information sharing, and OMB's guidance on alignment of architectures,
advancement of new technologies, Federal-wide management initiatives (e.g., Information
Resource Management Planning, Enterprise Architecture and Roadmaps, Shared Services,
Digital Government, Mobile Enablement, Cloud Capabilities, Data Center Consolidation,
Commodity IT, Privacy, Section 508 Compliance, Management of Information as a Strategic
Asset, IPv6, IT Asset Management and Investment oversight), and implementation of
Federal-wide services. The funding will also provide for the Department's annual share
for support to the Federal government-wide councils (Chief Financial Officers Council,
Chief Information Officers Council, Chief Human Capital Officers Council, Chief
Acquisition Officers Council, and the President's Management Council).

c. Cyber Security Initiative: Supports the President's inter-agency Comprehensive
National Cybersecurity Initiative (CNCI) in the areas of: FISMA compliance and increasing
the security of the networks and information system; expanding education; and developing
approaches for Global Supply Chain Risk Management (SCRM). Funding for SCRM activities
are generally comprised of two types: 1) SCRM piloting activities within DoD, and; 2)
continued expansion of SCRM threat assessment capability. DoD is piloting SCRM key
practices within DoD acquisition programs through SCRM piloting centers of excellence,

I.   <u>**Description of Operations Financed (cont.)**</u>
which place SCRM Subject Matter Experts (SMEs) within DoD acquisition programs to test
SCRM key practices and leverage threat information from the SCRM threat assessment
capability. The goal is to mitigate risks to DoD's IT information systems from the global
supply chain of hardware and software-based components. In addition funds support program
protection plan analyses, and support for cyber professional education and training
activities at the service academies, senior service and defense colleges, service
training schools, and for distributive/web-based training and mentoring.

d.   <u>**Defense Industrial Base, Cyber Security Initiative**</u>: Supports the Defense Industrial
Base Cyber Security/Information Assurance (DIB CS/IA) program. Program activities include
US government, Interagency, and DoD-wide collaboration, DoD policy development, cyber
threat information sharing, network incident reporting and remediation, cyber intrusion
damage assessment, digital forensic analysis, the development of network security/IA
capabilities and development of associated network security technologies, as well as
network management and remediation tools. The DIB CS/IA Task Force (TF) oversees
implementation of roles and responsibilities assigned to DoD Components supporting the
program (e.g., NSA, Defense Cyber Crime Center, OSD, Military Departments, USSTRATCOM /
USCYBERCOM, Agencies, etc.) and coordination with the Interagency. The DIB CS/IA TF also
supports the Dept. of Homeland Security (DHS) efforts to extend DoD's DIB information
sharing model to other critical infrastructure sectors, and supports the DIB CS/IA
program for partnering with industry on cyber security and information assurance.

More detailed information on the mission and functions of DoD CIO can be found at the following
website: http://dodcio.defense.gov.

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I.   **Description of Operations Financed (cont.)**

                                                                        $ in Thousands

	FY 2014 Actuals	FY 2015 Enacted	FY 2016 Estimate
Deputy Chief Management Officer:	28,904	28,825	38,646
This Subactivity is comprised of			
Management, Policy & Analysis Directorate		1682	22,557
Planning, Performance, & Assessment Directorate			10,538
DCMO Integration and Policy	28,904	27143	0
Administrative Directorate			2,523
Compliance & Oversight Directorate			2,344
Intelligence Oversight Directorate			684

The National Defense Authorization Act for 2008 created the Deputy Chief Management Officer (DCMO) position as a Principal Staff Assistant (PSA) and advisor to the Secretary and Deputy Secretary of Defense for matters relating to management and improvement of integrated DoD business operations. On behalf of the Deputy Secretary of Defense, the Office of the DCMO (ODCMO) works across the Department to synchronize and coordinate cross-functional business activities and break down organizational stovepipes. On December 4, 2013, the Secretary of Defense directed a realignment and consolidation of the Office of the Assistant to the Secretary of Defense for Intelligence Oversight and

I.   <u>**Description of Operations Financed (cont.)**</u>
the Office of the Director of Administration and Management into the ODCMO. This
consolidation enables and emphasizes the role of the DCMO for full-spectrum oversight, at
both the OSD and DoD levels, of management and administration, coordination and
collaboration across DoD Components and business functions, performance improvements, and
regulatory compliance.

The former functions of the Assistant to the Secretary of Defense (Intelligence
Oversight) will continue in the reorganized ODCMO in the Intelligence Oversight Division.
This office will continue to serve as the Secretary of Defense's personal, independent
oversight mechanism for the Defense Intelligence Components. Through assessment
inspections, training programs, and investigations as required, it ensures that defense
intelligence activities are conducted in accordance with statute, Presidential order, and
Departmental policy and regulation. The office also serves as the proponent for DoD
Intelligence Oversight policy.

The former functions of the Director of Administration and Management (DA&M) will
continue primarily under the Compliance and Oversight Directorate and under the
Management, Policy, & Analysis Directorate within the reorganized ODCMO. These functions
include the following broad responsibilities: to advise the Secretary and DoD senior
leaders team on organizational and management matters of institutional importance; to
oversee the Pentagon Reservation which is the Headquarters of the U.S. Defense
establishment and a highly visible symbol of U.S. military power, as well as Defense
leased facilities in the National Capital Region (NCR), providing administrative,
logistical, facilities, and technological support at those facilities; and to secure and
protect the people, facilities, and infrastructure of the Pentagon Reservation and DoD
leased facilities. The ODCMO, will also oversee the Advisory Committee Management
Division, DoD Privacy and Civil Liberties Program, and the Compliance and Transparency

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I.   Description of Operations Financed (cont.)

Division, which includes the DoD Freedom of Information Act Program (includes FOIA). ODCMO will also have oversight of the Pentagon Force Protection Agency (PFPA) and the Washington Headquarters Services (WHS), a DoD Field Activity which provides financial, personnel, and other administrative support to the NCR organizations.

II. Force Structure Summary:

N/A

III. <u>Financial Summary</u> ($ in thousands)

			FY 2015					
			Congressional Action					
A. <u>BA Subactivities</u>	**FY 2014 Actual**	**Budget Request**	**Amount**	**Percent**	**Appropriated**	**Current Enacted**	**FY 2016 Estimate**
BA 01: Operating Forces							
1. OUSD (P&R)	0	0	0	n/a	0	0	544,369
Combatant Commanders Exercise Engagement & Training Transformation	0	0	0	n/a	0	0	544,369
BA 04: Administration and Servicewide Activities							
2. Core Operating Program	350,193	357,360	-12,786	-3.6	344,574	344,574	361,307
Core Operating Program	350,193	357,360	-12,786	-3.6	344,574	344,574	361,307
3. Other DoD Programs and Initiatives	270,176	328,580	66,073	20.1	394,653	394,653	356,382
Other DoD Programs and Initiatives	270,176	328,580	66,073	20.1	394,653	394,653	356,382
4. OUSD (AT&L) Congressional Mandate	24,360	24,741	-6,327	-25.6	18,414	18,414	34,034
BRAC Support	0	4,800	-4,800	-100.0	0	0	10,500
CFO Act Compliance	5,060	2,606	52	2.0	2,658	2,658	2,542
Committee on Foreign Investment in the US (CFIUS)	2,177	2,826	-159	-5.6	2,667	2,667	2,882
Contingency Business Tools	10,482	9,810	-1,688	-17.2	8,122	8,122	11,023
E-Business COE	2,251	2,537	-58	-2.3	2,479	2,479	2,630
Legacy Resource	4,390	2,158	325	15.1	2,483	2,483	4,457

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III. <u>Financial Summary</u> ($ in thousands)

A. <u>BA Subactivities</u>	FY 2014 Actual	Budget Request	FY 2015 Congressional Action Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
Management Program Native American Land Remediation	0	4	1	25.0	5	5	0
5. OUSD (AT&L) Improve Acquisition & Logistics Processes	149,909	139,037	5,387	3.9	144,424	144,424	148,042
Acquisition Program Support Systems	6,112	7,359	-472	-6.4	6,887	6,887	7,841
Contingency Contracting	2,138	2,600	-67	-2.6	2,533	2,533	2,558
Corrosion Prevention Program	5,163	4,848	-198	-4.1	4,650	4,650	4,985
CWMD Expert Fellows Program	1,793	2,160	-70	-3.2	2,090	2,090	2,195
CWMD Sustainment	2,534	2,702	0	0.0	2,702	2,702	3,755
Defense Environment Restoration Account	1,720	0	0	n/a	0	0	0
Defense Industrial Base Cyber Security	2,751	2,579	57	2.2	2,636	2,636	2,640
Defense Installation Spatial Data Infra (DISDI)	698	601	14	2.3	615	615	630
Defense Management Initiatives	3,802	1,424	-33	-2.3	1,391	1,391	1,512
Defense Procurement & Acquisition Policy (DPAP)	1,269	2,101	-57	-2.7	2,044	2,044	2,467

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III. **Financial Summary** ($ in thousands)

A. BA Subactivities	FY 2014 Actual	Budget Request	FY 2015 Congressional Action Amount	FY 2015 Congressional Action Percent	FY 2015 Appropriated	Current Enacted	FY 2016 Estimate
Defense Test Resource Management Center Operations	2	0	0	n/a	0	0	0
Developmental Test and Engineering (DT&E)	1,960	1,885	45	2.4	1,930	1,930	1,975
DoD Siting Clearinghouse	619	2,341	-68	-2.9	2,273	2,273	2,721
Emerging Contaminants	1,042	505	-18	-3.6	487	487	818
Employee Safety Occupational Health (ESOH) in Acquisition	1,253	634	-15	-2.4	619	619	1,802
Human Capital Initiative (HCI)	3,289	2,521	57	2.3	2,578	2,578	2,654
I&E Business Enterprise Integration (Formerly Facilities Program Requirement)	3,005	1,986	-54	-2.7	1,932	1,932	1,853
Industrial Policy Program Support	3,479	4,194	-101	-2.4	4,093	4,093	4,207
Information Superiority Integration Support (ISIS)	6,034	4,516	-104	-2.3	4,412	4,412	5,707

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III. Financial Summary ($ in thousands)

			FY 2015				
			Congressional Action				
A. BA Subactivities	FY 2014 Actual	Budget Request	Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
Installation Climate Change Vulnerability Assessment	713	760	-22	-2.9	738	738	743
Integrated Acquisition Environment (GSA Bill)	31,951	29,116	564	1.9	29,680	29,680	28,962
Joint Purchase Card Office	6,674	6,491	-156	-2.4	6,335	6,335	5,711
Logistics Systems Modernization (LSM)	15,397	18,921	-474	-2.5	18,447	18,447	18,636
Management Support	11,396	0	9,000	n/a	9,000	9,000	6,132
Mission Capabilities/Systems Engineering	5,591	5,897	-148	-2.5	5,749	5,749	5,630
Operational Energy Plans and Programs (OEP&P) Office	6,026	5,569	-136	-2.4	5,433	5,433	5,490
Performance Assessment & Root Cause Analysis (PARCA) Office	8,838	8,914	-405	-4.5	8,509	8,509	7,514
RDT&E Oversight	4,283	4,935	-1,432	-29.0	3,503	3,503	3,404
Small Business Program Support	3,324	6,749	-269	-3.0	6,480	6,480	6,910
Space and Intelligence MDAP	5,748	5,743	-126	-2.2	5,617	5,617	6,028

III. Financial Summary ($ in thousands)

| A. BA Subactivities | FY 2014 Actual | Budget Request | Congressional Action | | | Current Enacted | FY 2016 Estimate |
			Amount	Percent	Appropriated		
Oversight							
Strategic Sourcing	1,305	986	-25	-2.5	961	961	962
Treaty Compliance	0	0	100	n/a	100	100	1,600
6. OUSD (AT&L)	27,456	19,498	-333	-1.7	19,165	19,165	16,487
Promulgate Policy							
Acquisition Visibility	22,653	15,411	-385	-2.5	15,026	15,026	15,538
AT&L Knowledge Sharing Systems	4,168	3,354	73	2.2	3,427	3,427	0
Transform Procurement Regulations	635	733	-21	-2.9	712	712	949
7. OUSD (AT&L)	82,124	46,229	13,314	28.8	59,543	59,543	62,659
Regulatory Requirement							
Environmental International Cooperation	1,671	1,642	-39	-2.4	1,603	1,603	1,705
International Cooperation Program Support	131	1,075	-26	-2.4	1,049	1,049	604
Low Observable, CLO	100	108	3	2.8	111	111	100
Readiness & Env. Protection Initiative (REPI)	80,222	43,404	13,376	30.8	56,780	56,780	60,250
8. OUSD (AT&L) Other	27,061	15,010	-497	-3.3	14,513	14,513	17,655
(formerly) Native American Resources (Travel)	11,918	0	0	n/a	0	0	0

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III. <u>Financial Summary</u> ($ in thousands)

			FY 2015				
			Congressional Action				
A. <u>BA Subactivities</u>	FY 2014 Actual	Budget Request	Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
CYBER Initiative	0	0	0	n/a	0	0	3,000
OSD Studies Fund	13,068	11,604	-141	-1.2	11,463	11,463	11,215
OUSD(AT&L) Travel	2,075	3,406	-356	-10.4	3,050	3,050	3,440
9. OUSD (AT&L) OCO	12,294	0	0	n/a	0	0	0
OCO cASM Contingency Acquisition Support Model	7,414	0	0	n/a	0	0	0
OCO OUSD (AT&L)	4,880	0	0	n/a	0	0	0
10. OUSD (Policy)	71,134	60,608	-3,202	-5.3	57,406	57,406	55,238
Defense Critical Infrastructure Programs	0	7,710	0	0.0	7,710	7,710	1,414
Defense Critical Infrastructure Protection	8,207	0	0	n/a	0	0	0
GWOT Supplemental Policy	13,370	0	0	n/a	0	0	0
International Defense Program	6,023	5,638	0	0.0	5,638	5,638	5,815
Mission Support	91	5,908	-202	-3.4	5,706	5,706	6,158
OCO Temp Billets (detainee) (Policy)	345	0	0	n/a	0	0	0
OCO TempBillWar	609	0	0	n/a	0	0	0
Other OSD Program Elements	11	0	0	n/a	0	0	0
OUSD(P) Operations	35,072	29,962	0	0.0	29,962	29,962	27,120
OUSD(P) Travel	3,270	0	0	n/a	0	0	0

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III. Financial Summary ($ in thousands)

			FY 2015				
			Congressional Action				
A. BA Subactivities	FY 2014 Actual	Budget Request	Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
Rewards Program	2,928	7,990	-2,000	-25.0	5,990	5,990	8,344
Strategy and Force Development	703	3,400	-1,000	-29.4	2,400	2,400	6,387
US Mission to NATO	505	0	0	n/a	0	0	0
11. OUSD (Comptroller)	36,975	39,590	4,263	10.8	43,853	43,853	57,939
Comptroller Initiatives	29,622	30,424	4,263	14.0	34,687	34,687	47,123
Defense Resource Management Institute	0	0	0	n/a	0	0	1,436
Enterprise Funds Distribution System Support	3,163	3,206	0	0.0	3,206	3,206	3,258
Next Generation Resource Management System	4,054	4,277	0	0.0	4,277	4,277	4,346
OUSD(C) Administrative Support	136	1,683	0	0.0	1,683	1,683	1,776
12. OUSD (P&R)	629,623	656,989	-30,226	-4.6	626,763	626,763	44,291
Advancing Diversity & EO	8,022	7,569	-51	-0.7	7,518	7,518	7,558
ASD (Health Affairs) Operations	191	678	-64	-9.4	614	614	616
ASD (Reserve Affairs) Operations	1,050	1,392	-105	-7.5	1,287	1,287	1,295
Combatant Commanders Exercise	569,411	611,155	-30,425	-4.0	580,730	580,730	0

III. <u>Financial Summary</u> ($ in thousands)

			FY 2015					
			Congressional Action					
A. <u>BA Subactivities</u>	FY 2014 Actual	Budget Request	Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
Engagement & Training Transformation							
Defense Readiness Reporting System (DRRS)	10,903	6,169	-920	-14.9	5,249	5,249	5,179
Defense Safety Oversight Council (DSOC)	9,429	9,116	-1,006	-11.0	8,110	8,110	8,154
Lost Work Day System	2,598	2,781	-149	-5.4	2,632	2,632	2,646
Military Naturalization Support	15,150	6,019	173	2.9	6,192	6,192	6,225
OCO OUSD(P&R)	2,682	0	0	n/a	0	0	0
OUSD(P&R) Administrative Support	3,662	3,158	3,011	95.3	6,169	6,169	3,189
OUSD(P&R) Travel	382	948	-228	-24.1	720	720	1,767
Studies Program/CASS	1,970	2,159	-249	-11.5	1,910	1,910	2,000
Training Transformation	4,173	5,845	-213	-3.6	5,632	5,632	5,662
13. OUSD (Intel)	182,346	75,736	7,154	9.4	82,890	82,890	80,767
Defense Civilian Intelligence Personnel System	2,002	1,903	-44	-2.3	1,859	1,859	1,795
Defense Military	3,743	3,724	-113	-3.0	3,611	3,611	3,973

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III. Financial Summary ($ in thousands)

			FY 2015				
			Congressional Action				
A. BA Subactivities	FY 2014 Actual	Budget Request	Amount	Percent	Appropriated	Current Enacted	FY 2016 Estimate
Deception Program Office							
Defense Operation Security Initiative	0	4,300	-119	-2.8	4,181	4,181	11,420
Intelligence Mission	82,351	65,809	7,430	11.3	73,239	73,239	63,579
International Intelligence Technology and Architecture	64,250	0	0	n/a	0	0	0
OCO OUSD(INTEL)	30,000	0	0	n/a	0	0	0
14. Director, CAPE	25,601	27,701	-1,134	-4.1	26,567	26,567	27,037
CAPE Travel	312	245	0	0.0	245	245	252
FYDP Improvement	3,283	3,816	-111	-2.9	3,705	3,705	3,798
Industrial Base Studies	2,268	2,308	-67	-2.9	2,241	2,241	2,319
Long-Range Planning	19,738	21,332	-956	-4.5	20,376	20,376	20,668
15. DoD Chief Information Officer	75,154	70,237	-2,828	-4.0	67,409	67,409	78,227
CIO Mission	32,041	29,257	-957	-3.3	28,300	28,300	30,275
Cyber Security Initiative	10,630	9,951	-325	-3.3	9,626	9,626	15,867
Defense Industrial Base, Cyber Security Initiative	3,182	3,038	-99	-3.3	2,939	2,939	3,142
DoD CIO Travel	467	673	0	0.0	673	673	681
Egov, Councils	16,548	15,809	-1,143	-7.2	14,666	14,666	16,356
Information Systems	12,286	11,509	-304	-2.6	11,205	11,205	11,906

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A. BA Subactivities	FY 2014 Actual	Budget Request	FY 2015 Congressional Action Amount	FY 2015 Congressional Action Percent	FY 2015 Appropriated	Current Enacted	FY 2016 Estimate
Security Program (ISSP)							
16. Deputy Chief Management Officer	28,904	29,847	-1,022	-3.4	28,825	28,825	38,646
Administrative Directorate	0	0	0	n/a	0	0	2,523
Compliance & Oversight Directorate	0	0	0	n/a	0	0	2,344
DCMO -Intelligence Oversight Directorate	0	0	0	n/a	0	0	684
DCMO Integration and Policy	28,904	29,847	-2,704	-9.1	27,143	27,143	0
Management, Policy & Analysis Directorate	0	0	1,682	n/a	1,682	1,682	22,557
Planning, Performance, & Assessment Directorate	0	0	0	n/a	0	0	10,538
Total	**1,993,310**	**1,891,163**	**37,836**	**2.0**	**1,928,999**	**1,928,999**	**1,923,080**

* The FY 2014 Actuals column **includes** $59,300 thousand of FY 2014 Overseas Contingency Operations Appropriations funding (PL 113-76).
* The FY 2015 Enacted column **excludes** $135,664 thousand of FY 2015 Overseas Contingency Operations Appropriations funding (PL 113-76).
* The FY 2016 Estimate column **excludes** $106,704 thousand of FY 2016 OCO Funding Budget request.

III. <u>Financial Summary</u> ($ in thousands)

B. <u>Reconciliation Summary</u>	Change FY 2015/FY 2015	Change FY 2015/FY 2016
Baseline Funding	**1,891,163**	**1,928,999**
Congressional Adjustments (Distributed)	-23,681	
Congressional Adjustments (Undistributed)	7,073	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)	54,444	
Subtotal Appropriated Amount	**1,928,999**	
Fact-of-Life Changes (2015 to 2015 Only)		
Subtotal Baseline Funding	**1,928,999**	
Supplemental	135,664	
Reprogrammings		
Price Changes		46,998
Functional Transfers		-37,236
Program Changes		-15,681
Current Estimate	**2,064,663**	**1,923,080**
Less: Wartime Supplemental	-135,664	
Normalized Current Estimate	**1,928,999**	

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
FY 2015 President's Budget Request (Amended, if applicable)		1,891,163
1. Congressional Adjustments		37,836
a. Distributed Adjustments		
1) ASD SOLIC oversight of SOCOM-program increase	2,000	
2) Boards, Commissions and Task Forces-unjustified growth	-1,365	
3) BRAC 2015 round planning and analyses	-4,800	
4) Capital Security Cost Sharing-unjustified growth	-7,500	
5) Directed reduction for OSD Management Headquarters	-15,000	
6) Headquarters Support for other programs and initiatives-unjustified growth	-430	
7) Healthy Base Initiative-program increase	3,000	
8) Office of Net Assessment-program increase	20,000	
9) OSD AT&L, RDTE Oversight-unjustified growth	-1,380	
10) OSD Comptroller Audit Readiness	8,000	
11) OSD Comptroller-unjustified growth	-2,483	
12) OSD P&R eliminate contractor growth for CE2T2	-25,000	
13) OSD Personnel and Readiness-unjustified growth	-3,100	
14) OSD Policy-unjustified growth	-3,623	
15) Overestimation of civilian FTE targets	-7,000	
16) Readiness Environmental Protection Initiative-program increase	15,000	
b. Undistributed Adjustments		
1) Federal insider Threat Detection Enhancements	10,000	
2) Reduction to Non-NIP Non-CYBER IT Programs	-2,927	
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
1) Section 8024 (FFRDC)	-888	
2) Section 8035 (Indian Lands)	11,332	
3) Section 8047 (Red Cross)	24,000	

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
4) Section 8047 (USO)	20,000	
FY 2015 Appropriated Amount		**1,928,999**
2. War-Related and Disaster Supplemental Appropriations		135,664
a. OCO Supplemental Funding		
1) Anticipated OCO Supplemental Funding	135,664	
3. Fact-of-Life Changes		
FY 2015 Baseline Funding		**2,064,663**
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2015 Estimate		**2,064,663**
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-135,664
FY 2015 Normalized Current Estimate		**1,928,999**
6. Price Change		46,998
7. Functional Transfers		-37,236
a. Transfers In		
1) Audit Readiness transfer from various Defense Agencies	14,400	

Transfer realigns funds from various Defense Agencies to OUSD(C) for obtaining contractor support and to provide oversight for achieving the Department's goals for auditable financial statements. (FY 2015 Baseline: $0 thousand; +0 FTEs) (FY 2015 Baseline: $0 thousand; +0 FTEs)

2) Defense Resources Management Institute	1,436	

Increase realigns the program and direct funding from DHRA to OUSD(C). The USD(C) is the council chair charged with oversight of the DRMI and its mission to provide professional education for personnel involved in resource allocation and management functions. (FY 2015 Baseline: $0 thousand; +0 FTEs)

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

3) DTRA Treaty Management Support   1,600
   Increase represents Senior Leadership decision to
   transfer Treaty Management Support function from DTRA
   to OUSD(AT&L) (FY 2015 Baseline: $0 thousand; +0
   FTEs)
  b. Transfers Out
    1) AT&L Knowledge Management System to DAU   -3,509
   The Defense Acquisition University (DAU) manages and
   executes the AKMS. Leadership approves the Under
   Secretary of Defense for Acquisition, Technology, and
   Logistics (USD(AT&L)) to transfer funding for the
   AT&L AKMS from the USD(AT&L) to the Defense
   Acquisition University (DAU) consistent with
   management and the executive responsibility.
   Annually, AT&L has provided funding to DAU on a sub-
   allocation basis. This transfer will eliminate the
   need for the annual sub-allocation and improve
   auditability. (FY 2015 Baseline: $3,427 thousand)
    2) Combatant Commanders Exercise Engagement & Training   -40,334
   Transformation (CE2T2) transfer to the Joint Staff
   Transfer of the Doctrine program to the Joint Staff
   to align with function responsibility. (FY 2015
   Baseline: $580,730 thousand; +0 FTEs)
    3) Core Operating Program   -1,350
   Transfer of $1,350 Civilian Pay dollars to Washington
   Headquarters Service(WHS) from Assistant Secretary of
   Defense, Intelligence Oversight (ASD-IO) (-211),
   Directorate of Administration (DA)Historian Office (-
   920)and Deputy Chief Management Officer (DCMO) to WHS
   (EITSD & HRD)functions(-219). Reorganization of the

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C. Reconciliation of Increases and Decreases	Amount	Totals

DCMO is Secretary Defense (SECDEF) directed. (FY 2015
Baseline: $344,574 thousand; -4 FTEs)

    4) DA Transfer of DAM Historian Office from OSD to WHS   -619
SECDEF guidance to transfer Director of
Administration, Historian Office from OSD to WHS in
the amount of $571K. (FY 2015 Baseline: $3,852
thousand; +0 FTEs)

    5) Defense Critical Infrastructure Program   -6,970
Oversees policy formulation, strategic planning and
execution of the Defense Critical Infrastructure
Program (DCIP), which is an integrated risk
management program designed to support Department of
Defense (DoD) mission assurance. Transfer decreases
DCIP funds from OUSD(P) Mission Assurance Directorate
(-$6.970) to components that currently execute the
funding: DISA ($400), Army ($450), Navy ($900), Air
force ($2,500), DTRA ($1,720), DCMA ($1,000).
Decentralization of the DCIP program funding to the
executing organizations is a result of the program's
maturation and facilitates a more efficient and
effective budget execution process. (FY 2015
Baseline: $7,710 thousand; +0 FTEs)

    6) Deputy Chief Management Officer, OSD transfer to WHS   -1,890
Reduction reflects transfer of mission dollars from
DCMO to WHS (EITSD & HRD) due to SecDef directed
reorganization of the DCMO. (FY 2015 Baseline:
$27,143 thousand; +0 FTEs)

8. Program Increases   144,215
  a. Annualization of New FY 2015 Program
  b. One-Time FY 2016 Increases

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III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
1) Core Operating Program-Additional compensable day Additional compensable day is added for FY 2016. The number of paid work days changes from 261 in FY 2015 to 262 in FY 2016. (FY 2015 Baseline: $344,574 thousand; +0 FTEs)	1,345	
c. Program Growth in FY 2016		
1) Boards, Commissions and Task Force (BCTF) - Boards and Commissions Support Increase in funding supports BCTF programs such as the Fort Hood Shooting Task Force, Don't Ask Don't Tell special review panel, and the Navy Yard shooting Task Force. (FY 2015 Baseline: $2,444 thousand; +0 FTEs)	863	
2) Boards, Commissions and Task Force (BCTF) 50th Anniversary Vietnam War Commemoration Increase support in GSA Rental Payments, Supplies, and Management & Professional Support Services. (FY 2015 Baseline: $3,555 thousand; +0 FTEs)	2,516	
3) CAPE - FYDP Improvement Program increased to better align with budget execution and to support realignment of management headquarters resources to combat capabilities. (FY 2015 Baseline: $3,705 thousand; +0 FTEs)	30	
4) CAPE - Industrial Base Studies Program increased slightly to better align with budget execution and department priorities. (FY 2015 Baseline: $2,241 thousand; +0 FTEs)	40	
5) CAPE -Travel The minimal increase is a minor adjustment to better align with department priorities. (FY 2015 Baseline:	3	

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C. Reconciliation of Increases and Decreases	Amount	Totals

$245 thousand; +0 FTEs)

6) Core Operating Program - Compensation and Benefits   6,788
Net increase of 38 Full-Time Equivalents(FTEs)and
increased funding supports anticipated changes to
workforce composition in accordance with realignment
of management headquarters. (FY 2015 Baseline:
$344,574 thousand; +38 FTEs)

7) Core Operating Program- Intergovernmental Personnel   5,735
Act
The program increase is due to the utilization of
non-consulting Intergovernmental Personnel Act(IPA).
Increased from $3,102 thousand to $8,875 thousand, a
program increase of $5,735 thousand. (FY 2015
Baseline: $344,574 thousand; +32 FTEs)

8) DCMO – Administrative Directorate   2,523
Increase reflects internal realignment to better
support requirements based on directed
reorganization. (FY 2015 Baseline: $0 thousand; +0
FTEs)

9) DCMO – Compliance & Oversight Directorate   2,344
Increase to oversee/execute Federal Advisory
Committee Act (FACA) and non-FACA advisory groups,
Defense Privacy Programs, Defense Civil Liberties
Programs and Compliance and Transparency Programs
(Open Government and Transparency, external liaison,
FOIA, and Regulatory policy). (FY 2015 Baseline: $0
thousand; +0 FTEs)

10) DCMO - Intelligence Oversight Directorate   684
Increase will support independent oversight of all
intelligence, counterintelligence, and intelligence-

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
related activities in the DoD. (FY 2015 Baseline: $0 thousand; +0 FTEs)		
11) DCMO - Management, Policy & Analysis Directorate Increase reflects internal realignment to better support requirements based on directed reorganization. This realigned funding from Integration and Policy directorate allows DCMO to conduct Business Process System Reviews and Process Improvement Reviews to assist OSD and DoD in identifying efficiencies in business processes. (FY 2015 Baseline: $1,682 thousand; +0 FTEs)	20,846	
12) DCMO - Planning, Performance, & Assessment Directorate Increase supports participation in business elements of major DoD strategy documents and planning activities (e.g. QDR, SCMR-like efforts. (FY 2015 Baseline: $0 thousand; +0 FTEs)	10,538	
13) DoD CIO - Mission Increase bandwidth assessments, SATCOM and commercial wireless policy documents, Positioning, Navigation and Timing analysis and domestic and international spectrum policy support. In addition to increasing contractor support to the Defense Information Enterprise - its strategic, business, infrastructure, and capital planning; resource (e.g., people, funds, and technology) management; and its design, development, configuration, acquisition, operation and protection. In addition to increasing the Defense Information Enterprise - its strategic, business, infrastructure, and capital planning; resource (e.g.,	1,494	

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals

people, funds, and technology) management; and its
design, development, configuration, acquisition,
operation and protection. (FY 2015 Baseline: $28,300
thousand; +0 FTEs)

14) DoD CIO - Cyber Security Initiative   6,077
   Increase Supply Chain Risk Management (SCRM) threat
   assessment capability and will increase efforts for
   support program protection plan analysis, senior
   service and defense colleges, service training
   schools, and for distributive/web-based training and
   mentoring.
   (FY 2015 Baseline: $9,626 thousand; +0 FTEs)

15) DoD CIO - Defense Industrial Base, Cyber Security   153
   Initiatives
   Increase Defense Industrial Base Cyber
   Security/Information Assurance (DIB CS/IA) program.
   Support to US Government , Interagency, and DoD-Wide
   collaboration, DoD policy development, cyber threat
   information sharing, network incident reporting and
   remediation, cyber intrusion damage assessment,
   digital forensic analysis, the development of network
   security/IA capabilities and development of
   associated network security technologies. (FY 2015
   Baseline: $2,939 thousand; +0 FTEs)

16) DoD CIO - E-Gov, Councils   1,441
   Increase OMB IT Management requirements supporting
   the President's agenda for transparency, information
   sharing, and OMB's guidance on alignment of
   architectures, advancement of new technologies,
   Federal-wide management initiatives, and

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals

implementation of Federal-wide services.
(FY 2015 Baseline: $14,666 thousand; +0 FTEs)

| 17) DoD CIO - Information Systems Security Programs (ISSP) | 511 | |

Increase policy development, program oversight and integration of all DoD Information Assurance (IA) efforts such as Computer Network Defense (CND) and the restoration of information systems.
(FY 2015 Baseline: $11,205 thousand; +0 FTEs)

| 18) Other DoD Programs and Initiatives - ASD-Legislative Affairs Operations | 31 | |

Increase in Management and Professional Support Services cost. (FY 2015 Baseline: $466 thousand; +0 FTEs)

| 19) Other DoD Programs and Initiatives -ASD- Public Affairs Operations | 2 | |

Slight increase to Management and Professional Support services that supports public, internal information, community relations information, guidance to the public, the Congress and the media via DoD public website.
(FY 2015 Baseline: $5,924 thousand; +0 FTEs)

| 20) Other DoD Programs and Initiatives: Capital Security Cost Sharing Program | 35,814 | |

Increase is a result of higher collection limit authorized for the CSCS program resulting in a higher cost per overseas position. The Department is reducing 20 overseas CSCS chargeable positions in FY 2016. (FY 2015 Baseline: $276,494 thousand; +0 FTEs)

| 21) Other DoD Programs and Initiatives: Training | 234 | |

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals

Program
    Increase in security and protocol operations across
    OSD. (FY 2015 Baseline: $1,682 thousand; +0 FTEs)

22) OUSD(AT&L) - Developmental Test and Engineering   12
(DT&E)
    Increase reflects efforts assessment of developmental
    test activities of major defense acquisition programs
    with specific focus on system key performance
    parameters and key system attributes. (FY 2015
    Baseline: $1,930 thousand; +0 FTEs)

23) OUSD(AT&L) - Human Capital Initiative (HCI)   32
    Increase represents contractor support for the
    acquisition workforce and programs that support the
    Better Buying Power initiatives. (FY 2015 Baseline:
    $2,578 thousand; +0 FTEs)

24) OUSD(AT&L) - Acquisition Program Support Systems   837
    Increase represents program support for the the
    Electronic Coordination Tool (ECT), providing the
    Defense Acquisition Executive (DAE) and DoD
    acquisition staff with time-certain coordination of
    acquisition documents, promoting greater efficiency
    and eliminating redundancy across DoD. (FY 2015
    Baseline: $6,887 thousand; +0 FTEs)

25) OUSD(AT&L) - Acquisition Visibility   258
    Increase represents restoration toward prior-years'
    budget authority to enable Defense Acquisition
    Management Information Retrieval (DAMIR) legacy tool
    modularization costs to improve acquisition data,
    information, and capabilities supporting Congress,
    the Defense Acquisition Executive (DAE), Office of

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals

the Secretary of Defense (OSD) senior leaders, and OSD and Component analysts to enable, enhance, and improve the Department's acquisition processes, decisions and statutory reporting (FY 2015 Baseline: $15,026 thousand; +0 FTEs)

26) OUSD(AT&L) - BRAC 2015 Round Planning and Analysis   10,500
Increase represents projected increase requirements to execute BRAC planning and correction from prior year amount that was overstated. (FY 2015 Baseline: $0 thousand; +0 FTEs)

27) OUSD(AT&L) - Committee on Foreign Investment in the   170
US (CFIUS)
Increase ensures compliance with section 721 of the Defense Production Act (DPA), which states that AT&L is required to conduct national security reviews within 75 days, or 30 days in case of a heightened concern, to determine the risks of an acquisition transaction. (FY 2015 Baseline: $2,667 thousand; +0 FTEs)

28) OUSD(AT&L) - Contingency Business Tools   2,781
Increase represents necessary support management of Clause Logic Service and the Business Intelligence capability, both core to OSD's mission. As well as increased support of system sustainment for: Standards Maintenance (PDS, PRDS, Invoicing, and Receipts) and changes to the validation engine at the GEX, Clause Logice Service (CLS) hosting and maintenance, Joint Contingency Contracting System sustainment, training, and joint exercise support and Business Intelligence (BI) maintenance and hosting.

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
(FY 2015 Baseline: $2,533 thousand; +0 FTEs)		
29) OUSD(AT&L) - Corrosion Prevention Program	256	
Increase represents efforts to reduce corrosion and the effects of corrosion on military equipment and infrastructure through technology development and implementation, policy updates, and training and education.		
(FY 2015 Baseline: $4,650 thousand; +0 FTEs)		
30) OUSD(AT&L) - Countering Weapons of Mass Destruction (CWMD) Sustainment	1,007	
Increase represents expanded operations and sustainment support for CWMD situational awareness system, which will reach initial operational capability in FY2016. Sustains fielded hardware and software capability solutions deployed on multiple information networks. (FY 2015 Baseline: $2,702 thousand; +0 FTEs)		
31) OUSD(AT&L) - CWMD Expert Fellows Program	69	
Increase represents the program cost to address DoD need for a diverse, highly talented, and educated pool of academic experts with the science, technology, engineering and mathematics background. (FY 2015 Baseline: $2,090 thousand; +0 FTEs)		
32) OUSD(AT&L) - Cyber Initiative	3,000	
Increase represents system security engineering expertise to address cyber vulnerabilities in DoD weapons programs and development of methodology to translate cyber security policy requirements into measurable and testable requirements. (FY 2015 Baseline: $0 thousand; +0 FTEs)		

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
33) OUSD(AT&L) - Defense Installation Spatial Data Infra (DISDI)	5	
Increase addresses additional mapping support for new renewable energy siting locations. (FY 2015 Baseline: $615 thousand; +0 FTEs)		
34) OUSD(AT&L) - Defense Management Initiatives	97	
Increase addresses needed improvements to the DoD Facility Sustainment Model, and also supplements increased Facility Energy requirements. (FY 2015 Baseline: $1,391 thousand; +0 FTEs)		
35) OUSD(AT&L) - Defense Procurement & Acquisition Policy (DPAP)	388	
Increase represents increased efforts in Acquisition policy to include support of Pricing Experts to perform "Should-Cost" analyses on spare parts and weapons systems for AT&L. (FY 2015 Baseline: $2,044 thousand; +0 FTEs)		
36) OUSD(AT&L) - DoD Siting Clearinghouse	409	
Increase represents senior leadership decision to move mission work to contractor support. (FY 2015 Baseline: $2,615 thousand; +0 FTEs)		
37) OUSD(AT&L) - Emerging Contaminants	323	
Increase represents transition from an IPA to contractor support. (FY 2015 Baseline: $487 thousand; +0 FTEs)		
38) OUSD(AT&L) - Environment Safety Occupational Health (ESOH) in Acquisition	1,172	
Increase represents requirement to conduct core environmental, safety, and health requirements. (FY 2015 Baseline: $619 thousand; +0 FTEs)		

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
39) OUSD(AT&L) - Environmental International Cooperation	75	

   Increase addresses additional outreach activities with environmental partners on environmental issues to build strategic partnerships and reduce regional tensions. (FY 2015 Baseline: $1,603 thousand; +0 FTEs)

40) OUSD(AT&L) - Industrial Policy Program Support	44	

   Increase represents contractor support in Industrial Base Assessments/Sector-by-Sector, Tier by Tier. (FY 2015 Baseline: $4,093 thousand; +0 FTEs)

41) OUSD(AT&L) - Information Superiority Integration Support (ISIS)	1,220	

   Increase represents program support for the development and implementation of enterprise communications, C2, and Cyberspace architecture, technical framework, standards, and strategic approaches; performance of acquisition-related enterprise-wide portfolio management and net-centric systems engineering and Joint Information Environment activities. (FY 2015 Baseline: $4,412 thousand; +0 FTEs)

42) OUSD(AT&L) - Legacy Resource Management Program	1,932	

   Increase represents $1,800K understatement of prior year amount and increased funding for natural and cultural resource projects that help improve readiness of the armed forces. (FY 2015 Baseline: $2,483 thousand; +0 FTEs)

43) OUSD(AT&L) - Readiness Environmental Protection Initiative (REPI)	2,505	

   Funding will support additional REPI cooperative

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

agreements with states and local communities. (FY 2015 Baseline: $56,950 thousand; +0 FTEs)

44) OUSD(AT&L) - Small Business Program Support   320
Increase represents enhanced efforts for the implementation of the DoD Small Business Market Research Center of Excellence, which supports Better Buying Power and is key to improving effectiveness of the acquisition workforce and the Department's ability to achieve small business performance goals. (FY 2015 Baseline: $6,480 thousand; +0 FTEs)

45) OUSD(AT&L) - Space and Intelligence MDAP Oversight   316
Increase represents additional Study Analyses on the Resiliency of Civil, DoD and Commercial Satellites and Ground Station Systems; and Strengthening U.S. Commercial Satellite Remote Sensing Industrial Base. (FY 2015 Baseline: $5,617 thousand; +0 FTEs)

46) OUSD(AT&L) - Transform Procurement Regulations   225
Increase represents necessary increased support to critical web management support services, information collection analyses, regulatory flexibility analyses, and information technology systems analyses. (FY 2015 Baseline: $712 thousand; +0 FTEs)

47) OUSD(AT&L) - Travel   338
Increase represents senior leadership decisions to align with mission essential functions. The funding will support additional enterprise-wide mission critical travel requirements. (FY 2015 Baseline: $3,050 thousand; +0 FTEs)

48) OUSD(AT&L) E-Business COE   109
Increase represents increased efforts to support the

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C. Reconciliation of Increases and Decreases	Amount	Totals

development of transparency reports, scorecards and
data integrity validations. This capability has
enabled the Director, DPAP to initiate methods to
begin to determine the health of contracting
organizations and to issue policy to correct internal
control and operational weaknesses with particular
emphasis on clause compliance. (FY 2015 Baseline:
$2,479 thousand; +0 FTEs)

49) OUSD(C) - Administrative Support   64

The $64K increase appropriately funds cost of
administrative support contract which better aligns
with budget execution and department priorities. (FY
2015 Baseline: $1,683 thousand; +0 FTEs)

50) OUSD(I) - Defense Military Deception Program Office   301

Increase to bolster technical support for advising on
security matters and managing the formulation of
MILDEC policies, plans and enable unique innovative
systems which support DoD Military Deception (MILDEC)
capability and capacity across the Department of
Defense. (FY 2015 Baseline: $3,611 thousand; +0
FTEs)

51) OUSD(I) - Walk Off   7,168

Funding will support Special Access Programs (SAP).
(FY 2015 Baseline: $0 thousand; +0 FTEs)

52) OUSD(P&R) - Studies Program/CASS   58

Studies supporting P&R policy and program initiatives
will be funded in accordance with their priority. (FY
2015 Baseline: $1,910 thousand; +0 FTEs)

53) OUSD(P&R) - Travel   1,035

The increase is a minor adjustment to better align

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
with department priorities. (FY 2015 Baseline: $720 thousand; +0 FTEs)		
54) OUSD(P) - Defense Critical Infrastructure Program Oversees policy formulation, strategic planning and execution of the Defense Critical Infrastructure Program (DCIP), which is an integrated risk management program designed to support Department of Defense (DoD) mission assurance. Increase provides for technical subject matter expertise in support of OUSD(P) oversight of DCIP program. Funding ensures the program's performance plans, and objectives are aligned with DoD strategic mission assurance goals. (FY 2015 Baseline: $7,710 thousand; +0 FTEs)	543	
55) OUSD(P) - Mission Support Increase supports the formulation of policy and conduct of DoD strategic planning. Increase is a result of internal realignment of funds for projected support services costs to accomplish interagency roles and responsibilities. (FY 2015 Baseline: $5,706 thousand; +0 FTEs)	355	
56) OUSD(P) - Rewards Program Increase is reflective of the trend towards higher reward payouts and increased demand in theaters outside of Afghanistan. (FY 2015 Baseline: $5,990 thousand; +0 FTEs)	2,252	
57) OUSD(P) - Strategy and Force Development Increase provides additional funds in FY2016 only to the Office of the Secretary of Defense (OSD) for the Under Secretary of Defense for Policy (USD (P)) to enhance the Department of Defense (DoD) support for	3,946	

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

Strategic Analysis Initiatives (SSA). The Department's SSA initiatives promote a transparent methodology to standardize assumptions across the Department about the capacities, capabilities, and alternative concepts of operation needed to fulfill the Defense Strategy. The initiatives also create a common understanding of the risks facing the Department given programmed force structure. (FY 2015 Baseline: $2,400 thousand; +0 FTEs)

58) OUSD(P)-International Defense Programs   81

This programmatic increase supports requirements for interface with US allies, the North Atlantic Treaty Organization (NATO) resolution of regional conflicts, response to terrorism and unstable conditions in fragile and failed nation states that involves NATO involvement, weapons of mass destruction bilateral measures, and support of overseas facilities.   (FY 2015 Baseline: $5,638 thousand; +0 FTEs)

9. Program Decreases   -159,896
  a. Annualization of FY 2015 Program Decreases
  b. One-Time FY 2015 Increases
    1) Congressional Grants- United Service Organizations   -44,000
    and The American Red Cross

USO and the American Red Cross were the recipient of Congressionally-directed grants in FY 15. This supports the Delegation of Authority and Responsibility for Grants under Section 8077 of the Consolidated and Further Continuing Appropriations Act for 2015. (FY 2015 Baseline: $0 thousand; +0 FTEs)

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

2) OSD-Healthy Base Initiative
       Congressional Add to support the Healthy Base
       Initiative. (FY 2015 Baseline: $0 thousand; +0 FTEs)
	-3,000	

c. Program Decreases in FY 2016		

1) BCTF - Defense Business Board
       Reduction in contractor hours support for the
       contract associated with the Defense Business Board
       (DBB). The DBB members and staff provide advise and
       recommendations to the Secretary of Defense, Deputy
       Secretary of Defense and other key Departmental
       officials.
       (FY 2015 Baseline: $391 thousand; +0 FTEs)
	-27	

2) BCTF Quadrennial Review of Military Compensation
       Reduce the number of contractor hours supporting the
       Congressionally mandated review of military
       compensation.
       (FY 2015 Baseline: $910 thousand; +0 FTEs)
	-271	

3) CAPE - Long Range Planning
       The Long Range Planning program continues to be
       reduced to support realignment of management
       headquarters resources to combat capabilities,
       accomplished through streamlining processes and
       identifying workload not core to the CAPE mission.
       (FY 2015 Baseline: $20,376 thousand; +0 FTEs)
	-54	

4) DCMO- Integration and Policy
       Funding decrease is a realignment of funding as part
       of directed reorganization from Integration and
       Policy to the DCMO Management, (FY 2015 Baseline:
       $27,143 thousand; +0 FTEs)
	-25,714	

5) DoD CIO - Travel	-3	

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

Decrease Travel costs by more efficient use of video
Teleconferencing (VTC) in lieu of travel and, where
possible, consolidation of mission travel
requirements into fewer trips.
(FY 2015 Baseline: $673 thousand; +0 FTEs)

6) Other DoD Programs – Office Of General Counsel (OGC) ... -155
Decreased in Management and Professional Legal
Support Services regarding legal matters and services
performed within or involving DoD. (FY 2015 Baseline:
$661 thousand; +0 FTEs)

7) Other DoD Programs and initiatives ... -2,522
Decrease in OSD Special Programs in support of
security and operations and protocol functions.
(FY 2015 Baseline: $4,581 thousand; +0 FTEs)

8) Other DoD Programs and Initiatives - Defense Test ... -63
Resource Management Center (DTRMC)Operations
Realignment of management headquarters funding and
staffing to better assess and evaluate program goals
and objectives. (FY 2015 Baseline: $3,529 thousand;
+0 FTEs)

9) Other DoD Programs and initiatives – DAWDF Funding ... -12,333
Year of Execution decrease of FY15 funding.

10) Other DoD Programs and Initiatives – Director of ... -3,298
Administration and Management
Decrease is due to SECDEF guidance to realign
functions to DCMO. (FY 2015 Baseline: $3,852
thousand; +0 FTEs)

11) Other DoD Programs and initiatives – DOT&E ... -6
Operations
Reduction in travel instances that monitor and

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III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

reviews DoD and Service-level strategic plans,
investment programs and resource management decisions
to ensure capabilities necessary for realistic
operational tests are supported. (FY 2015 Baseline:
$134 thousand; +0 FTEs)

12) Other DoD Programs and initiatives - ODNA   -20,058
Decrease in Congressional funding in support of
contracts for Studies, Analysis & Evaluations
services in FY15. (FY 2015 Baseline: $28,663
thousand; +0 FTEs)

13) Other DoD Programs- Intelligence Oversight   -878
SECDEF guidance to realign Intelligence Oversight
functions to Director of Chief Management
Officer(DCMO). (FY 2015 Baseline: $863 thousand; +0
FTEs)

14) OUSD(AT&L) - Defense Industrial Base Cyber Security   -41
Decrease represents senior leadership decisions to
align with mission essential functions and support to
assess additional workload of cases submitted under
DFAS 252.205-7012 requirement. (FY 2015 Baseline:
$2,579 thousand; +0 FTEs)

15) OUSD(AT&L) - I&E Business Enterprise Integration   -112
Reduction represents an effort to more efficiently
purchase the required support for the program (FY
2015 Baseline: $1,986 thousand; +0 FTEs)

16) OUSD(AT&L) - Integrated Acquisition Environment (GSA   -1,223
Bill)
Decrease accounts for the current estimate of the
requirement. The estimate from GSA is not provided
until late in the budget cycle so the requirement

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III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
amount can vary year to year. (FY 2015 Baseline: $29,116 thousand; +0 FTEs)		
17) OUSD(AT&L) - Logistics Systems Modernization (LSM) Increase represents improvements in effective supply chain management and logistic processes. (FY 2015 Baseline: $18,921 thousand; +0 FTEs)	-125	
18) OUSD(AT&L) - Low Observable, CLO Decrease represents higher reimbursable costs from the USAF. (FY 2015 Baseline: $108 thousand; +0 FTEs)	-13	
19) OUSD(AT&L) - Management Support (formerly AT&L Admin Support Program) Decrease represents the realignment of funds for a contract support requirement supporting multiple AT&L offices. (FY 2015 Baseline: $9,000 thousand; +0 FTEs)	-3,021	
20) OUSD(AT&L) - Mission Capabilities / Systems Engineering Increase will support policy and guidance efforts towards improving Systems Engineering processes (FY 2015 Baseline: $5,749 thousand; +0 FTEs)	-151	
21) OUSD(AT&L) - Native Amer Land Remediation Section 8045 Decrease represents senior leadership decisions to align with mission essential functions. (FY 2015 Baseline: $5 thousand; +0 FTEs)	-5	
22) OUSD(AT&L) - OSD Studies Fund Decrease represents senior leadership decisions to transfer requirements for safety and environmental issues within OUSD(AT&L) and to increase support for analyses for cyber, space, and operational	-437	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

infrastructure planning in support of new strategic requirements. (FY 2015 Baseline: $11,463 thousand; +0 FTEs)

23) OUSD(AT&L) - Treaty Compliance   -102
Decrease represents Senior Leadership decision to transfer Treaty Management Support function from DTRA to OUSD(AT&L). (FY 2015 Baseline: $100 thousand; +0 FTEs)

24) OUSD(AT&L) CFO Act Compliance   -161
Reduction represents an effort to more efficiently purchase the required support for the program. (FY 2015 Baseline: $2,658 thousand; +0 FTEs)

25) OUSD(AT&L) Contingency Contracting   -18
Decrease represents senior leadership decisions to align with mission essential functions that include decreased research and development of Operational Contract Support and Contingency Contracting to Defense Acquisition Guidebook; automated Joint Contracting Officer Rep and DoD CCO Handbooks; Chairman Study—Phase III; Standardized COCOM websites. (FY 2015 Baseline: $2,533 thousand; +0 FTEs)

26) OUSD(AT&L) International Cooperation Program Support   -463
Decrease represents alignment with mission essential functions and to meet efficiencies. (FY 2015 Baseline: $1,049 thousand; +0 FTEs)

27) OUSD(AT&L) Joint Purchase Card Office   -732
Decrease represents alignment with mission essential functions and to meet efficiencies. (FY 2015 Baseline: $6,335 thousand; +0 FTEs)

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
28) OUSD(AT&L) Operational Energy Plans and Programs (OEP&P) Office Decrease represents efficiencies to improve processes (FY 2015 Baseline: $5,433 thousand; +0 FTEs)	-35	
29) OUSD(AT&L) Performance Assessment & Root Cause Analysis (PARCA) Office Decrease represents reduced efforts and efficiencies to improve processes (FY 2015 Baseline: $8,509 thousand; +0 FTEs)	-1,140	
30) OUSD(AT&L) RDTE Oversight Decrease represents reduced efforts and efficiencies to improve processes (FY 2015 Baseline: $3,503 thousand; +0 FTEs)	-138	
31) OUSD(AT&L) Strategic Sourcing Decrease represents reduced efforts on strategic sourcing policy and initiatives to include annual portfolio spend analyses and additional spend-related ad hoc studies and analyses that are utilized by, but not limited to, OUSD(AT&L), PDUSD(AT&L), OSBP(AT&L), DP(AT&L), DPAP(AT&L), and DoD Components (FY 2015 Baseline: $961 thousand; +0 FTEs)	-15	
32) OUSD(ATL) - Installation Climate Change Vulnerability Assessment Decrease represents an effort to more efficiently purchase the required support for the program. (FY 2015 Baseline: $902 thousand; +0 FTEs)	-8	
33) OUSD(C) - Comptroller Initiatives Reduction in contractor support to streamline management headquarters. (FY 2015 Baseline: $34,687 thousand; +0 FTEs)	-2,554	

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

34) OUSD(C) - Enterprise Funds Distribution System   -3
Support
    The minimal decrease is a minor adjustment to better
    align with department priorities. (FY 2015 Baseline:
    $3,206 thousand; +0 FTEs)

35) OUSD(C) - Next Generation Resource Management   -4
Systems
    The minimal decrease is a minor adjustment to better
    align with department priorities. (FY 2015 Baseline:
    $4,277 thousand; +0 FTEs)

36) OUSD(I) - Defense Civilian Intelligence Personnel   -96
System
    Established Small Business BPA allowing OUSD(I) to
    realize contractor cost savings.
    (FY 2015 Baseline: $1,859 thousand; +0 FTEs)

37) OUSD(I) - Intelligence Mission   -10,905
    In FY15, additional funding of $10M was received in
    support of Insider Threat.
    (FY 2015 Baseline: $73,239 thousand; +0 FTEs)

38) OUSD(P&R) - Administrative Support   -85
    Program reduction represents a decrease in contractor
    support. (FY 2015 Baseline: $3,169 thousand; +0 FTEs)

39) OUSD(P&R) - Advancing Diversity & EO   -88
    Program reduction represents a reduction in overall
    contract support and cost-saving efficiency measures
    in strategic out-reach/in-reach efforts. (FY 2015
    Baseline: $7,518 thousand; +0 FTEs)

40) OUSD(P&R) - ASD (Health Affairs) Operations   -8
    Reduction in contract support to streamline
    management headquarters. (FY 2015 Baseline: $614

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III. **Financial Summary** **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
thousand; +0 FTEs)		
41) OUSD(P&R) - ASD (Reserve Affairs) Operations	-14	
Reduction in contract support to streamline management headquarters.		
(FY 2015 Baseline: $1,287 thousand; +0 FTEs)		
42) OUSD(P&R) - Combatant Commanders Exercise Engagement	-22,044	
& Training Transformation (CE2T2)		
Decrease is based on efficiencies from combining/synchronizing Combatant Command exercises. Allowing for efficiencies in exercise cost and contract reductions. (FY 2015 Baseline: $580,730 thousand; +0 FTEs)		
43) OUSD(P&R) - Defense Readiness Reporting System	-159	
(DRRS)		
Funding will be prioritized with respect to maintaining Mission Assurance Category (MAC)1 certification/accreditation, over other performance parameters and functionality. (FY 2015 Baseline: $5,249 thousand; +0 FTEs)		
44) OUSD(P&R) - Defense Safety Oversight Council (DSOC)	-94	
Efficiencies generated from restructuring DSOC accident reduction effort that includes reducing task forces and projects. Priority remains on implementing safety management systems to include the Voluntary Protection programs.		
(FY 2015 Baseline: $8,110 thousand; +0 FTEs)		
45) OUSD(P&R) - Lost Work Day System (LWD)	-31	
Contract support funding will be prioritized to support accident reduction data collection and warehousing, generating metrics and measures,		

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

maintaining information assurance requirements, and hosting the Force Risk Reduction tool for use across the Department of Defense. (FY 2015 Baseline: $2,632 thousand; +0 FTEs)

46) OUSD(P&R) - Military Naturalization Support -72
The Military Naturalization Program funds naturalization fees for non-citizens who apply for citizenship based on their honorable military service as required in 10 U.S.C. § 1790. United States Citizenship and Immigration Services (USCIS) (a division of the Department of Homeland Security (DHS)) processes the applications for DoD at the cost of $685 per application. Funding for this program (up to $7.5M) supports only the costs associated with fees transferred to DHS.
(FY 2015 Baseline: $6,192 thousand; +0 FTEs)

47) OUSD(P&R) - Training Transformation -66
Reduces Training Readiness, Strategy Analytical and Policy contract support. (FY 2015 Baseline: $5,632 thousand; +0 FTEs)

48) OUSD(P) - Operations -3,351
Funding supports administrative management, mission essential travel, systems acquisition and architecture, communications and software assurance, Intergovernmental Personnel Act (IPA) program, and comprehensive workforce professional development. Programmatic decrease results from the department's efficiency efforts to curtail travel, reduce contractor cost, right size the organization, and align personnel against current and future

III. <u>**Financial Summary**</u> **($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
requirements to better support the Secretary. (FY 2015 Baseline: $29,962 thousand)		
FY 2016 Budget Request		**1,923,080**

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

<u>OP-5 Part IV. Performance Criteria and Evaluation Summary:</u>

A. <u>**Under Secretary of Defense, Acquisition, Technology, and Logistics (OUSD(AT&L)):**</u>

The Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L) is the principal staff assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all matters concerning acquisition, technology, and logistics. AT&L's primary responsibilities include: 1) Supervising (DoD) acquisition, 2) Establishing policies for acquisition (including procurement of goods and services, research and development, developmental testing, and contract administration) for all elements of the Department of Defense, 3) Establishing policies for logistics, maintenance, and sustainment support for all elements of the DoD, and 4) Establishing policies of the Department of Defense for maintenance of the defense industrial base of the United States. The following Performance Evaluation Metrics are samples from three of the top four programs under AT&L: Readiness and Environmental Protection Initiative (REPI), Logistics Systems Modernization (LSM) Support and Acquisition Visibility Program. These three programs account for 35% of AT&L's total Operation and Maintenance (O&M) in FY 2015.

IV. **Performance Criteria and Evaluation Summary**:

Major Program Title: Regulatory Environment

Measure/Description	Actual	Projected	Projected
Readiness and Environmental Protection Initiative	**FY 2014**	**FY 2015**	**FY 2016**
Metric #1: Percent funding to highest tier priority installations (Target is 80%)	64%	70%	70%
Metric #2: Percent of validated projects funded (Target is 70%)	59%	31%	20%
Metric #3: Percent partner cost-share (Target is 50%)	50%	50%	50%

The risk of incompatible land use threatens mission capabilities essential for realistic training and testing for current and future force. Investments for the Readiness and Environmental Protection Initiative (REPI) address Component requirements to enter into agreements with private conservation organizations and/or state and local governments to acquire off-base property interests, usually conservation easements. These agreements protect mission capability by cost-sharing the long-term protection of high-value habitat and limiting incompatible land uses around DoD ranges and installations. REPI projects meet critical, near-term but time limited opportunities, to preserve DoD installation and range capabilities. REPI leverages the capabilities, resources and priorities of the

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IV. <u>Performance Criteria and Evaluation Summary</u>:

private sector and state and local governments to obtain land and/or easements that will prevent incompatible development or other land uses that impact military operations. REPI partnerships support sound planning, ecological integrity and interagency coordination, and help avoid more expensive costs, such as the need for training workarounds or segmentation and future Military Construction (MILCON) to modify or relocate training assets to less-restricted locations.

Major Program Title- Improve Acquisition & Logistics Processes - Logistics Systems Modernization Support

Measure/Description	Projected FY 2014	Projected FY 2015	Projected FY 2016
Supply Chain and Inventory Management			
Metric #2: Customer Wait Time – Army (Days)	15.0	15.0	15.0
Metric #3 Customer Wait Time – Air Force (Days)	7.5	7.5	7.5
Metric #4 Customer Wait Time – Navy (Days)	15.0	15.0	15.0

Supply Chain Management: DoD measures responsiveness metrics to evaluate the effectiveness of the DoD Supply Chain. Responsiveness is measured by the Customer Wait Time metric, the total elapsed time between submission of a customer order from organizational maintenance and receipt of that order by organizational maintenance. These measures are tracked and updated in Department performance measurement systems.

IV. <u>Performance Criteria and Evaluation Summary</u>:

Inventory Management Initiative: DoD is in its fourth year of a five-year Comprehensive Inventory Management Improvement Plan (CIMIP). The CIMIP provides oversight and a framework to guide inventory management improvement across the DoD Components. DoD measures the effectiveness of inventory improvement efforts using metrics for unneeded on-order and excess on-hand inventory. The DoD objective is to reduce inventory on-order for potential reutilization to 4% and excess on-hand to 8% by FY2016. These measures are tracked and updated in Department performance measurement systems. The improved business performance achieved through CIMIP is having a direct and positive impact on the Department's progress toward audit readiness.

Major Program Title- Improve Acquisition & Logistics Processes - Logistics Systems Modernization Support

Measure/Description	Projected FY 2014	Projected FY 2015	Projected FY 2016
Transportation Policy Initiatives			
Metric #1: Defense Transportation Coordination Initiative (DTCI): On-time Delivery	98%	97%	97%
Metric #2: Personal Property Regionalization Total Cost Savings	$13.0M	$13.0M	$13.0M

Transportation Policy Initiatives:

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Defense Transportation Coordination Initiative (DTCI): DTCI is a third party logistics contract for the movement of the Department's freight within the Continental United

States. The Contractor is meeting or exceeding all of the Key Performance Indicators (KPIs), including On-Time Delivery at 98%.

Personal Property Regionalization: The Department plans to reduce the number of personal property shipping offices from 63 to 12 offices worldwide by 2018. To date, 104 offices are consolidated. An additional 4 sites will consolidate in 2014. This initiative helps leverage the Department's buying power and standardize business practices across the Department.

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IV. <u>Performance Criteria and Evaluation Summary</u>:

Major Program Title: Promulgate Policy: AT&L Acquisition Visibility (AV)

Measure/Description	Actual	Projected	Projected
Acquisition Visibility (AV)	**FY 2014**	**FY 2015**	**FY 2016**
Metric #1: Number of Authorized Users with Access to AV Services	6,629	7,650	8,650
Metric #2: Number of Acquisition Information Elements and Acquisition Decision Documents under AT&L Control	2,050	2,450	2,900
Metric #3: Number of Acquisition Reports Submitted using AV Services to meet statutory requirements	(see chart)	(see chart)	(see chart)

	FY-14	**FY-15**	**FY-16**
SAR	**94**	**94**	**94**
MAR	**41**	**34**	**28**
DAES	**436**	**436**	**436**

IV. <u>Performance Criteria and Evaluation Summary</u>:

MQR[2]	95	0	0

Acquisition Visibility (AV) is the AT&L transformational activity to fundamentally alter the way in which Defense acquisition information is governed, shared and trusted among the community of senior analysts, managers and officials responsible for oversight, analysis, and decision making for Major Defense Acquisition Programs (MDAP), Major Automated Information Systems (MAIS), and special interest programs. AV provides the institutional governance of acquisition information, working across DoD to regulate definitions, technical standards, and authoritative sources for critical acquisition decision-making. AV also provides the USD AT&L and the Department the capabilities to make acquisition information available to support the Department's acquisition business analysis, acquisition reporting and informed acquisition decisions. Because one of AV's core mission areas is to collect and share information that can support AT&L and OSD senior-level officials, as well as Congress, a small but significant portion of AV performance may be measured by the amount of data under governance and the number of users with access to that data.

B. <u>Under Secretary of Defense, Comptroller (OUSD(C))/ Chief Financial Officer</u>:

The Office of the Under Secretary of Defense (Comptroller) OUSD(C)/Chief Financial Officer (CFO) is the Principal Staff Assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all Department of Defense financial matters. This office oversees and sets policy for budget and fiscal matters, including financial

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[2] MQR and DAES will be merged in August of FY14.

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

management, accounting policy and systems, management control systems, budget formulation, execution, and contract audit administration. Performance Evaluation Metrics have been developed for the major programs under OUSD(C): Comptroller Initiatives, Enterprise Funds Distribution Support System (EFDSS), and Next Generation Resource Management Systems (NGMRMS). These programs account for 96% of Comptroller's total Operation and Maintenance budget in FY 2016.

Major Program Title- Comptroller Initiatives

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
Financial Improvement and Audit Readiness			
Metric #1: Percentage of Schedule of Budgetary Activity (SBA) "Obligations Incurred" Audit Ready	51%	82%	100%
Metric #2: Percentage of General Fund Funds Balance with Treasury Audit Ready	31%	99%	99%
Metric #3: Percentage of DoD Mission Critical Assets Audit Ready (Phase 1: Existence and Completeness)	57%	65%	82%

- The National Defense Authorization Act of 2010 mandates that DoD has audit ready financial statements by 2017.

IV. **Performance Criteria and Evaluation Summary**:

- DOD's four principle financial statements include: Statement of Budgetary Resources (SBR), Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position.
- The Department is currently focusing on SBR line items: "Obligations Incurred" and "Outlays" which closely relates to current year activity or Schedule of Budgetary Activity (SBA).
- Mission Critical Asset audit readiness will be completed in two phases. The Department plans to complete Mission Critical Asset audit readiness activities by Q4 FY 2017.
   - o The first phase focuses on existence and completeness assertions.
   - o Phase 2 is all five assertions, including valuation.

Major Program Title- Comptroller Initiatives

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
Implement the DoD Financial Management (FM) Certification Program			
Metric: DoD FM personnel (military and civilian) participating in the FM Certification Program	19.0%	46%	90%

The Department initiated a multi-year effort to develop a competency-based FM Certification Program that is applicable to the FM workforce. The FY12 NDAA provides the legal authority to implement the FM Certification Program. The Program is designed to

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

ensure DoD meets the FM workforce and lifecycle management needs. All FM positions, civilian and military, are being coded as Level 1, Level 2 or Level 3. Enterprise-wide, FM competencies applicable to each FM occupation series have been established. Each certification level requires a minimum number of training course hours and FM experience. Training is targeted to specific FM technical competencies, DoD leadership competencies, and specific topics such as audit readiness, fiscal law and ethics.

The FM Certification Policy was finalized in a Department of Defense Instruction signed on November 20, 2013, superseding the March 22, 2013 Directive-Type Memorandum.

Phased Implementation for the DoD FM Certification Program began in June 2013 with the initial launch of 5 organizations. One year later, over 40,600 financial managers, cross the DoD are enrolled in the program and over 200 have already completed the requirements and achieved certification.

Major Program Title – Enterprise Funds Distribution Support System

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY2016
Enterprise Funds Distribution Support System			
Metric #1:			

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Deployment of Basic Account Symbols / Appropriations in support of the Audit Readiness Efforts for Appropriations Received underway by FIAR	72%	77%	85%

Enterprise Funds Distribution Support System (EFDSS) system continues to deploy by appropriation and title to support:

   a. Improving quality, visibility and transparency of information

   b. Increasing exchange and reconciliation of budget execution information via automated methods

During FY 2015, Family Housing appropriations are scheduled to be implemented. FY 2016 efforts will include investigation of non-conventional and stale appropriations.

Defense Logistics Agency (DLA) is the acquisition Program Manager and service provider. The metrics shown above address Phase 1 funds distribution only. Metrics for funds distribution below Congressional reporting levels are reported separately under DLA.

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IV. **Performance Criteria and Evaluation Summary**:

Major Program Title- Next Generation Resource Management System

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
Exhibit Automation System (EAS)			
Metric #1: Number of Agencies Utilizing the EAS tool	34	34	34
Metric #2: Man-Hours Saved Using the EAS Tool	12%	13%	13%
Metric #3: Number of Exhibits Automated			
	18	19	21

The Next Generation Resource Management System (NGRMS) will utilize emerging technology, processes, trends, capabilities and techniques to incorporate state-of-the-art information technology enabling the ability to process, administer and report resource management data and to automate business processes within a more robust analytical environment within the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)). NGRMS will replace redundant inefficient legacy systems to provide for the effective formulation and justification of the Defense Budget. NGRMS will increase the exchange and reconciliation of budget data, improve efficiency through the utilization of a unified budgetary data model, the timely ability to generate data for management reviews and decisions, and the capability to accommodate emerging business practices as required.

A key accomplishment for FY 2014 was the automation of Budget Activity (BA) and Sub Activity Group (SAG) level O&M OP-5 Exhibits to ensure that OUSD(C) and SOCOM met emerging Congressional requirements for budget justification. Additionally, five new

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Exhibits were automated for OUSD(C) and the Defense Agencies. In FY 2015, functionality will be added to further streamline the Defense-Wide budget justification process including developing BA and SAG level OCO OP-5 Exhibits. In FY 2016, additional exhibits will continue to be automated to further streamline the budget build process and reduce data re-entry, saving time, and reducing errors.

Major Program Title- DRMI Educational Effectiveness

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
1. Participant knowledge			
Metric: Number of 4 or 5 responses (1-5 scale; 5 is best) from U.S. participants on whether the course increased resources management knowledge / was useful on end-of-	N/A	N/A	85%
	N/A	N/A	95%

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

course questionnaires Metric: Above average rating on all FM Online courses Metric: U.S. participants (students) who choose to take the exam who pass	N/A	N/A	90%

The Defense Resources Management Institute (DRMI)exists to provide courses and instruction that enhance the effective allocation and use of resources in modern defense organizations. We focus on developing participants' (students') understanding and appreciation of the concepts, techniques, and analytical decision making skills needed to make better resource decisions. DRMI teaches U.S. military and civilians (O-3 and above and GS-9 and above or equivalent), and international officials of similar rank. As an organization, we evaluate our effectiveness based on educational outcomes of our students, our relevance to defense and security, and our academic quality.

DRMI's appropriation from OUSD(C) in FY16 is programmed at $1.4 mil. This funds salaries for faculty and staff while teaching/preparing for/supporting U.S. students, including preparing material for the FMCP, and operational expenses including supplies and materials, information technology, building maintenance, faculty and staff development activities, and travel for U.S. courses and events.

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Measure/Description	**Actual** FY 2014	**Projected** FY 2015	**Projected** FY 2016
1. Understanding of DoD processes			
Metric: Faculty who have completed two weeks of experience training in the Pentagon or other headquarters activities every two years; or faculty who have written technical reports on DoD processes in the past two years.	N/A	N/A	50%
2. Knowledge of best practices			
Metric: Faculty invites to teach at external events on best practices or publications of at least one article in a trade journal in the past two years.	N/A	N/A	50%

C. <u>**Deputy Chief Management Officer (DCMO)**</u>:

The National Defense Authorization Act for 2008 created the Deputy Chief Management Officer (DCMO) position as a Principal Staff Assistant (PSA) and advisor to the Secretary and Deputy Secretary of Defense for matters relating to management and improvement of integrated DoD business operations. On behalf of the Deputy Secretary of Defense, the Office of the DCMO (ODCMO) works across the Department to synchronize and coordinate cross-functional business activities and break down organizational stovepipes. On December 4, 2013, the Secretary of Defense directed a realignment and consolidation of the Office of the Assistant to the Secretary of Defense for Intelligence Oversight and

IV. <u>Performance Criteria and Evaluation Summary</u>:

the Office of the Director of Administration and Management into the ODCMO. This consolidation enables and emphasizes the role of the DCMO for full-spectrum oversight, at both the OSD and DoD levels, of management and administration, coordination and collaboration across DoD Components and business functions, performance improvements, and regulatory compliance.

The former functions of the Assistant to the Secretary of Defense (Intelligence Oversight) will continue in the reorganized ODCMO in the Intelligence Oversight Division. This office will continue to serve as the Secretary of Defense's personal, independent oversight mechanism for the Defense Intelligence Components. Through assessment inspections, training programs, and investigations as required, it ensures that defense intelligence activities are conducted in accordance with statute, Presidential order, and Departmental policy and regulation. The office also serves as the proponent for DoD Intelligence Oversight policy.

The former functions of the Director of Administration and Management (DA&M) will continue primarily under the Administration Directorate, Compliance and Oversight Directorate and Management, Policy, & Analysis Directorate within the reorganized ODCMO. These functions include the following broad responsibilities: to advise the Secretary and DoD senior leaders team on organizational and management matters of institutional importance; to oversee the Pentagon Reservation which is the Headquarters of the U.S. Defense establishment and a highly visible symbol of U.S. military power, as well as Defense leased facilities in the National Capital Region (NCR), providing administrative, logistical, facilities, and technological support at those facilities; oversee DoD Advisory Committee activity, DoD Privacy and Civil Liberties Program, and the DoD Freedom of Information Act Program. Through the Administration Directorate, the ODCMO will also

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

have oversight over the Pentagon Force Protection Agency (PFPA) and the Washington Headquarters Services (WHS), a DoD Field Support Activity which provides financial, personnel, and other administrative support to OSD and NCR organizations.

Major Program Title-Improvement of Business Processes Across DoD through BPSRs

	Actual	Projected	Projected
Measure/Description	FY 2014	FY 2015	FY 2016
% of BPSRs conducted at the OSD Level	NA	100%	100%
% of BPSRs conducted at the Defense Agency/Field Activity Level	NA	100%	100%

In support of the Budget Control Act of 2011, Executive Order 13589, "Promoting Efficient Spending" dated 9 Nov 11, OMB Memorandum, "Promoting Efficient Spending to Support Agency Operations" dated 11 May 12, the Bipartisan Budget Act of 2013, the OMB Memorandum, "Next Steps in the Evidence and Innovation Agenda "dated 26 Jul 13, and the DepSecDef Memorandum "Implementation of the Business Process System Review (BPSR)" dated 8 Aug 2014, conduct BPSRs to identify areas to improve the effectiveness and efficiency of business processes at both the OSD and DoD levels.

Major Program Title-Improvement of Business Processes Across DoD through Process Improvement Projects

	Actual	Projected	Projected
Measure/Description	FY 2014	FY 2015	FY 2016
# of process improvement projects conducted at the OSD Level	NA	20	30
# of process improvement projects conducted	NA	10	20

IV. <u>Performance Criteria and Evaluation Summary</u>:

at the DoD Level			

In support of the Budget Control Act of 2011, Executive Order 13589, "Promoting Efficient Spending" dated 9 Nov 11, OMB Memorandum, "Promoting Efficient Spending to Support Agency Operations" dated 11 May 12, the Bipartisan Budget Act of 2013, the OMB Memorandum, "Next Steps in the Evidence and Innovation Agenda "dated 26 Jul 13, and the DepSecDef Memorandum "Implementation of the Business Process System Review (BPSR)" dated 8 Aug 2014, conduct process improvement projects to identify areas to improve the effectiveness and efficiency of business processes at both the OSD and DoD levels.

Major Program Title-Compliance to Business Enterprise Architecture across DoD

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
% DoD PSAs evaluated during the investment review boards	NA	100%	100%
% OSD PSAs evaluated during the investment review boards	NA	100%	100%
% of covered core DBSs assessed compliant within the BEA	NA	100%	100%

Improve the effectiveness and efficiency of business processes across the DoD by conducting full spectrum oversight, at both the OSD and DoD levels, of management and administration, coordination and collaboration across DoD Components and business functions, performance improvement and regulatory policy.

IAW 10 U.S. Code Section 2222 maintain a defense business enterprise architecture enables DoD to:

 (A) comply with all applicable law, including Federal accounting, financial management, and reporting requirements;

IV. <u>Performance Criteria and Evaluation Summary</u>:

(B) routinely produce timely, accurate, and reliable business and financial information for management purposes;

(C) integrate budget, accounting, and program information and systems; and

(D) provide for the systematic measurement of performance, including the ability to produce timely, relevant, and reliable cost information.

Major Program Title- Business Case Reviews and IT System Certification across DoD

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
% of OSD business cases reviewed	NA	100%	100%
% of problem statements approved	NA	90%	90%
% of OSD IT systems approved that contain a net return on investment	NA	90%	90%

Promotes effectiveness and efficiency through scrutiny of IT investments.

IAW 10 U.S. Code Section 2222, covered Defense Business Systems (DBSs) undergo Defense Business Council investment review to support the yearly conditions for DBS funds obligation.

The Business Case Reviews reflect actions to analyze IT investments with additional CIO criteria, and the Problem Statement approval reflect the positive assessment and approval of systems which are either new or undergoing significant enhancement.

D. <u>Under Secretary of Defense Intelligence OUSD(I):</u>

The Under Secretary of Defense for Intelligence USD(I) is the principal staff assistant and advisor to the Secretary of Defense and the Deputy Secretary of Defense on

IV. <u>Performance Criteria and Evaluation Summary</u>:

intelligence, counterintelligence, security, sensitive activities, and other intelligence-related matters. OUSD(I) exercises planning, policy, and strategic oversight over all DoD intelligence assets. The following Evaluation Metrics are samples from the Intelligence Mission program. This program accounts for over of OUSD(I)'s total Operation and Maintenance in FY 2016.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
Sensitive Activities	**FY 2014**	**FY 2015**	**FY 2016**
Cover oversight reviews	4	4	4
Clandestine Quarterly (CQ) activity reports	4	4	4
Cover plan/annex reviews	60	60	60
Serious Incident Reports	50	50	50
Senior Review Forum	4	4	4

In accordance with DoD Directive 5143.01, OUSD(I) is responsible for oversight of the Defense Cover Program. The HUMINT and Sensitive Activities Directorate conducts a strategic oversight review of a Defense Cover Component each quarter to assess effectiveness and compliance with policy. This formal review program began in FY 2011. OUSD(I) also reviews all DoD Component Cover Plans and Annexes to ensure compliance with policy, facilitates the quarterly Senior Review Forum, and assesses all serious incident reports pertaining to the Defense Cover Program. An annex to the Annual Defense

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IV. <u>Performance Criteria and Evaluation Summary</u>:

Appropriations Act directs DoD to provide quarterly reports on certain clandestine activities. The Sensitive Activities directorate compiles and reviews inputs from DoD Components and distributes the Clandestine Quarterly (CQ) Activities Report to six Congressional Committees and senior Executive Branch officials. The directorate coordinates OSD-level approvals to conduct certain compartmented activities, conducts periodic reviews of these activities, and prepares/coordinates reports to the OUSD(I), Secretary of Defense, and Congressional oversight committees. The directorate reviews cover plans and annexes in accordance with DoD Instruction 5105.63.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2014	**FY 2015**	**FY 2016**
Reform the Department of Defense (DoD) Personnel Security Clearance Process			
DoD will adjudicate the fastest 90% of initial top secret and secret personnel security clearances within 20 days	90%/5 days	90%/20 days	90%/20 days
90% of DoD adjudicators certified	97% certified	90% certified	90% certified
90% of Single Scope Background Investigations and Top Secret Periodic Investigations will meet 2009 adjudication documentation standards	Information currently not available due to data collection commencing	99% will meet 2009 adjudication standards	99% will meet 2009 adjudication standards

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

	October 2014 and final RADAR report completion in July 2015		

Congress mandated specific security clearance process investigation and adjudication timeliness goals as part of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA). The DoD is responsible for adjudication of completed background investigations and has focused on ensuring that the time to adjudicate the fastest 90% of investigations does not exceed an average of 20 days. In order to ensure that emphasis on timeliness has not degraded the quality of adjudications, the DoD has implemented policy and procedures for review of the quality of adjudications and for the professional certification of adjudicators.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
Compliance, Currency, and Relevance of DoD Counterintelligence and Credibility Assessment Policies	**FY 2014**	**FY 2015**	**FY 2016**
Review 100% of existing policy documents and revise or cancel as appropriate	100%	100%	100%
Conduct CI and Credibility Assessment oversight reviews to ensure Component compliance with DoD	8	7	8

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

and national-level policy			

Counterintelligence & Federal Law Enforcement Support Division is responsible for developing new and updating current policy issuances related to CI and Credibility Assessment (CA). The Division is also responsible for conducting policy oversight assessments which directly ties into the mission to ensure policy compliance, currency and relevance. The assessments are conducted by visiting all DoD Components every three years.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
Establish All-Source Intelligence Analysis Policy	**FY 2014**	**FY 2015**	**FY 2016**
Conduct quarterly reviews of All-Source Intelligence Analysis requirements policies, procedures, and tools. Including policy gaps gleaned through Oversight assessments/reviews. Identify issuances to develop and/or modify existing requirements process. Complete draft issuance submission within a target time period of no more than six months.	95%	100%	100%
Establish and implement Foreign Partner Engagement Strategy. Provide USD(I) with strategic recommendations for foreign partnership engagement, and draft initial	65%	100%	100%

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

guidance for the Defense Intelligence Components on foreign partnerships, including analytic mission sharing with partners and allies.			

The Defense Analysis and Partner Engagement Directorate is responsible for developing new policies and procedures to structure and guide All-Source Intelligence Analysis and ensuring foreign partnerships are effective and efficient in support of Defense Intelligence. DA&PE leads the Defense Enterprise through policy development and oversight of defense analysis and partner engagement to provide decision makers with decision advantage and foster intelligence sharing with key partners and allies.

In FY 2014, DODD "Management and Oversight of All-Source Analysis" was drafted and is currently in formal coordination. This policy addresses changes in business process and governance within Defense Intelligence All-Source Analysis community. The DODI anticipated release is FY 2015. In FY 2014 the first Foreign Partnership Engagement Strategy was drafted and provided to OUSD(I) leadership. This strategy is the keystone guidance for engagements within OUSD(I) and also the Defense Intelligence Enterprise. In FY 2016 a review of foreign partnership contributions will be initiated and will inform the next strategy.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
All-Source Intelligence Analysis Oversight	**FY 2014**	**FY 2015**	**FY 2016**
Assessments/reviews of selected Enterprise Components responsible for All-Source Intelligence Analysis with priority on the	4	6	4

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Services, the Defense Intelligence Agency, and the Combatant Commands.			
Formalize into the Oversight Program Structure-Evaluation of Warning tools and certification requirements and All-source intelligence analysis certification requirements.	2	3	3

Defense Analysis and Partner Engagement Directorate is responsible for evaluating current and developing new policies and procedures to structure and guide All-Source Intelligence Analysis, Foreign Partnership Engagement, and Foreign Disclosure. DA&PE oversight visits evaluate policy compliance, intelligence customer support, and capability needs required to address both current and future needs of the DoD.

In FY 2014, DA&PE shifted from formal site visits to leveraging existing boards, committees and other structures in order to assess and recommend areas for improvement of All-Source Intelligence Analysis at both the component level and across the Defense Intelligence Enterprise (DIE). This approach, in conjunction with the more traditional site visits allows for a more holistic approach to improving the DIE. It has the added feature of more efficiently exercising our new oversight roles associated with Partnership Engagements and Foreign Disclosure. DA&PE continues to provide oversight and guidance on crucial areas such as Defense Warning certification, Defense Warning tools, and All-Source Analysis certification.

Major Program Title: Defense Military Deception Program Office

Measure Description	Actual	Projected

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Policy Oversight (DoD Military Deception)	**FY 2014**	**FY 2015**	**FY 2016**
Proposed MILDEC Plan Approval Reviews	100%	100%	100%
MILDEC operations reviews	6	6	6
DoD MILDEC Education and Training Education reviews	3	3	3
Component Staff Assistance Visits	N/A	4	4
Component Program Assessments	N/A	N/A	4

In accordance with DoD Instruction S-3604.01, OUSD(I) is responsible for DoD oversight of the Defense MILDEC Program. DMDPO conducts a strategic oversight review of a Defense MILDEC Program bi-monthly to assess effectiveness and policy compliance. DMDPO reports MILDEC program compliance to the OUSD(I), Secretary of Defense, and Congressional oversight committees. In FY 2015, DMDPO implemented a Staff Assistance Visit (SAV) and the Component Program Assessment (CPA) for full implementation in FY 2016. SAVs are a collaborative engagement with DoD components to develop and strengthen all aspects of the MILDEC programs. CPAs are formal inspections/assessments which include compliance reviews and operational effectiveness assessments to determine if DoD Components are executing MILDEC programs in accordance with DoD guidance.

Major Program Title: Defense Operations Security Initiative

Measure Description	Actual	Projected	
	FY 2014	**FY 2015**	**FY 2016**
Policy Oversight (DoD Operations Security)	**FY 2014**	**FY 2015**	**FY 2016**

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Complete annual reviews of DoD component Operations Security (OPSEC) programs and provide Annual OPSEC Report to the Secretary of Defense.	100%	100%	100%
Review existing OPSEC policy documents and either revise, cancel, or extend the issuance.	100%	100%	100%
Component Staff Assistance Visits	N/A	4	4
Component Policy Compliance Inspections	N/A	N/A	4

In accordance with DoD Directive (DoDD) 5205.02E, the OUSD(I) Defense Operations Security Initiative (DOSI) provides oversight of the Defense OPSEC program. USD(I) is responsible to report annually to the Secretary of Defense on the status of the DoD OPSEC program to include program compliance and effectiveness. The DOSI Directorate completes this annual report on behalf of USD(I). In FY 2015, the DOSI Directorate will implement Staff Assistance Visit and policy compliance inspection programs to assess the health of DoD Component OPSEC programs and to assist in formulating policy changes. SAVs are a collaborative engagement with DoD components to develop and strengthen all aspects of the OPSEC programs. Component Policy Compliance Inspection program will be developed in FY 2015 for implementation in FY 2016, these inspections will include compliance reviews and operational effectiveness assessments to determine if DoD Components are executing OPSEC programs in accordance with DoD guidance.

E. <u>**Department of Defense, Chief Information Officer (DoD(CIO))**</u>:

IV. <u>Performance Criteria and Evaluation Summary</u>:

The DoD CIO is the PSA and advisor to the Secretary of Defense for information technology (IT), national security systems (NSS), and information resources management (IRM) matters. The DoD CIO shall be responsible for all matters relating to information and the information environment including command and control (C2), communications, radio frequency spectrum, network operations, information systems, information assurance (IA), defense cyber security, the Global Information Grid, and positioning, navigation, and timing (PNT) policy.

Major Program Title: Information Enterprise

Measure/Description	Actual	Projected	Projected
Train the Total Defense Workforce with the right competencies. Protect DoD critical infrastructure.	**FY14**	**FY15**	**FY16**
Metric #1: Percent of information assurance positions and contract requirements filled with personnel meeting certification requirements.	89%	90%	90%
Metric #2: Percentage of Reduction of Data Centers.	22%	27%	35%

Investments for Information Enterprise are to develop strategies and policies governing the DoD Information Enterprise; consisting of the DoD information resources, assets, and processes required to achieve an information advantage and share information across DoD

IV. **Performance Criteria and Evaluation Summary**:

and with mission partners. Establish enterprise-wide architectures, standards, policies and guidance to support effective implementation of the DoD enabling infrastructure, enterprise services, and effective information management. Provide functional oversight for the development and sustainment of the IT and cyber workforce. Support governance through engagement with the key DoD decision processes. Engage with international partners and mission partners to ensure DoD enterprise information strategies meet information sharing requirements for all mission areas.

Major Program Title: C4 Information Infrastructure Capabilities

Measure/Description	Actual	Projected	Projected
Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.	**FY14**	**FY15**	**FY16**
Metric #1: Percent of DoD's NC3 crypto-modernization plan completed.	52%	76%	90%
Metric #2Percentage of secure mobile devices supported by enterprise mobile device management and contracted through DISA	**10%**	**25%**	**40%**

Investments for C4 Information Infrastructure Capabilities are to assess success of critical Department information technology programs and initiatives and engage where necessary to make sure they deliver on time and at the level of performance required.

IV. <u>Performance Criteria and Evaluation Summary</u>:

Assess compliance with enterprise strategy and mission requirements. Develop Capability Architecture Views, Fielding/Deployment/Synchronization Plans, and Roadmaps. Provide oversight and guidance for the fielding of key enabling infrastructures and capabilities. Oversee policies, programs, and strategic plans regarding net-centric capabilities in support of nuclear and non-nuclear strategic strike, integrated missile defense, Continuity of Government (COG), and Senior Leadership Communications, including National Leadership Command Capabilities (NLCC).

Major Program Title: Cybersecurity

Measure/Description	Actual	Projected	Projected
Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.	**FY14**	**FY15**	**FY16**
Metric #1: Percentage of information systems, including NSS that have a valid authorization to operate.	95%	95%	99%
Metric #2: Cumulative percentage of DoD SIPRNet accounts with PKI cryptographic logon capability. (as measured by token issuance)	83%	90%	95%

IV. <u>Performance Criteria and Evaluation Summary</u>:

Investments for Cybersecurity are to manage security architectures, programming, and risk to provide a more defensible information environment and enable safe sharing of information across the enterprise and with mission partners. Ensure DoD has an effective, properly funded cybersecurity program.

F. <u>Under Secretary of Defense (Personnel and Readiness) (OUSD(P&R)):</u>

The Under Secretary of Defense for Personnel and Readiness (OUSD (P&R)) is the principal staff assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all matters concerning personnel and readiness. OUSD (P&R) funds the operation and support of programs like Commanders Exercise Engagement& Training Transformation (CE2T2), Defense Readiness Reporting System (DRRS), Defense Safety Oversight Council, Training Transformation, and others. In FY 2015 the top two programs are; CE2T2.
CE2T2 accounts for 94% of P&R's program.

Major Program Title: Combatant Commander's Exercise Engagement & Training Transformation

Measure/Description
CE2T2

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Metric #1: Percent of validated Combatant Command (CCMD) joint exercise transportation requirements executed with support of the Joint Exercise Transportation Program (JETP)

Metric #2: Percent of CCMD Joint Mission-Essential Tasks (JMETs) with assigned training performance assessments (TPAs)

Metric #3: Percent of Joint National Training Center (JNTC) Joint Training Coordination Program (JTCP) supportable enabler requests filled

The CE2T2 program has supported DoD joint training needs, consistent with the new defense strategy. The program has provided the resources and expertise for training that has:

 - Improved the joint, integrated training of DoD components at the tactical through strategic levels of operations;
 - Assisted the DoD components with the fielding of robust opposing force capabilities, after action and ground truth instrumentation/capabilities, and improved realistic training;
 - Improved Combatant Command TCP and OPLAN readiness, through regional and country-specific engagements and exercises, including exercises in South Korea and Israel;
 - Supported the rebalance between the Middle East and Asia-Pacific regions;
 - Deterred aggression and shaped the global security environment;
 - Prepared U.S. forces for operations in Afghanistan and the Horn of Africa.

IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Budget uncertainty and budget reductions have recently compelled the cancellation or elimination of some CE2T2-funded exercises and enablers, including the following:

- Elimination and consolidation of six Combatant Command exercises with partners in the Middle East, including special operations and counterterrorism exercises;
- Reduction in scope of six exercises with European and NATO partners;
- Cancellation of four exercises in the Asia-Pacific region as well as the reduction in scope of an additional three exercises;
- Reduction in scope of one nuclear command and control exercise;
- Reduction in scope of three U.S. Special Operations Command exercises;
- Cancellation of one U.S. Transportation Command exercise;
- Cancellation of four exercises in Africa, including a counterterrorism exercise;
- Cancellation of three exercises in Central and South America, including FUERZAS COMANDO, a counterterrorism exercise, as well as the reduction in scope of an additional two exercises.

Major Programs Title: Defense Safety Oversight Council and Lost Workdays System

IV. <u>Performance Criteria and Evaluation Summary</u>:

Measure/Description	Actual FY 2014	Projected FY 2015	Projected FY 2016
Metric #1: Number and rates of military fatalities and injuries, civilian lost time injuries and occupational illness, and aviation class A mishaps.	Continuous improvement	Continuous improvement	Continuous improvement

These programs support DoD-wide efforts to reduce preventable mishaps. The programs monitor accidents and incidents trends; promote excellence in safety management systems such as the OSHA Volintary Protection Programs,private sector and other governmental agency best practices; and make recommendations for DoD safety improvement policies, programs, and investments.

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V. Personnel Summary	FY 2014	FY 2015	FY 2016	Change FY 2014/ FY 2015	Change FY 2015/ FY 2016
Active Military End Strength (E/S) (Total)	398	394	392	-4	-2
Officer	374	373	357	-1	-16
Enlisted	24	21	35	-3	14
Reserve Drill Strength (E/S) (Total)	5	18	18	13	0
Officer	0	14	14	14	0
Enlisted	5	4	4	-1	0
Reservists on Full Time Active Duty (E/S)	12	10	10	-2	0
Officer	11	9	9	-2	0
Enlisted	1	1	1	0	0
Civilian End Strength (Total)	1,866	1,858	1,922	-8	64
U.S. Direct Hire	1,866	1,858	1,922	-8	64
Total Direct Hire	1,866	1,858	1,922	-8	64
Active Military Average Strength (A/S) (Total)	257	256	257	-1	1
Officer	241	244	231	3	-13
Enlisted	16	12	26	-4	14
Reserve Drill Strength (A/S) (Total)	5	18	18	13	0
Officer	0	14	14	14	0
Enlisted	5	4	4	-1	0
Reservists on Full Time Active Duty (A/S) (Total)	12	10	10	-2	0
Officer	11	9	9	-2	0
Enlisted	1	1	1	0	0
Civilian FTEs (Total)	1,875	1,843	1,919	-32	76
U.S. Direct Hire	1,875	1,843	1,919	-32	76
Total Direct Hire	1,875	1,843	1,919	-32	76

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V. <u>Personnel Summary</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	Change <u>FY 2014/ FY 2015</u>	Change <u>FY 2015/ FY 2016</u>
Average Annual Civilian Salary ($ in thousands)	187.6	187.0	188.3	-0.6	1.3
Contractor FTEs (Total)	<u>2,941</u>	<u>2,919</u>	<u>2,755</u>	<u>-22</u>	<u>-164</u>

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

	FY 2014	Change FY 2014/FY 2015		FY 2015	Change FY 2015/FY 2016		FY 2016
OP 32 Line	Actual	Price	Program	Enacted	Price	Program	Estimate
101 Exec, Gen'l & Spec Scheds	350,753	3,507	-10,186	344,074	4,215	12,379	360,668
103 Wage Board	96	1	-97	0	0	139	139
107 Voluntary Sep Incentives	992	0	-492	500	0	0	500
199 Total Civ Compensation	**351,841**	**3,508**	**-10,775**	**344,574**	**4,215**	**12,518**	**361,307**
308 Travel of Persons	92,380	1,663	-9,342	84,701	1,440	1,910	88,051
399 Total Travel	**92,380**	**1,663**	**-9,342**	**84,701**	**1,440**	**1,910**	**88,051**
672 PRMRF Purchases	1,125	210	-1,335	0	0	0	0
680 Building Maint Fund Purch	0	0	0	0	0	1,250	1,250
699 Total DWCF Purchases	**1,125**	**210**	**-1,335**	**0**	**0**	**1,250**	**1,250**
703 JCS Exercises	125,085	16,011	-1,674	139,422	-418	-3,640	135,364
708 MSC Chartered Cargo	21,525	-194	-45	21,286	-447	8,928	29,767
719 SDDC Cargo Ops-Port hndlg	504	-112	52,820	53,212	20,646	-29,117	44,741
771 Commercial Transport	36,168	651	-3,312	33,507	570	-5,305	28,772
799 Total Transportation	**183,282**	**16,356**	**47,789**	**247,427**	**20,351**	**-29,134**	**238,644**
912 Rental Payments to GSA (SLUC)	2,135	38	-167	2,006	34	-664	1,376
913 Purchased Utilities (Non-Fund)	4,654	84	-2,643	2,095	36	-793	1,338
914 Purchased Communications (Non-Fund)	4,350	79	-895	3,534	60	-667	2,927
915 Rents (Non-GSA)	175,924	3,167	99,323	278,414	4,733	35,132	318,279
917 Postal Services (U.S.P.S)	25	0	5	30	1	-31	0
920 Supplies & Materials (Non-Fund)	11,667	210	-1,876	10,001	170	1,712	11,883
921 Printing & Reproduction	617	11	-225	403	7	-292	118
922 Equipment Maintenance By Contract	48,594	875	-23,741	25,728	437	-3,200	22,965
923 Facilities Sust, Rest, & Mod by Contract	1,314	24	-853	485	8	124	617
925 Equipment Purchases (Non-Fund)	11,890	214	-8,101	4,003	68	-543	3,528
932 Mgt Prof Support Svcs	422,757	7,610	-82,695	347,672	5,910	-3,715	349,867
933 Studies, Analysis & Eval	74,276	1,337	3,606	79,219	1,347	25,058	105,624
934 Engineering & Tech Svcs	296,972	5,345	-116,712	185,605	3,155	10,954	199,714

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| | | Change FY 2014/FY 2015 | | | Change FY 2015/FY 2016 | | |
| | FY 2014 | | | FY 2015 | | | FY 2016 |
OP 32 Line	Actual	Price	Program	Enacted	Price	Program	Estimate
951 Other Costs (Special Personal Svc Pay)	217	0	-217	0	0	0	0
958 Other Costs (Investments and Loans)	0	0	12,333	12,333	0	-12,333	0
960 Other Costs (Interest and Dividends)	38	1	-39	0	0	0	0
985 Research & Development, Contracts	0	0	5,094	5,094	0	-3,776	1,318
986 Medical Care Contracts	3	0	-3	0	0	0	0
987 Other Intra-Govt Purch	205,099	3,692	-6,653	202,138	3,436	-28,491	177,083
988 Grants	54,620	983	-6,973	48,630	827	-44,542	4,915
989 Other Services	40,632	732	-100	41,264	701	-13,001	28,964
990 IT Contract Support Services	8,898	160	-5,415	3,643	62	-393	3,312
999 Total Other Purchases	**1,364,682**	**24,562**	**-136,947**	**1,252,297**	**20,992**	**-39,461**	**1,233,828**
Total	**1,993,310**	**46,299**	**-110,610**	**1,928,999**	**46,998**	**-52,917**	**1,923,080**

* The FY 2014 Estimate column **includes** $59,300 thousand of FY 2014 OCO Appropriations funding (PL 113-6). * The FY 2015 Estimate column **excludes** $135,664 thousand of FY 2014 Overseas Contingency Operations Appropriations funding (PL 113-76). * The FY 2016 Estimate **excludes** Overseas Contingency Operations. Note: The increase in OP-32 line 915 Rents (Non-GSA) is attributed to the increase in the DoD's allocated share of the Capital Security Cost Sharing bill as determined by the Department of State.