

DoD HUMAN RESOURCES ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2000/2001 Biennial Budget Estimates
Budget Activity 4

Activity Group: DoD Human Resources Activity

I. Description of Operations Financed:

Descriptive Summary: The Department of Defense Human Resources Activity (DHRA), is a DoD-wide field activity chartered to support the Under Secretary of Defense (Personnel and Readiness) (USD(P&R)). The Deputy Secretary of Defense approved the merger of the Defense Manpower Data Center (DMDC), a DoD support activity, with the Civilian Personnel Management Service (CPMS), a DoD field activity, and renamed the combined organization the DoD Human Resources Activity. In FY 1999, DHRA assumed responsibility for the Office of the Chancellor for Education and Professional Development, the Office of the Director of the Quadrennial Review of Military Compensation, and the Permanent Duty Travel (PDT) and Ready Reserve Travel (RRT) Task Force. DHRA is the central Department of Defense (DoD) activity for the collection and analysis of manpower and personnel data to support Department-wide tracking, analyses, research, studies, and a wide variety of reporting requirements. DHRA provides civilian personnel policy support, functional information management, and civilian personnel administrative services to DoD Components and activities. DHRA programs improve the effectiveness, efficiency, and productivity of personnel operations throughout DoD.

The scope of DHRA operations is broad and encompasses all aspects of data collection and utilization of Defense manpower and personnel data records to support DoD-wide analyses, studies and research. The field activity is the responsible organization within DoD for the exchange of automated manpower data with other Government agencies as approved by the USD(P&R). DHRA, in coordination with the DoD Inspector General and the Defense Finance and Accounting Office, operates Operation Mongoose, a fraud detection and prevention unit to minimize fraudulent attacks against DoD financial assets.

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DHRA manages the Department's numerous civilian workforce programs to include appropriated and nonappropriated fund personnel programs, mobilization initiatives, and the Civilian Assistance and Re-Employment (CARE) and Priority Placement programs. Other civilian initiatives include maintaining workforce balance, reducing the costs of the Department's workers' and unemployment compensation bills, and performing data collection, analysis, negotiation, and issuance responsibilities for the Federal wage schedules for wage grade employees. Additional functions include equal employment opportunity complaint and grievance investigations and injury and unemployment compensation claims reviews.

DHRA oversees the regional restructuring of civilian personnel operations and the development of the single, standard Department-wide civilian personnel information system - the Defense Civilian Personnel Data System and its modernization. The modern system will provide a standard civilian personnel data warehouse and a modern operating environment supporting a single integrated information system.

DHRA manages the Joint Requirements and Integration Office (JR&IO) established by the Deputy Secretary of Defense in July, 1997. The JR&IO is responsible for personnel data administration; supports the USD(P&R) on information management and information technology issues; and provides business process reengineering for the entire life cycle of military personnel. The Deputy Secretary of Defense assigned acquisition responsibilities for the Defense Integrated Military Human Resources System (DIMHRS) to the Department of the Navy. The JR&IO is responsible for overall direction of the program and provides functional requirements to the Navy.

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I. Description of Operations Financed (Continued):

1. Civilian Assistance and Re-Employment Program

Reducing the DoD workforce has been and remains one of the most difficult tasks ever presented to the Defense Department. The Civilian Assistance and Re-Employment (CARE) program has been largely successful in this effort through the innovative use of special personnel programs and incentives. To date, DoD has accounted for the majority of the downsizing of the Federal workforce. Since October 1989, DoD has reduced its civilian employment by over 376,000 positions. By September 2003, another 80,000 positions could be eliminated, if all reduction initiatives are implemented. The CARE program supports achievement of the necessary reductions with minimum workforce turbulence.

CARE officials manage the operation of the Department of Defense civilian reduction and career transition assistance programs. These highly effective, award-winning programs include the Priority Placement Program (PPP), which continues to place approximately 450 employees each month. Since 1994, the staff has conducted briefings for over 77,549 employees, 6,084 managers, and 696 union representatives on the PPP and Civilian Assistance and Re-Employment programs; the separation incentive or buyout program through which DoD has avoided over 125,000 involuntary (reduction in force) separations since 1993; and the voluntary early retirement program through which employees retire at a reduced age and service to help mitigate reductions in force; about 54,000 employees have retired under this program since 1993.

In FY 1998, funding was increased for the job outreach program which markets and coordinates involvement with existing qualified service providers through the Job Training Partnership Act, facilitates municipal offering of community outreach services, and provides data for evaluation of federal job placement programs.

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2. Regionalization and Systems Modernization

The Department is engaged in three major reforms of civilian personnel administration: (1) restructuring field level civilian personnel operations into regional service centers (anticipated to conclude in FY 1999); (2) developing a modern Defense Civilian Personnel Data System (DCPDS) (scheduled to complete DoD-wide deployment in FY 2000); and (3) improving and reengineering business processes. Taken together, these reforms will greatly streamline personnel operations while reducing the number of required staff. These projects are being implemented systematically to achieve the highest level of efficiency while ensuring that there are no adverse mission consequences.

Regional restructuring is required to implement National Performance Review streamlining initiatives, which have reduced resources dedicated to the personnel services infrastructure. Reductions in the number of civilian personnel specialists have already been programmed across DoD. In conjunction with Regionalization, CPMS is implementing business process improvements including those initially developed through the Corporate Information Management (CIM) initiative.

The DHRA budget contains the resources for the development of a single, modern standard information system to be used throughout the Department. This funding supports the development of hardware acquisition, central database and application management, and software acquisition and development for the Modernization Program's Central Design Activity (CDA). The budgets of the DoD Components contain the resources to realign personnel and other resources into a regional configuration. Component funding also supports purchasing the hardware infrastructure and additional software necessary to deploy and operate the modern Defense Civilian Personnel Data

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System (DCPDS). The Regionalization and Systems Modernization program operates within the authority and oversight of the DoD Information Technology Overarching Integrated Process Team.

In FY 2000, CPMS will complete deployment of the modern DCPDS by facilitating the migration of the remaining regional sites from the legacy DCPDS to the modern DCPDS. Once the modern DCPDS is fully deployed, CPMS will be responsible for the sustainment, operation, and maintenance of the modern DCPDS for the Department.

3. Injury/Unemployment Compensation Program

By law, DoD civilian employees who are injured on the job are compensated for lost wages. Injury compensation claims are processed and adjudicated by the Department of Labor, which bills DoD for approved claims. For FY 1998, the Defense Department was billed \$593 million for injury compensation claims. In FY 1993, the Department formed a centralized, consolidated case review and claims verification process for all DoD unemployment claims. DoD civilian employees, who are separated through no fault of their own, are entitled to unemployment compensation (UC) benefits. Audits on 236,000 UC claims produced a cost avoidance of \$6.7 million for FY 1994 - FY 1998. FY 2000 and FY 2001 are expected to produce similar cost avoidance. DoD leads the Federal Government in cost savings, reducing the injury compensation costs by 2.1 percent since 1994, with a cost avoidance of \$37.3 million.

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I. Description of Operations Financed (Continued):

4. Complaint Investigations

The Office of Complaint Investigations (OCI) conducts formal Equal Employment Opportunity (EEO) investigations of alleged violations of the Civil Rights Act and other anti-discrimination laws in accordance with EEO Complaint Processing Regulations (29 CFR Part 1614). EEO discrimination complaints are expected to increase in FY 2000 due to downsizing; availability of compensatory damages under the 1991 Civil Rights Act; new regulations; and increased disability-based discrimination.

Resolving EEO complaints by alternative dispute resolution (ADR) avoids processing costs of between \$40,000 and \$80,000 per case. Additionally, potential litigation costs of between \$161,000 to \$310,000 are avoided for each case resolved. One of OCI's goals is to continue increasing resolutions by using ADR. OCI's goal is to increase the use of ADR in resolving complaints by 15percent in FY 2000.

5. Wage and Salary Program

The Wage and Salary Division executes delegated pay setting authority for the Department of Defense. In carrying out this authority, the Division establishes pay schedules and rates for nearly 400,000 employees in the Federal Wage System (FWS) and numerous administratively determined pay systems. Each year the Division executes DoD lead agency responsibility in 133 appropriated and 125 nonappropriated fund wage areas, conducting wage surveys, analyzing results, and issuing over 1,300 FWS wage schedules and nearly 400 pay band, administrative support, and patron services wage schedules.

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In addition to its regular FWS program, the Division executes a variety of special rate and schedule programs, including General Schedule (GS) and FWS special salary rates, overseas educator salary schedules, and special industry schedules such as hydroelectric power plants, lock and dam operations, and the Navy's Military Sealift Command civilian employees working aboard ship. The Division also exercises technical oversight responsibility for the DoD foreign national employee compensation program, covering nearly 73,000 foreign national employees. Recent additions to the Division's program include establishing the faculty pay plans for the Defense Language Institute Foreign Language Center and the Uniformed Services University of Health Sciences.

The Division's success in issuing accurate wage and salary schedules within statutory time frames contributes markedly to the efficiency and morale of the Department's workforce.

6. Field Advisory Services (FAS)

FAS provides technical advisory support to 12,500 personnel specialists in over 400 customer service units and regional offices worldwide who, in turn, administer human resources support to over 750,000 employees. FAS is the Department's principle source of technical advice and guidance in the areas of benefits and entitlements, pay and compensation, job classification covering 675 occupational series, and labor relations.

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FAS products and services include: job classification appeals adjudication, statutory review of all DOD collective bargaining agreements, expert systems and artificial intelligence development, personnel subject matter guides, fax-back services, and human resources training for specialists, managers, and employees. FAS products and services are available to human resources specialists 24 hours a day, 7 days a week. FAS uses a system of telephone, facsimile, and the internet to reach our audience. Of course, surface mail traffic is widely used too.

FAS answered over 20,000 inquiries during FY 1998 and received 1.5 million contacts via the FAS web pages. In 1998, FAS responded within one workday 96 percent of the time and within 3 workdays 98 percent of the time. Field Advisory Services adjudicated 117 position classification appeals, reviewed and approved 170 labor agreements, provided on-site technical assistance and training for more than 6,000 personnel specialists, managers and employees, and dispatched over 22,000 reference guides and job aids via the FAS automated fax-back service and the internet.

In less than 5 years, FAS has become a customer service model for organization redesign and reinvention of human resources within the Federal Government. The men and women of Field Advisory Services play a vital role in its continuing evolution and make practical the ideal of excellence in government. FAS has been recognized for its commitment to excellence by two national awards: Vice President Gore's Hammer Award and the Government Technology Leadership Award.

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7. Smart Card

The Smart Card Technology Office (SCTO) was established within the DHRA, DMDC. The mission of the SCTO is to conduct an evaluation of Smart Card technology within the Department of Defense (DoD). Specifically, the SCTO will establish a body of expertise on the application of smart card technology; develop a consensus on the implementation of smart card technology within the DoD; make a recommendation on whether or not the smart card should be adopted as the universal ID card; assess the impact and cost of implementing smart card technology to include infrastructure and associated systems; coordinate demonstration projects to ensure appropriate data are available for evaluation; and, determine a DoD configuration management strategy that would ensure continuity and interoperability across applications and functions. Applications that can be used by more than one component or involve interface with a DoD central database will be the responsibility of the SCTO. The SCTO was funded through FY 1999.

8. Defense Enrollment Eligibility Reporting System (DEERS)

DEERS maintains enrollment and confirms eligibility for DoD entitlements and privileges. DEERS identifies all users of DoD benefits; provides a means to ensure that only eligible beneficiaries receive benefits and services; collects, maintains, and provides demographic data on eligible beneficiaries; improves the management, planning, and allocation of DoD benefits resources; and reduces fraud and abuse of DoD benefit programs. DEERS combines automated sponsor data provided by the Uniformed Services and other Federal agencies, such as the Department of Veterans Affairs, with family member information provided through the Uniformed Services identification card issuing system to provide approximately 1400 sites with accurate

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and timely information about people entitled to benefits. The DEERS database base is queried approximately 900,000 times per day by managed care support contractors, Uniformed Services medical and dental treatment facilities, and personnel offices. DEERS data serve as the basis for enrollment into TRICARE.

9. Real-Time Automated Personnel Identification System (RAPIDS)

DHRA has program responsibility for the Real-Time Automated Personnel Identification System (RAPIDS), established to automatically produce a standardized, machine-readable, tamper resistant ID card for the Uniformed Services, as well as to provide the primary update vehicle for the Defense Enrollment Eligibility Reporting System (DEERS) database. RAPIDS is used to validate benefits eligibility for all active, Reserve, and retired Uniformed Services members, their eligible or pre-eligible family members, and beneficiaries.

10. Joint Market Research Program

The purpose of the Joint Market Research Program (JMRP) is to provide the OUSD(P&R) and the Services a broad range of qualitative and quantitative information on recruiting markets. This information includes insight into the propensity of youth to enlist in the military, monitoring youth attitudes toward enlistment in the Military Services over time, evaluating other factors that affect enlistment, and providing analyses that support assessment of the Services' recruiting plans, programs, and budgets. Ongoing projects include: (a) the Youth Attitude Tracking Study (YATS), an annual telephone interview of approximately 10,000 16 to 24 year-old men and women; (b) qualitative interviews with youth and influencers; (c) the Survey of Recruit Socioeconomic Backgrounds, a survey of new recruits to determine their

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socioeconomic level; (d) acquisition and distribution of market environment data and recruiting workload data to the Services' Recruiting Commands, OSD, and other military manpower analysts; and (e) the biennial DoD Recruiter Survey, conducted since 1989 for the overall purpose of evaluating recruiter quality of life issues.

11. Joint Surveys Studies

DHRA's Defense Manpower Data Center periodically conducts large-scale general personnel attitudinal surveys as well as various special-purpose surveys of DoD civilians, Service members, retirees and other veterans. Spouses are also surveyed for some efforts. These surveys are conducted to support OSD offices with program or policy responsibilities affecting military and civilian DoD personnel. The information is used to formulate, monitor, and refine policies and programs affecting the morale, health, pay, benefits, and readiness of DoD personnel and their families.

12. Defense Integrated Military Human Resources System

The Joint Requirements and Integration Office provides functional direction for the Defense Integrated Military Human Resources System (DIMHRS), the fully integrated military personnel and pay management system that will serve Service members and their families, military commanders, and the Services into the 21st century. The Department recently funded DIMHRS through FY 2005. DIMHRS received Milestone 0 approval in FY 1998 and is proceeding to Milestone I approval during FY 1999. This requires coordination of an Operational Requirements Document (ORD) setting out the key functional requirements and performance measures, as well as other life cycle management documents including a Life Cycle Cost and Benefit Analysis.

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Congress provided direction in the FY 1999 Defense Appropriations Act and Conference Report which expands the scope of DIMHRS, now described as the DIMHRS enterprise. The DIMHRS Personnel/Pay initiative consists of the ongoing effort that supports functions encompassed by the business process reengineering effort initiated in 1992 and reviewed by the Defense Science Board Task Force in 1996. The Deputy Secretary of Defense approved this program with the objective of a totally integrated pay and personnel system supporting the functional requirements of all the components.

In compliance with the Clinger-Cohen Act and the Government Performance and Results Act, the DIMHRS Personnel/Pay project is identifying "useful segments" that can demonstrate both rapid acquisition techniques and measurable functional benefits. During FY 1999 and FY 2000, a pilot Accessions capability, using a Commercial Off-The-Shelf (COTS) product, will be conducted and evaluated.

In compliance with Congressional direction, DIMHRS will also begin DIMHRS Manpower and DIMHRS Training initiatives in FY 1999. Scoping workshops which define the functionality of the efforts as well as anticipated benefits, will include representation from all the DoD components.

13. Military Personnel Information System

The Systems Executive Office for Manpower and Personnel (SEO/MP) is responsible for acquisition program management of Manpower and Personnel Information Systems and other assigned programs. FY 1999 funding in the amount of \$38M will be used for initial outfitting, equipment, communications, software and related infrastructure support requirements for information system facilities; implementing the enterprise level strategy and military manpower and personnel information program; developing a

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proof of concept and prototype using DIMHRS as the model and strategy for the manpower and personnel enterprise management program; addressing modernization and migration system support; and completing the establishment of an Application Control Center. These requirements are to satisfy Congressional direction.

14. Chancellor for Education and Professional Development

The Office of the Chancellor for Education and Professional Development was established in October 1998. The Chancellor serves as DoD's senior operational specialist in civilian higher education and professional development. The Chancellor is the principal advocate for academic quality and cost effectiveness of all programs, courses of instruction, and institutions that provide higher education and professional development for civilians with the DoD. The Chancellor oversees implementation of educational and professional development policies and requirements developed by the USD(P&R) and by functional leadership at the Under Secretary and Assistant Secretary levels.

The Office of the Chancellor for Education and Professional Development plans and executes studies and projects associated with the development of standards for quality in civilian education and professional development. It establishes appropriate standards, monitors institutions and programs for compliance with such standards, and serves as a focal point for external accreditation and certification of covered institutions.

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15. The Office of the Director of the Ninth Quadrennial Review of Military Compensation

This office directs a review of the principles and concepts of the compensation system every four years. The review overarches an annual review of the adequacy of military pay and allowances. The QRMC conducts a strategic review of the military compensation and benefits system to assess the military's ability to recruit and retain the highest quality force in the face of changing demographics, a dynamic economic environment, and the new military strategy. The Director, QRMC, ensures the review fulfills the requirements of the Presidential Charter and prepares a report for the President to submit to Congress summarizing the review and making recommendations.

16. Per Diem Duty Travel and Ready Reserve Travel Task Force

In June 1998, the Deputy Secretary approved task force reports on reengineering permanent duty travel and ready reserve travel. To implement the task force recommendations, the Deputy Secretary approved the creation of an implementation office within the USD(P&R).

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17. Civilian Payroll/Operational Support

Funding supports operations and civilian personnel costs not specifically associated with the programs identified. Operational costs are varied in nature and include Interservice Support Agreements, training, contract maintenance, supplies and equipment, local area networks support, rent, telephone costs, and administrative support to DHRA offices in the National Capital Region, throughout the United States, and OCONUS.

II. Force Structure Summary: N/A

III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:	FY 1998 Actuals	FY 1999			Current Estimate	FY 2000 Estimate
		Budget Request	Appropriated			
1. CARE	1,621	218	218	218	418	
2. Reg Mod	11,557	16,649	9,649	9,649	18,450	
3. Injury/Unemployment	100	245	245	245	295	

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III. Financial Summary (O&M: \$ in Thousands) (Continued):

4. Complaint Investigations	1,963	2,272	2,272	2,272	2,877
5. Wage and Salary Division	539	694	694	694	703
6. Field Advisory Services	219	248	248	248	362
7. Smart Card	6,000	4,000	3,642	3,595	0
8. DEERS	22,600	18,200	16,573	16,358	18,200
9. RAPIDS	11,7000	11,700	10,654	10,516	11,700
10. JMRP	2,600	2,700	2,459	2,427	2,700
11. Joint Surveys Studies	2,000	2,000	1,821	1,798	2,000
12. DIMHRS	33,372	40,675	40,675	39,675	60,600
13. MPIS	0	0	38,000	38,000	0
14. Chancellor for Education	0	0	0	2,100	1,237
15. QRMC	0	0	0	0	600
16. Permanent Duty Travel	0	0	0	2,300	3,200
17. Other Civ Pers (non-labor)	7,445	10,634	4,856	6,070	8,820
18. Labor	48,448	47,002	48,598	51,474	49,436
19. Operations and Support	8,555	12,886	9,765	8,051	8,628
20. JRAP *	0	6,200	5,646	0	0
Total	158,719	176,323	196,015	195,690	190,226

* In FY 98, JRAP was executed as Budget Activity 4, however, for comparability purposes it is displayed as if executed in Budget Activity 3.

B. Reconciliation Summary:

	Change	Change
	<u>FY 1999/1999</u>	<u>FY 1999/2000</u>
Baseline Funding	176,323	195,690
Congressional Adjustments	19,692	0
Supplemental Request	0	0

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III. Financial Summary (O&M: \$ in Thousands) (Continued):

Price Change	845	4,346
Functional Transfers	(5,675)	500
Program Changes	4,505	(10,310)
Current Estimate	195,690	190,226

C. Reconciliation of Increases and Decreases:

1. FY 1999 President's Budget Request		176,323
2. Congressional Adjustments (Distributed)		
a. Operations Savings	(4,500)	
b. Pay Rate Error	(3,900)	
c. Defense Civilian Personnel Data Systems	(7,000)	
Total Congressional Adjustment (Distributed)		(15,400)
3. Congressional Adjustments (Undistributed)		
a. ADP Legacy Systems Efficiencies	(2,100)	
b. Military Personnel Information Systems	38,000	
c. Section 8105 - DRI Savings	(190)	
d. Section 8108 - Revised Economic Assumptions	(455)	
e. Congressional Earmark Billpayer	(163)	
Total Congressional Adjustments (Undistributed)		35,092
4. FY 1999 Appropriated Amount		196,015
5. Functional Transfers-In		0

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III. Financial Summary (O&M: \$ in Thousands) (Continued):

6.	Functional Transfers-Out		
	a. Advisory Group Support to OSD	(102)	
	b. Joint Recruiting and Advertising Program from BA 4 to BA 3.	(5,573)	
	Total Transfers-Out		(5,675)
7.	Price Change		845
8.	Program Increases		
	a. Chancellor for Education and Professional Development - supports the start-up and administration of the Chancellor's Office.	3,050	
	b. Permanent Duty Travel (PDT) and Ready Ready Reserve Travel (RRT) Task Force (PDT&RRT) - Supports the effort to implement the recommendations of the PDT&RRT.	2,300	
	Total Program Increases		5,350
9.	Total Program Decreases		
	Offset due to FY 99 price change		(845)
10.	Revised FY 1999 Current Estimate		195,690
11.	Price Growth		4,346

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12	Functional Transfers-In	
	Quadrennial Review of Military	600
	Compensation from OSD	
13.	Functional Transfers-Out	(100)
	DoD Computer Forensics Lab and Training Program	
14.	Program Increases	
	a. Regionalization/Systems Modernization	8,676
	Program - Funding to support all DoD	
	civilian personnel operations for	
	oversight, maintenance and sustainment of	
	the modernized DCPDS.	
	b. Telecommuting Pilot Program - Establishes	100
	former pilot for use of GSA Telecommuting	
	Centers. Treasury-Postal Appropriations	
	Act requires DoD participation.	
	c. Civilian Personnel Streamlining - DoD-	2,671
	wide consolidation, streamlining and	
	reengineering activities, such as the	
	Priority Placement Program (PPP), Injury	
	and Unemployment Compensation Program,	
	Complaint Investigations and Field	
	Advisory Services. Provides standard	
	processes, common service delivery and	
	automation support.	

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d.	Defense Integrated Military Human Resources System (DIMHRS) - Provides a fully integrated military personnel and pay system to support all DoD Components military pay requirements by the year 2002. DIMHRS will eliminate deficiencies with the existing systems and will support current and future business process requirements.	20,330
e.	Permanent Duty Travel (PDT) & Ready Reserve Travel (RRT) Task Force - Supports the office of the PDT&RRT responsible for implementing recommendations on the reengineering of PDT&RRT.	866
	Total Program Increases	32,643
15.	Program Decreases	
a.	Office of the Chancellor for Education and Professional development - One-time costs are reflected in FY 1999	(734)

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b. Smart Card - The Joint Smart Card Technology Office was established to oversee the integration of knowledge gained from already conducted Service specific demonstrations into one integrated Joint demonstration project. Funding for the Smart Card Technology Office ended in FY 1999 with the completion of the Joint demonstration project. Requirements for the Smart Card will be further identified.	(3,649)
c. Military Personnel Information System - The FY 1999 Congressional add satisfied Congressional direction to accomplish FY 1999 MPIS requirements.	(38,570)
Total Program Decreases	(42,953)
16. FY 2000 Budget Request	190,226

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IV. Performance Criteria and Evaluation:

The Department of Defense Human Resources Activity (DHRA), Civilian Personnel Management Service (CPMS) supports the Under Secretary of Defense (Personnel and Readiness) in planning and formulating civilian personnel programs, providing policy support, functional information management and Department-wide civilian personnel administrative services for the Office of the Secretary of Defense, the Military Departments and Defense agencies. CPMS consolidated a number of common personnel management functions previously performed by each of the DoD Components through their own separate field agencies and/or headquarters staffs, realizing a 20 percent initial cost savings associated with civilian personnel management services above the base operating personnel office level. The functions include equal employment opportunity (EEO) complaint and grievance investigations, injury and unemployment compensation claims reviews, position classification appeals, special pay rate determinations, and advisory services to headquarters and field-level personnel operations.

Policy Support and Special Programs

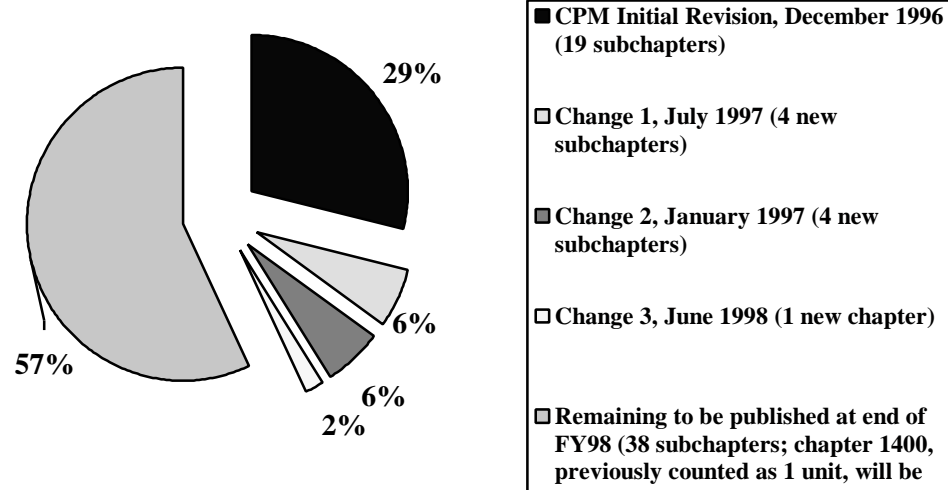
The Department's HRM goals and Executive Order 12861 mandated a 50 percent reduction of agency-wide regulations. CPMS, working with the Military Departments and Defense agencies, streamlined, updated and accomplished a 40 percent reduction of agency-wide regulations by the end of FY 1998. Supporting this objective was the continuing development, publication, and maintenance of the Civilian Personnel Manual (CPM). The CPM implemented DoD-wide HRM policy guidance and instructions, thus achieving deregulation by reducing supplementation in the Military Departments and Defense agencies. By the 4th quarter of FY 1998, subchapters comprising 43 percent of the CPM have been published. The remaining 57 percent of the CPM will be published during FY 1999 and 2000.

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IV. Performance Criteria and Evaluation (Continued):

**Publication of the
Civilian Personnel Manual**



Nine science and technology laboratories (S&T labs) are participating in HRM demonstration projects that involve waivers to Title 5, United States Code, and Office of Personnel Management (OPM) regulations. By the end of FY 1998, nine S&T labs had implemented their projects with the civilian acquisition workforce personnel demonstration implemented during FY 1999.

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IV. Performance Criteria and Evaluation (Continued):

Complaint Investigations

The Office of Complaint Investigations (OCI) conducts formal Equal Employment Opportunity (EEO) investigations of alleged violations of the Civil Rights Act and other anti-discrimination laws in accordance with EEO Complaint Processing Regulations (29 CFR Part 1614).

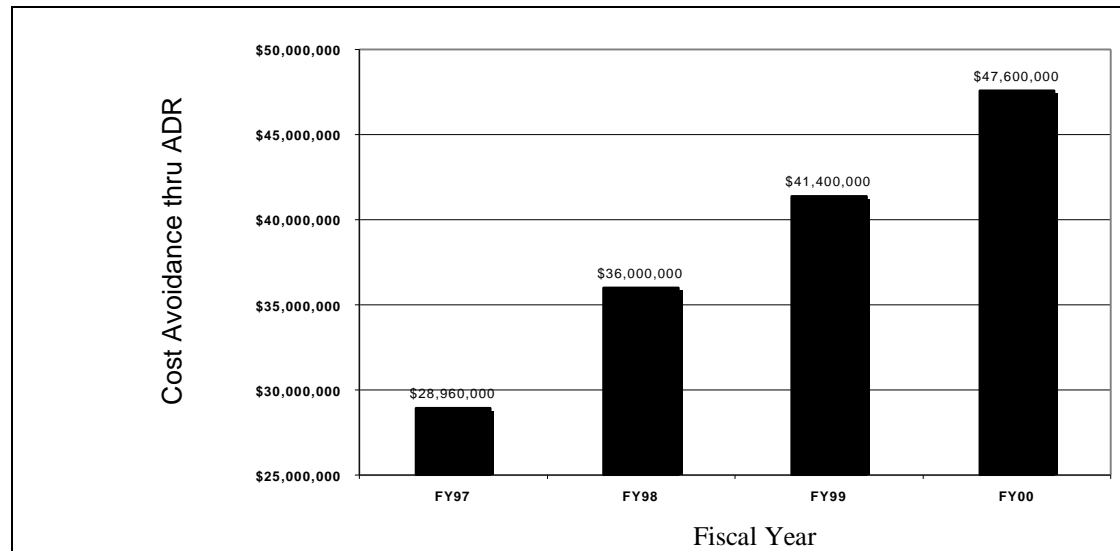
In FY 1998, OCI received approximately 4,100 EEO complaints for investigation. FY 1998 projections estimate 4,186 completed investigations; an increase of 273 over the 3,913 completed cases in FY 1997. EEO discrimination complaints are expected to increase in FY 1999 and FY 2000 due to downsizing; availability of compensatory damages under the 1991 Civil Rights Act; new regulations; and increased disability-based discrimination.

Resolving EEO complaints by alternative dispute resolution (ADR) avoids processing costs of between \$40,000 and \$80,000 per case. Additionally, potential litigation costs of between \$161,000 to \$310,000 are avoided for each case resolved. One of OCI's goals is to continue increasing resolutions by using ADR. In FY 1998, the number of OCI resolutions increased 20 percent over FY 1997. OCI's success in applying ADR during FY 1998 avoided an estimated \$36M in complaint processing costs and an undetermined amount of litigation costs. The OCI goal for FY 1999 and FY 2000 is to increase the number of resolutions by 15 percent through an orchestrated push to encourage the use of ADR before each investigation, development of ADR teams, and increase ADR training.

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IV. Performance Criteria and Evaluation (Continued):



In FY 1998, investigators increased productivity by seven percent, completing 300 more cases than the previous fiscal year. This increase in productivity avoided approximately \$240,000 in costs. We expect this improvement trend to continue in FY 1999 and FY 2000 at an estimated increase of five percent per year as a result of continuous process improvements and reengineering.

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IV. Performance Criteria and Evaluation (Continued):

Wage and Salary Program

DHRA's CPMS, Wage and Salary Division, conducts wage surveys and issues Federal Wage System (FWS) schedules for the Federal government's craft and trade employees. The FWS was established in 1972, by Public Law 92-392 and is codified in title 5, United States Code. This Division carries out the DoD lead agency role by conducting surveys in 133 appropriated and 125 nonappropriated fund wage areas. The Wage and Salary Division issues schedules covering approximately 225,000 appropriated fund regular FWS employees throughout the Federal government and issues schedules for approximately 47,500 nonappropriated fund FWS employees, and 48,000 non-FWS nonappropriated fund employees.

The success of these activities is based upon the conduct of wage surveys and issuance of wage schedules within prescribed time periods. For appropriated fund employees, wage surveys must be conducted in accordance with a regulatory time schedule (5CFR 532). Wage schedules must be issued within 45 business days from the start of the survey. The quality of the collected wage data and subsequent data analyses is evaluated through review and discussion with the Military Departments, the Office of Personnel Management, and involved labor unions. In FY 1997, 990 schedules were issued and in FY 1998, 980 schedules were issued. All were issued within statutory time limits.

In addition to the FWS program, the Wage and Salary Program includes a variety of special rate and schedule programs covering FWS, General Schedule (GS), and Administratively Determined (AD) pay plans. These programs include the GS and FWS special salary rate programs and technical oversight responsibility for the DoD foreign national compensation program. The Division conducts surveys of 196 public

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IV. Performance Criteria and Evaluation (Continued):

school jurisdictions in the US to establish salary schedules for overseas educators employed by the Department of Defense Education Activity (DoDEA). The Division also conducts wage surveys and issues wage rates for special industries, e.g., power plant and lock and dam operations, and the Navy's Military Sealift Command civilian employees working aboard ship. The chart below summarizes the number of employees and number of pay schedules issued annually by pay plan:

Pay Plan	Number of Employees	Number of Schedules
Federal Wage System	224,905	980
Foreign National Oversight	70,000	48
Title 5 & 38 Special Rates	59,697	324
NAF Federal Wage System	47,563	375
NAF NF (Pay Band)	27,561	125
NAF Administrative Support & Patron Services	20,326	250
Overseas Educators	9,370	25
Overseas Federal Wage System	4,025	5
Maritime	3,345	8
Lock & Dam	1,808	69
Miscellaneous	1,719	20
Corps of Engineers Power Plant	1,022	8
Floating Plant	739	93
Defense Language Institute	639	1
Printing & Lithographic	438	15
USUHS	221	4
Hopper Dredge	182	4
Totals	473,560	2,354

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IV. Performance Criteria and Evaluation (Continued):

Injury/Unemployment Compensation Program

The success of the Injury Compensation Program is measured by cost avoidance and customer satisfaction. The customers who shape the organization's workload are the Components, installation level program managers, installation/activity commanders, employees, and the Department of Labor (DOL). Prior to consolidation in CPMS, most of the Components did not have the benefit of liaison specialists collocated at DOL office to review injury cases, conduct home visits to injured employees, train, advise, and assist in reemployment efforts. By consolidating DoD liaison efforts, 10 manpower spaces were saved.

DoD civilian employees, who are separated through no fault of their own, are entitled to unemployment compensation (UC) benefits. DOL has entered into agreements with all of the states, the District of Columbia, Puerto Rico, and the Virgin Islands which provide for the state administration of the UC programs and allow the State Employment Security Agencies to determine and pay UC claims based on applicable state law. Each state bills DOL, which in turn bills DoD, for approved claims. Audits on 222,668 UC claims produced a cost avoidance of \$6.1 million for FY 1994 through 3rd quarter of FY 1998. FY 1999 and FY 2000 are expected to produce similar cost avoidance.

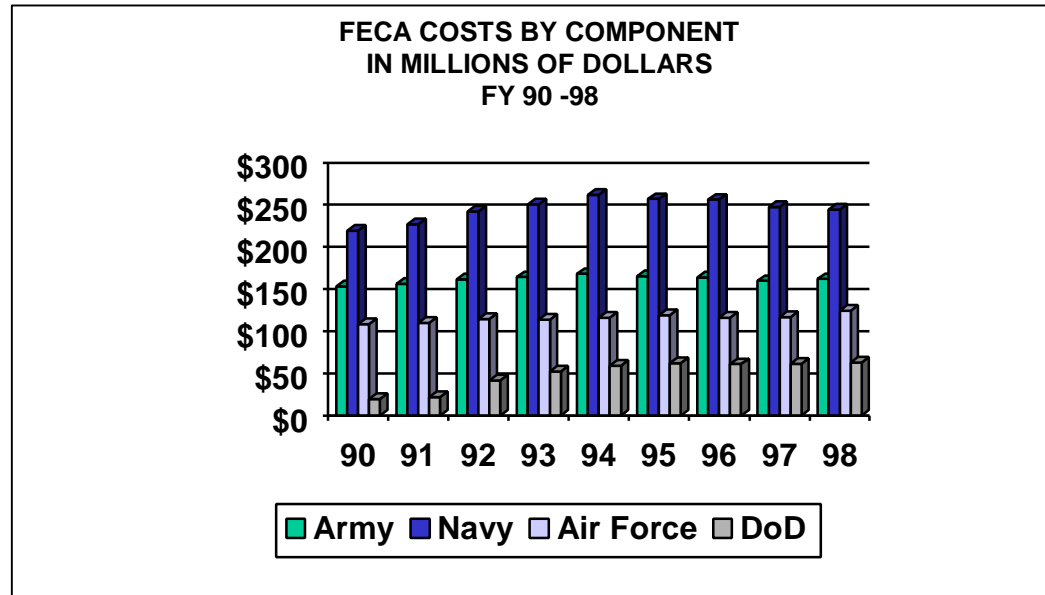
To aid DoD liaisons and installation Injury and Unemployment Compensation program managers, CPMS developed the DoD Injury and Unemployment Tracking System. The system has been deployed at 415 activities. Since October 1993, home visits were conducted in 31 areas with 1600 claimants visited. Actual savings over the same period totaled over \$24.3 million with potential lifetime savings exceeding \$882.9 million. In FY 1997, the Federal Government's injury compensation bill decreased \$7 million and

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IV. Performance Criteria and Evaluation (Continued):

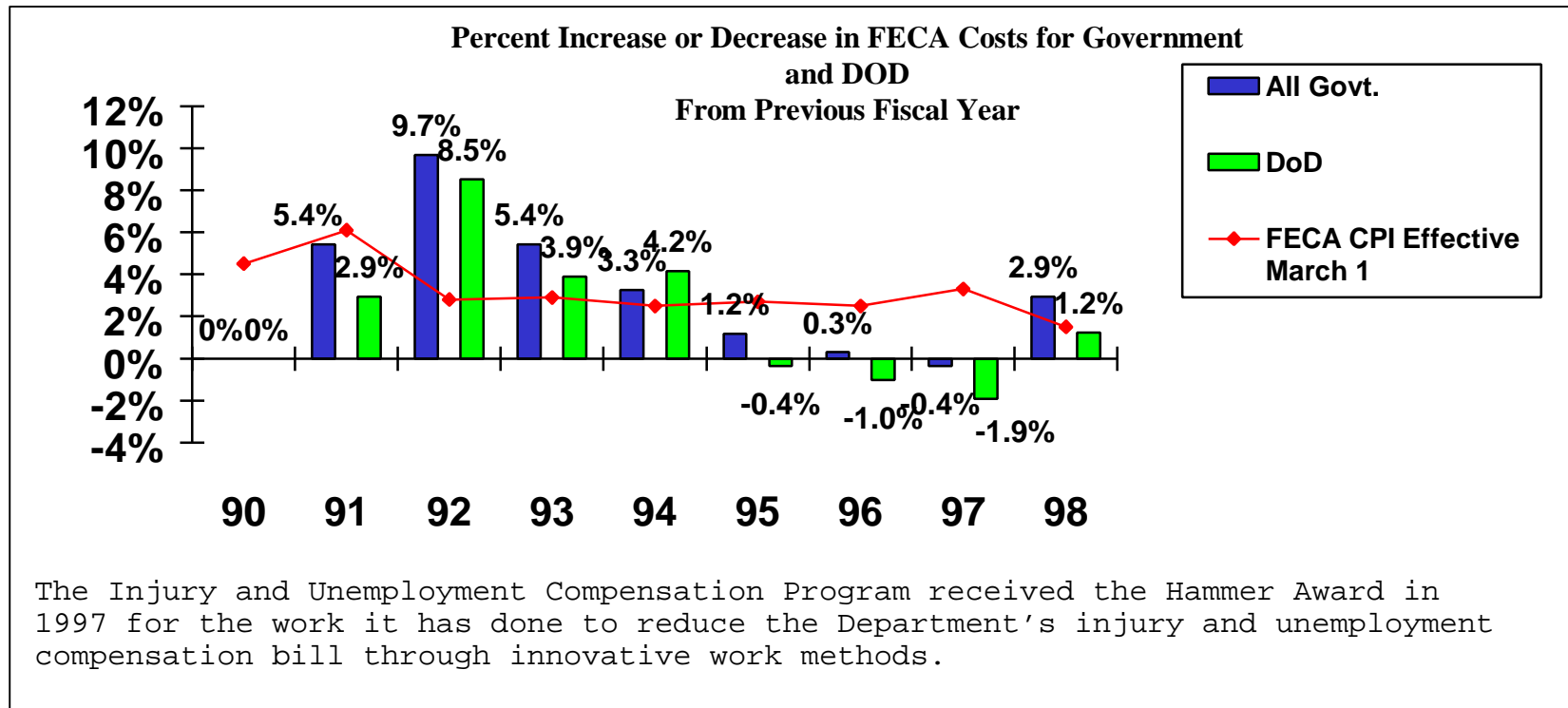
DOD's decreased by \$11 million. DoD leads the Federal Government in costs savings, reducing the actual compensation costs 0.4 percent in FY 1995, 1 percent in FY 1996, and 1.9 percent in FY 1997, with a cost avoidance of \$26.5 million. In FY 1998, DoD continued to avoid a greater percentage of Federal Employees' Compensation Act (FECA) costs than the rest of the Federal Government. Similar cost avoidance is expected for FY 1999 and FY 2000.



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IV. Performance Criteria and Evaluation (Continued):



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IV. Performance Criteria and Evaluation (Continued):

Field Advisory Services Program

DHRA's CPMS Field Advisory Services (FAS) has eliminated the two or three layers within the human resources management chain between base level human resources offices and offices responsible for providing implementing guidance. The staff's primary responsibilities are to provide timely, accurate advice, statute and policy interpretation, and to serve as a direct conduit for base level personnel offices to policy makers within DoD so that concerns in the field can get a quick and serious hearing at the top levels.

The primary customer is the operating level human resources specialist. FAS provides service to 12,500 personnel specialists in over 400 customer support service units and regional offices worldwide that, in turn, provide services to over 754,000 DoD employees. It is the principle source of advice and guidance to all Defense organizations on civilian human resources management issues and questions in the areas of employee benefits, entitlements, compensation, travel, classification, and labor relations. The Field Advisory Services program staff thoroughly researches each question and provides an answer based on law, regulation, and Department policy not readily available in the field. Guidance takes the form of telephone assistance by advisors available from 6:00 AM until 6:00 PM, Monday through Friday. Reference guides and news bulletins are available on a 24-hour basis through the FAX-BACK Center and a regularly published newsletter, the *FAS TRACK*.

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IV. Performance Criteria and Evaluation (Continued):

**All Telephonic Inquiries
 Calendar Years 1994-1997**

	94	95	96	97	ALL
Army	822	2,393	2,329	4,861	10,405
Navy	483	1,744	1,583	3,451	7,261
Air Force	517	1,677	1,657	2,595	6,446
DoD	542	1,575	1,346	2,965	6,428
Non-DoD	63	409	731	937	2,140
NGB	0	55	196	612	863
Total	2,427	7,853	7,842	15,421	33,543

FAS supports the Defense Partnership Council (DPC) and the National Partnership Council (NPC). DoD has taken important steps in the process of transforming labor management relations from the traditional adversarial mode to a cooperative mode based on partnership and mutual respect. The program is the administrative arm of the DPC and conducts an extensive labor-management cooperation training and facilitation program, which encompasses interventions in labor-management relations, to include partnership facilitation and training, labor management skills training and education, facilitation of negotiations, consultative assistance, co-mediation, and the application of Alternative Dispute Resolution. Since September 1, 1995, through its labor-management cooperation training and facilitation programs, DoD has directly intervened and helped 185 installation-level partnerships and labor-management relationships. Over 9000 personnel specialists and labor-management officials have been trained, a trend that is expected to continue as the value of partnerships increases.

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IV. Performance Criteria and Evaluation (Continued):

More than 6,000 reference guides and job aids have been dispatched via the FAS automated FAX-BACK service. FAS provides other special services which include: job classification appeals adjudication, review and approval of all DoD collective bargaining agreements, and on-site technical assistance and training. FAS strives for a higher quality and faster service for customers. Its success is based upon accurate and timely response to customer inquiries, as well as customer satisfaction. FAS answers 96 percent of the inquiries within one workday and 98 percent within three workdays; this response rate contrasts with the previous waiting period of several days or weeks. Advisory assistance, on-site services, and other human resources related products are available using fewer resources.

The program utilizes only 70 percent of the manpower spaces previously dedicated to accomplish similar work when these functions were located in the DoD Components. In four years, the program has demonstrated that consolidating and streamlining human resources management programs can provide better service at less cost on a consistent, courteous, accurate, and timely basis. FAS has become a customer service model for organizations to realign and reinvent human resources programs within the Federal Government.

Field Advisory Services has received from the Hammer Award for its commitment to provide excellent service to the field and to reinvent Government. FAS has also received the Government Technology Leadership Award.

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IV. Performance Criteria and Evaluation (Continued):

FY-97 SERVICES					
CLASSIFICATION APPEALS					
Processed Classification Appeals from employees.					
Appeals Decided -FY 97					
	NAVY	AF	ARMY	DoD	ALL
UP	0	3	35	0	38
DOWN	2	1	3	0	6
SERIES	1	3	1	0	5
SAME	19	13	30	14	76
CANCEL	14	5	8	7	34
ALL	36	25	77	21	159
* Cancel - To return an appeal without adjudication.					
LABOR RELATIONS					
FAS review of Collective Bargaining Agreements, Negotiability Appeals and Arbitration Exceptions/Oppositions by areas:					
Labor Cases -FY 97					
	NAVY	AF	ARMY	DoD	ALL
Contracts Reviewed	72	33	52	48	205
Negotiability Cases	4	1	2	21	28
Arbitration Cases	10	15	12	18	55
All Cases	86	49	66	87	288
	ALL				2,143

BENEFITS & ENTITLEMENTS					
FY-97	NAVY	AF	ARMY	DoD	TOTAL
Reconsideration Decisions					
FEHB	13	8	17	23	61
FEGL	0	0	2	0	2
Special Retirement					
LEO	102	8	3	0	113
FF	0	0	0	0	0
All	115	16	22	23	176
PAY & HOURS OF WORK					
<u>Relocation Services Contract</u>					
FY-97 Employee Use:					
• DoD				217	
• NAVY				68	
	• ARMY				1,505
	• AF				353

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IV. Performance Criteria and Evaluation (Continued):

Regionalization and Systems Modernization

The Department is engaged in three major reforms of civilian personnel administration: (1) restructuring field level civilian personnel operations into regional service centers (anticipated to conclude in FY 1999); (2) developing a modern Defense Civilian Personnel Data System (DCPDS) (scheduled to complete DoD-wide deployment in FY 2000); and (3) improving and reengineering business processes. Taken together, these reforms will greatly streamline personnel operations while reducing the number of required staff. These projects are being implemented systematically to achieve the highest level of efficiency while ensuring that there are no adverse mission consequences.

Regional restructuring is required to implement National Performance Review streamlining initiatives, which have reduced resources, dedicated to the personnel services infrastructure. Reductions in the number of civilian personnel specialists have already been programmed across DoD. In conjunction with regionalization, CPMS is implementing business process improvements including those initially developed through the Corporate Information Management (CIM) initiative.

When combined with regionalization, the modern client-server based human resources information system under development will allow the Department to reach a target-servicing ratio of 1:88 by the end of FY 2001. This system will eliminate duplicative Component system costs and reduce maintenance costs for mainframe computer operations. These benefits are reflected throughout the budgets of DHRA, the Military Departments, and the Defense agencies. Additional details may be found in the individual Military Department and Defense agency budgets regarding program

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IV. Performance Criteria and Evaluation (Continued):

accomplishments and future plans to accomplish the goals of civilian personnel regionalization.

An Economic Analysis (EA) indicates annual savings of about \$200 million after the system is fully implemented across the Department and servicing ratio goals are attained. These reduced costs will be attributable to reduced personnel and facilities costs and elimination of duplicate legacy system maintenance. The personnel savings are already reflected in the Military Departments' and Defense agencies' budgets.

The budget contains the resources for the development of a single, modern standard information system to be used throughout the Department. This funding supports the development of hardware acquisition, central database and application management, and software acquisition and development for the Modernization Program's Central Design Activity (CDA). The budgets of the DoD Components contain the resources to realign personnel and other resources into a regional configuration. Component funding also supports purchasing the hardware infrastructure and additional software necessary to deploy and operate the modern Defense Civilian Personnel Data System (DCPDS). The Regionalization and Systems Modernization program operates within the authority and oversight of the DoD Information Technology Overarching Integrated Process Team.

In FY 1998, CPMS converted the remaining Defense Business Management System (DBMS) users to the legacy DCPDS. CPMS will complete initial development of the modern DCPDS and participate in the system qualification test in October 1998. Deployment of the modern DCPDS begins in November 1998.

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IV. Performance Criteria and Evaluation (Continued):

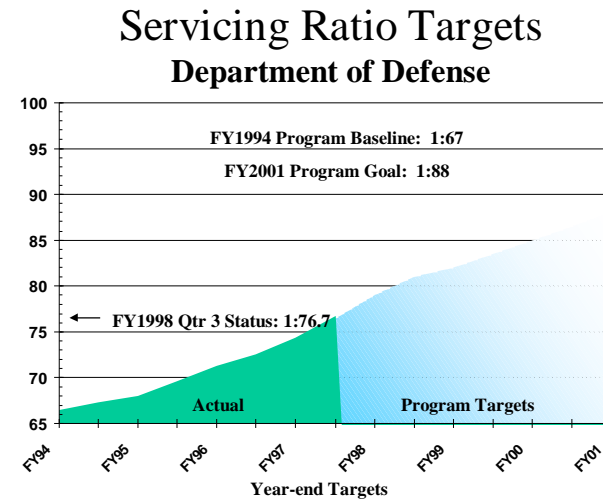
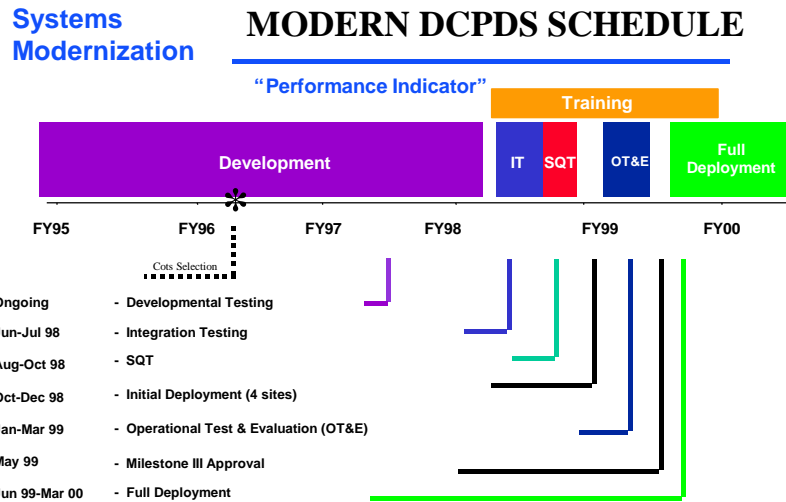
In FY 2000, CPMS will complete deployment of the modern DCPDS by facilitating the migration of the remaining regional sites from the legacy DCPDS to the modern DCPDS. Once the modern DCPDS is fully deployed, CPMS will be responsible for the sustainment, operation, and maintenance of the modern DCPDS for the Department.

Success for the Regionalization and Systems Modernization Program is measured through achieving the modern system's development and deployment schedules as well as customer feedback and the quality of the system's functionality. Support to Regionalization is measured through customer feedback on regional standup with maximum assistance and minimum service disruption, and the timely evaluation of regionalization technical and functional implementation plans. Another key measure is the improvement in the civilian HR staff to serviced population ratio in DoD. The following six charts reflect program schedule, cost benefits, and performance to date:

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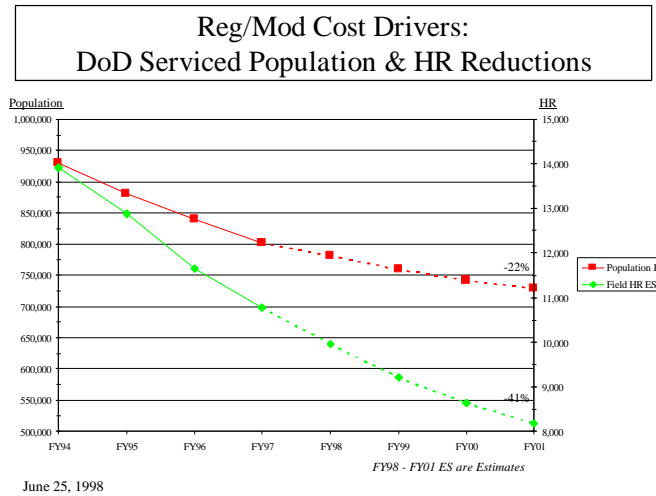
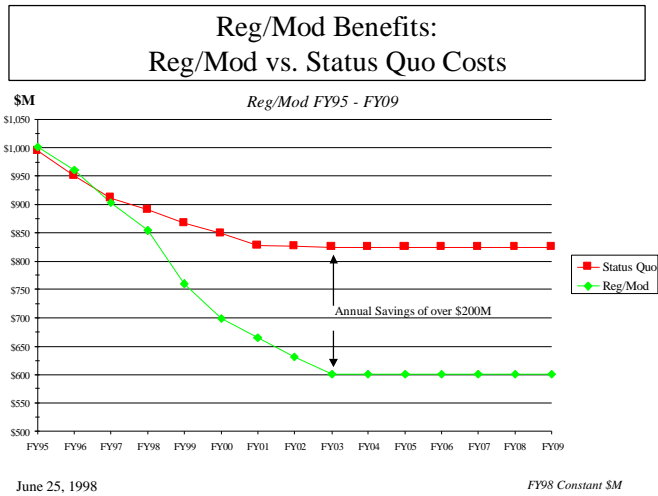
IV. Performance Criteria and Evaluation (Continued):



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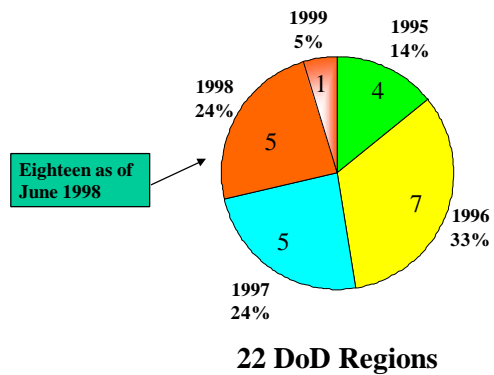


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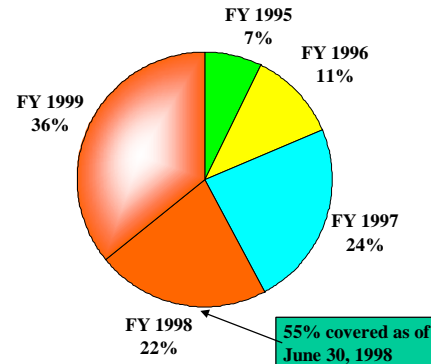
Activity Group: DoD Human Resources Activity (DHRA)

IV. Performance Criteria and Evaluation (Continued):

Regional Service Center Standup



Population Under Regionalization



Civilian Assistance and Re-Employment Program

NOTE: Program totals used in narrative description include actual numbers since 1989. Tables provide program information since CARE implementation in FY 1993.

Reducing the DoD workforce has been and remains one of the most difficult tasks ever presented to the Defense Department. The Civilian Assistance and Re-Employment (CARE) program has been largely successful in this effort through the innovative use of special personnel programs and incentives. To date, DoD has accounted for the majority of the downsizing of the Federal workforce. Since October 1989, DoD has reduced its civilian employment by over 370,000 IV.

IV. Performance Criteria and Evaluation (Continued):

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positions. By September 2001, another 60,000 positions could be eliminated, if all reduction initiatives are implemented. The CARE program supports achievement of the necessary reductions with minimum workforce turbulence.

CARE officials manage the operation of the Department of Defense civilian reduction and career transition assistance programs. These highly effective, award-winning programs include:

- The Priority Placement Program (PPP), which continues to place approximately 560 employees each month. Since 1994, the staff has conducted briefings for over 69,000 employees, 6,000 managers, and 660 union representatives on the PPP and Civilian Assistance and Re-Employment programs;

Department of Defense Civilian Reductions/Placements vs. Registrations										
	FY 1993 Actual	FY 1994 Actual	FY 1995 Actual	FY 1996 Actual	FY 1997 Actual	FY 1998 2nd Qtr Actual	FY 1998 Proj	FY 1999 Proj	FY 2000 Est	Total
Reductions	69,000	36,000	52,000	36,000	39,000	22,000	30,000	31,000	21,000	307,000
PPP Placements	4,722		9,050	9,951	7,653	2,778	5,500	6,000	5,500	59,957
Registrati ons (Avg)	10,896	17,634	13,008	17,467	14,098	10,050	10,000	20,000	11,000	124,153
Percentage	47%	54%	75%	57%	54%	N/A	N/A	50%	50%	64%

IV. Performance Criteria and Evaluation (Continued):

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- The separation incentive or buyout program through which DoD has avoided over 130,000 involuntary (reduction in force) separations since 1993; and
- The voluntary early retirement program through which employees retire at a reduced age and service to help mitigate reductions in force; over 56,000 employees have retired under this program since 1993.

Separation Incentives (Buyouts)/Voluntary Early Retirements										
		FY 1993 Actual	FY 1994 Actual	FY 1995 Actual	FY 1996 Actual	FY 1997 Actual	FY 1998 2nd Qtr Actual	FY 1998 Proj	FY 1999 Proj	FY 2000 Est
Buyouts		32,000	24,000	25,000	17,000	15,000	7,761	17,000	15,000	12,000
Early Retiremen ts		14,000	9,100	11,600	7,600	6,400	3,500	7,000	6,000	4,000

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IV. Performance Criteria and Evaluation (Continued):

Involuntary Separations									
	FY 1993 Actual	FY 1994 Actual	FY 1995 Actual 1	FY 1996 Actual 1	FY 1997 Actual	FY 1998 2nd Qtr Actual	FY 1998 Proj	FY 1999 Proj	FY 2000 Est
Separations	2,200	5,000	5,000	6,200	3,400	1,100	2,500	3,000	2,500

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IV. Performance Criteria and Evaluation (Continued):

Executive Leadership Development Program

DHRA's CPMS Executive Development Division operates the DoD Executive Leadership Development Program (ELDP), a Secretary of Defense initiative which assists in executive succession planning, by developing highly-motivated employees who have demonstrated outstanding ability, commitment, and a desire to advance in leadership and executive ranks.

ELDP is designed to provide DoD with a stream of culturally diverse, highly motivated personnel prepared for key executive positions. ELDP, through two separate courses, provides participants with an overview of the DoD mission; training and experience to upgrade relevant knowledge, skills, and abilities; opportunity to assess their managerial potential and interests; increased visibility; renewed confidence in themselves and their leadership abilities; and an opportunity to learn from their civilian or military counterparts. These courses are the Executive Leadership Course (ELC) for GS-12/13 and O-4/5, and the Senior Executive Leadership Course (SELC) for GS 14/15 and O-5/6 members of the Department of Defense. The Team Leader Training Course (TLTC) trains team leaders, GS-14/15, to lead the six teams of ELC participants. The Team Fellow Course (TFC) trains GS-14/15 and O-5/6 to lead the teams of the SELC. The Defense Executive Institute (DEI) provides an annual update on current issues and activities for graduates of all ELDP courses, the ELDP Cadre. Over 650 DoD military and civilian employees have been trained since the ELC and SELC began.

The success of the ELDP is measured at each stage of the program through official course evaluations in which participants anonymously critique the session and make open-ended comments and recommendations for improvement. These critiques are analyzed and considered in making changes in future course curricula. Additionally, the degree to which top-level

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IV. Performance Criteria and Evaluation (Continued):

officials continue to participate as speakers, briefers, hosts, and supporters of the ELDP indicates the value added in leadership development, which these people attribute to the program. Seminar officials' comments and written communiqués provide a gauge assessing the success of executive development for the Department of Defense.

Executive Leadership Development Program (ELDP)				
	Students Trained	FY 98 Actual	FY99 Projected	FY00 Estimate
ELC	54	61	60	
SELC	21	15	15	
TLTC	9	10	10	
TFC	1	1	2	
DEI Cadre	45	50	50	
TOTAL	130	137	137	

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IV. Performance Criteria and Evaluation (Continued):

Entitlement Eligibility and Personnel Identification

DHRA's Defense Manpower Data Center (DMDC) develops, manages and operates two closely related systems for the Department of Defense (DoD): the Defense Enrollment Eligibility Reporting System (DEERS) and the Real-time Automated Personnel Identification System (RAPIDS). These systems perform important DoD-wide functions in the proper identification of our military members and their families, and the correct adjudication of benefit eligibility for major DoD entitlement programs. In FY96 DMDC began fielding of new and vastly improved modern systems to perform both functions.

The DMDC Support Office (DSO) operates a facility to support the military health care beneficiaries. A phone center is used to establish eligibility and provide customer service to military sponsors and their family members on a wide range of areas including: record changes, TRICARE eligibility, Medicare eligibility, the Base Realignment and Closure (BRAC) Mail-Order Pharmacy Program, assistance in claims processing, and general information. Support Office analysts receive, research, resolve, and respond to problems faced by the more than 17,000,000 people currently or potentially eligible for care under the military health care system. These cases involved record changes resulting from births, deaths, divorces, change in status, etc. DSO also operates the Persian Gulf War Hotlines for the Department of Defense. Two separate telephone functions are in operation: the Medical Registry for veterans desiring enrollment in the Comprehensive Clinical Evaluation Program and the Incident Reporting line for veterans to share information related to incidents or experiences they may have had during their service in the Gulf. Since these lines went into operation, more than 91,000 calls have been received.

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IV. Performance Criteria and Evaluation (Continued):

Performance in this functional area can be measured by the number of records accurately maintained in the database and the access times world-wide to those records, the number of ID card and eligibility transactions posted against the database, and the number of phone calls, research cases and letters handled at the Support Office. For FY 1998, an average of 17 million records were maintained in DEERS, with an average daily transaction count of 1 million transactions up from 750,000 transactions per day in the previous year. The Support Office handled more than 335,199 calls during FY 1998, researched over 32,000 cases and mailed over 302,000 letters to beneficiaries. Approximately 12,804 calls were received on the Persian Gulf Hotlines during FY 1998.

DMDC maintains the Montgomery GI Bill (MGIB) System. The MGIB under Chapter 30, Title, 38, US Code is an educational benefit program for active duty personnel in the Army, Navy, Marine Corps, Air Force, Coast Guard, Public Health Service and the National Oceanographic and Atmospheric Administration (NOAA), The MGIB under Chapter 1606, Title 10, US Code is an educational benefits program for members of the Selected Reserve Components including: Army, Navy, Marine Corps, Air Force, and Coast Guard, the Army National Guard and Air National Guard.

The MGIB System provides: 1) A DoD-wide file for MGIB benefit and eligibility data; 2) performs processing to provide eligibility data to the Department of Veterans' Affairs (DVA); 3) updates database with DVA benefit data; 4) provides an update mechanism to the Services preventing/reversing suspension of DVA benefits for Service members whose eligibility has been erroneously reported; 5) produces analytical tools for program monitoring. MGIB Chapter 30 database has 3,543,000 individuals with 2,706,000 currently enrolled, and 590,000 VA Benefit recipients. 172,620 are new accessions for FY 1998. MGIB Chapt 1606 database has 3,141,000 individuals with 408,000 currently eligible and 208,000 VA Benefit recipients.

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III. Performance Criteria and Evaluation (Continued):

Management Information Functions and Decision Support

DHRA's Defense Manpower Data Center (DMDC) is responsible for responding to requests for analysis and information from the Office of the Secretary of Defense (OSD) to assist in policy development and management of personnel, manpower, and financial functional areas. To support these requirements, DMDC has developed technology and systems to produce the needed information using the latest techniques to ensure the timeliness and accuracy of the information. This function is central to mission accomplishment but has been a function where staff workyear requirements have declined as a result of improvements in the level and sophistication of retrieval and analysis capabilities.

Measurement of the performance of the organization in this functional area could be accomplished by looking at the number of unique research requests accomplished per staff year. This number has been steadily increasing in spite of the fact that ad-hoc research requests have continued to grow in complexity. In FY 1998, DMDC handled over 2300 one-time research requests for information with 98% meeting the due date of the requester. This represented about 175 requests per staff year, up from 170 requests per staff year in FY97 and 145 per staff year in 1996. Automated systems provide much of the information needed by OSD. Performance in this area can be measured by the number of queries fielded by the systems. For FY 1998, slightly more than 9000 queries were received, this is compared to slightly more than 7000 queries in FY 1997, and up from approximately 6200 queries in FY 1996 and 5000 queries in FY 1995. A new very detailed Management information System called Forces Readiness Management Information System was created during FY 1998 with approximately 1000 queries for information.

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IV. Performance Criteria and Evaluation (Continued):

Department of Defense Military Personnel Testing Program

The Personnel Testing Division is charged with the research, development, and implementation of the Armed Services Vocational Aptitude Battery (ASVAB). The ASVAB is the single aptitude test battery used to select and classify all applicants for the US Military. The ASVAB is administered to approximately 600,000 applicants each year as part of the Enlisted Testing Program, and over 900,000 high school students as part of the Student Testing Program. The ASVAB is administered in two types of formats--a computer adaptive test (referred to as CAT-ASVAB), and traditional paper and pencil forms of the test. The Student Testing Program provides the ASVAB free of charge to the Nation's high schools and provides a first class interest inventory for use in a DoD sponsored Career Exploration Program. From these test administrations in the Student Testing Program, recruiters obtain lead lists of pre-qualified students. The Testing Division is responsible for all of the scientific research necessary to assure compliance with professional testing standards and career counseling guidelines.

The performance of the Division can be measured by the products produced, their timeliness and acceptance by the Defense Advisory Committee on Military Testing. These products include the development, printing, and distribution of over 10 paper and pencil forms of the ASVAB for implementation every 5 years. The Division also produces 2 new sets of items pools for use in the CAT-ASVAB testing system. Additionally, the division produces scientific journal articles reporting on the scientific measurement issues surrounding the ASVAB; it also produces scientific technical reports and other analytic documents used to provide technical underpinnings and professional compliance to testing standards. The Division also produces revisions to the STP's Career Exploration Program including professional quality counseling

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IV. Performance Criteria and Evaluation (Continued):

documents, articles, and other support materials that enhance the use the ASVAB in the nations high schools.

Support of Outplacement and Personnel Transition

DHRA's DMDC operates three major programs in support of the transition of military and civilian personnel from DoD to the private sector: the Verification of Military Experience and Training (VMET), the Defense Outplacement Referral System (DORS), and the Transition Bulletin Board (TBB). All of these programs were mandated by Public Law 101-510 enacted in FY 1991.

VMET is the generation of a document that contains descriptive summaries and applicable college credit associated with an individual's work experience and formal military training and is provided to all military separatees up to 120 days prior to their projected separation date. VMET documents can facilitate the development of a résumé, heighten awareness of the existence of potential college credit, and verify job skills when seeking employment. DORS is a résumé registry and referral system available to registered private and public sector employers nationally. Employers enter requests for résumés of separating personnel through an automated telephone system, or via the DORS World Wide Web page. The TBB is an electronic bulletin board which lists thousands of employment opportunities from prospective employers, includes an on-going list of Public and Community Service organizations, and lists federal job openings nationwide. The TBB is available via the Internet, or via a toll free number for those employers and transition sites without Internet connectivity. When VMET, DORS and TBB are used by departing Service members to obtain private and public sector employment unemployment costs within DoD are offset.

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IV. Performance Criteria and Evaluation (Continued):

Performance in this area can be effectively measured by looking at the usage volume of these systems. DORS and TBB have seen continued steady growth, with an average of 56,000 résumés going to employers and 42,000 private and public sector want ads being available for viewing each week. In all of FY 98, VMET generated over 268,000 documents; over 3,000,000 DORS résumés were sent to employers; over 70,000 private sector want ads were available for viewing on the TBB; and over 23,000 employers were registered to use DORS and the TBB.

Support of DoD Financial Systems

Operation Mongoose is a DoD flagship program aimed at achieving better government business practices. The program received the National Performance Review Hammer Award for 1996. Continuous process improvement is the cornerstone of the Operation Mongoose endeavor. The primary objective remains the same: to develop and maintain a strong fraud detection and prevention program of the Department's financial systems. Additionally, the program has expanded to include support of the DoD Investigative agencies, to increase fraud awareness among DoD employees and finally to build cost effective internal controls in the financial systems. DMDC also participated in a pioneering effort to evaluate data mining tools as a new fraud detection technique. The program continues in the five major areas: Retired and Annuitant Pay, Military Pay, Civilian Pay, Vendor Pay and Transportation. This effort requires the cooperation of the Defense Manpower Data Center, the Defense Financial and Accounting Service (DFAS) and the DoD Inspector General (DoDIG).

Performance for this functional area can be measured by the number of fraud referrals produced in each area. Fraud referrals represent the detection of a financial event that needs further research to ascertain whether fraud or mismanagement has occurred in a DoD financial system. Additionally, specific inquiries sent to us by the Military Investigative or Audit Agencies in

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IV. Performance Criteria and Evaluation (Continued):

support of a current investigations or allegations are now included in these statistics. For FY 1998, DMDC has produced the following fraud referrals by area in support of Operation Mongoose:

AREA	OM Referrals	Other Referrals
Retired / Annuitant Pay	135	957
Military Pay	567	3,505
Civilian Pay	1,585	5
Vendor Pay	12,552	12,549
Transportation	5,488	6,752

OM referrals alone have yielded over \$17M dollars in erroneous payments across all areas during FY 1998.

The Department has also realized additional benefits from the data collected through the OM program. In the past year DMDC has provided data in support of several DoD efforts; seeding the Central Contractor Registry (CCR), providing initial test data for the Defense Procurement and Pay System (DPPS) and assisting the DFAS audit community in identifying system weaknesses in the Defense Transportation Reporting System (DTRS) transportation - pay interface. In addition to supporting the standard areas, it participated in a pilot program to employ new technology, Data Mining, in the analysis of fraud in IMPAC card data. The program also strengthened its involvement with the investigative and audit agencies resulting in court martials and criminal indictments. It acquired new data to refine fraud analysis in the Entitlements area. FY 1999 promises continued expansion in the breadth of the OM endeavor.

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IV. Performance Criteria and Evaluation (Continued):

Government-wide Debt Collection

DMDC serves as the central matching activity for the government-wide debt collection initiative. This initiative attempts to identify and prepare for collection all debt owed to the Federal government by Federally connected individuals. Every year DMDC matches debt records from Federal Executive Agencies against pay and personnel records of non-postal Federal employees and military members, active, reserve, and retired. The resultant matches are forwarded to the debtor agency for due process under the Debt Collection Act, ultimately leading to the collection or resolution of the debt.

An appropriate performance measure for this function is the number of matches performed and the amount of debt identified by the process. In FY 1998 there have been 27 matches which identified \$3.167 billion in debt compared to 36 matches and \$2.5 billion in debt for the FY1997 program. Although there were a fewer number of matches in FY 1998 than in FY1997 there were was a higher matching rate in FY 1998, particularly with the IRS file, resulting in more identified debt.

Purchase Card Reengineering Project

The USD(Comptroller) and DUSD(Acquisition Reform) issued the Joint Report for Purchase Card Reengineering on February 26, 1997. The report recognizes the tremendous savings available to the Department through the increased use of the IMPAC card over traditional contracting vehicles.

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IV. Performance Criteria and Evaluation (Continued):

A recent volume analysis of Impac transactions revealed an average of approximately 25,000 IMPAC transactions per day for all services and DoD agencies. DMDC reviewed the current number of IMPAC cardholders with the following results: Army 74,198; Air Force 45,109; Navy 29,078; DoD Agencies 7,198. In addition, Navy will be serviced by Citibank under a separate contract. New account numbers have been issued to Navy cardholders, the remaining accounts have retained their current card numbers with U.S.Bank.

In addition to the increased and more complex use of the card, the transaction limit has been increased from \$2,500 to \$25,000. To combat abuse of the IMPAC card, DMDC, DFAS and DoDIG have been tasked to put in place a fraud detection and prevention program for the purchase card. Additionally, DMDC has expanded the use of the data making it available to the Investigative Agencies.

The Purchase Card project tasks are summarized below:

1. In coordination with DFAS and DoDIG develop a fraud detection program for purchase card transactions.
2. In coordination with the contractor, support the DoD task order of June 12, 1998 that establishes the file interfaces and file formats to receive summary reports for all DoD accounts.
3. In coordination with the contractor, support the DoN (Department of the Navy) task order of July 6, 1998, which establishes the file interfaces and file formats to receive summary reports for all DoN accounts.
4. Support the DFAS 1099 reporting requirements.
5. Support for forensic data requests from the investigative services.

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IV. Performance Criteria and Evaluation (Continued):

Measurement criteria - number of transactions in the database and accounts received:
Current database - 82,490 accounts from Rocky Mountain Bankcard Systems representing 5.9 million transactions and 162,400 individual cardholder accounts from U.S. Bank representing 8.25 million transactions (as of January 1999). (The statistics for Citibank are yet to be determined).

Defense Travel System Archive and Management Information System

In FY 1998, DHRA's DMDC began work in support of the Defense Travel System and DMDC was officially designated the DoD Archive for all completed trip records. The trip record represents the travel performed by government personnel on official business. Once the proper authorities sign the final trip information and an obligation is posted, the signed trip record is closed and forwarded to DMDC. Additionally, DMDC constructed a WEB application for access to the data. As the name implies, the DTS Archive/MIS will serve as a model for archiving electronic information as official documents.

1. The Archive will satisfy the statutory requirement to store Government records for six years and three months as an official repository under the guidelines of the recently approved electronic Records Management Administration (RMA) requirements set forth in DoD 5015.2-STD.
2. It will provide a source of management to the Project Management Office for DTS and to the Office of the Secretary of Defense staff for managing the travel process.

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IV. Performance Criteria and Evaluation (Continued):

3. It will be the source for DFAS post payment review auditors to validate the accuracy of travel settlements.
4. It will be the first time the DoD has kept digitally signed records as official government documents.

When implemented, the performance measure will be the number of closed trip records housed in the Archive and MIS. DMDC expects to archive approximately 7 million closed trip records annually once the DTS is fully operational. The MIS database projections are to house 21 million records on line with another 21 million records stored in nearline storage.

Investigations Support

The Intergovernmental Programs and Interagency Support (IP&IS) branch has developed a 'regional center' for providing Automated Data Processing (ADP) support to the various investigative agencies within the Department of Defense (DOD). Data analysis is coordinated with various Government agencies and vendors, at the direction of the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service (NCIS) and other similar agencies within the Federal Government. The data IP&IS provides are 'evidentiary leads', 'evidence corroboration' or 'supplemental information' which may lead to a Grand Jury indictment against a merchant or individual who is committing fraud to unlawfully acquire Government assets.

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IV. Performance Criteria and Evaluation (Continued):

Performance for this functional area can be measured by the number of Investigative Support instances logged into the IP&IS control log. For FY 1998 the number of Investigative Support instances was 131. Approximately 15% of these support instances were complex long-term analysis type project that required individual file development under strict regulatory guidelines. The rest were query-oriented support that provided a discrete population to investigators for further perusal or specific information about individuals under investigation for some crime. Each of these support instances, regardless of type, required individual coordination and consideration.

Financial Reporting

The use of DMDC's financial information expanded this year to satisfy both internal DoD and interagency requirements. Personnel answered a number of ad hoc requests for financial information in support of functional area analysis. Research and development cost data were provided to the Deputy Director, Research & Engineering; Under Secretary of Defense/Acquisition & Technology (USDA&T) to evaluate reorganization options for DoD laboratories. DMDC also provided costs for Family Advocacy, Relocation Assistance, and Transition Assistance Programs by site and program element, to the Director of Office of Family Policy, in the Office of the Secretary of Defense (Personnel and Readiness). On another project for the Office of the Secretary of Defense (Personnel and Readiness), DMDC provided costs in support of the military personnel function, for all of the elements of expense for each major command. USD(P&R) will incorporate the information into the economic analysis for consolidating/reorganizing the military personnel functions through out the Department of Defense. Annually, DMDC also provides financial data to Army Logistics Integration Agency in support of the Army Logistics Functional Assessment (ALFA); selected

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IV. Performance Criteria and Evaluation (Continued):

appropriations affiliated with base operations for the Army and Air Force to the Under Secretary of Defense for Acquisition & Technology for use in the analysis of base operation costs of installations throughout the Department; Army cost data to Army Cost & Economic Analysis Center (CEAC) to improve cost methodologies and cost factors for supply and installation base operations activities; and finally, DMDC consolidates the Air Force financial files for the Air Force Visibility & Management of Support Cost (VAMOSOC) office to support their unit cost database.

Reports in Support of the DoD and Interagency Requirements

Bureau of Labor Statistics (BLS) Reporting

Monthly civilian employment statistics are provided to the Bureau of Labor Statistics for the majority of DoD. BLS previously relied upon each separate installation to provide this information. The report reflects the number of paid employees at midmonth by geographic location, agency, major command and gender. On a quarterly basis, it also includes wages paid during that quarter. The report covers the fifty states, Washington, D.C., Guam, Puerto Rico, and the Virgin Islands.

National Directory of New Hires Civilian Reporting

Biweekly new hire and quarterly wage data are provided to the National Directory of New Hires. This database, mandated by the Personal Responsibility & Work Opportunity Reconciliation Act of 1996, is under the purview of the Office of Child Support Enforcement of the Department of Health & Human Services. DMDC provides this reporting support for the Executive Office of the President and the Military Retirement Homes as well as DoD civilians.

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IV. Performance Criteria and Evaluation (Continued):

Report of Personnel & Payroll Outlays by Operating Location

Responsibility for this reporting requirement for DoD civilians began in FY 1998. It displays the number of direct hire civilian personnel and their gross wages by DoD component and geographic location worldwide. The data is provided to Washington Headquarters Service (WHS) annually for use by OSD program & policy personnel.

Full Time Equivalency Report

Monthly DoD full-time Equivalent/Work-Year Civilian Employment Reports are provided to OUSD(P&R). This report is subsequently provided through the Office of Personnel Management (OPM) to the Office of Management and Budget (OMB). The report displays current employment levels, actual hours, full-time equivalency and both current and cumulative work years of DOD civilian employees by employment category. Data are provided at agency/activity (exclusive of intelligence organizations) and summary levels. They present both straight and overtime actual hours as reported in the civilian pay files.

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V. Personnel Summary:

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>Change</u> <u>FY 98/99</u>	<u>Change</u> <u>FY 99/00</u>
<u>Active Mil End Strength (E/S)(Total)</u>	2	7	9	5	2
Officer	1	7	9	6	2
Enlisted	1	0	0	(1)	0
 <u>Civilian End Strength (Total)</u>	 695	 689	 655	 (6)	 (34)
US Direct Hire	695	689	655	(6)	(34)
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	695	689	655	(6)	(34)
Foreign National Indirect Hire (Reimbursable Civilians-Memo)	0 0	0 0	0 0	0 0	0 0
 <u>Active Mil FTE (Total)</u>	 2	 7	 9	 5	 2
Officer	2	7	9	6	2
Enlisted	1	0	0	(1)	0
 <u>Civilian Workyears (Total)</u>	 669	 689	 635	 20	 (54)
US Direct Hire	669	689	635	20	(54)
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	669	689	635	20	(54)
Foreign National Indirect Hire (Reimbursable Civilians-Memo)	0 0	0 0	0 0	0 0	0 0

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VI. OP-32 Line Items as Applicable (\$ in Thousands):

	<u>FY 1998</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 1999</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2000</u> <u>Estimate</u>
Exec, Gen & Spec Schedule	48,621	1,641	1,482	51,384	2,158	(4,196)	49,346
Benefits to Former Empl	47	0	18	65	0	0	65
VSIP	50	0	(25)	25	0	0	25
Unemployment Comp	90	0	(90)	0	0	0	0
Total Civ Per Comp	48,448	1,641	1,385	51,474	2,158	(4,196)	49,436
Travel of Persons	1,977	22	12	2,011	30	92	2,133
Total Travel	1,977	22	12	2,011	30	92	2,133
DLA Managed Supplies & Mat'ls	0	0	50	50	1	(2)	49
Total Fund	0	0	50	50	1	(2)	49
DISA Comm Services	162	(1)	4	165	27	(14)	178
Pur Equip Main, Non-ADP	0	0	0	0	0	0	0
Total Purchases	168	(1)	4	171	27	(14)	184
Comm Land-Nonpremium	94	1	(95)	0	0	0	0
Other Transportation	54	1	23	78	1	(1)	78
Total	148	2	(72)	78	1	(1)	78
Transportation							

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V. OP-32 Line Items as Applicable (\$ in Thousands)(Continued):

	FY 1998 <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 1999 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2000 <u>Estimate</u>
Rent to GSA (SLUC)	2,539	28	47	2,614	39	(11)	2,642
Pur Utilities (non-Fund)	136	1	(13)	124	2	(2)	124
Pur Comm (non-Fund)	876	10	266	1,152	17	(7)	1,162
Postal Service (USPS)	49	0	(16)	33	0	10	43
Supplies and Mat'l (non-Fund)	1,073	12	34	1,119	17	28	1,164
Printing and Reproduction	1,493	16	3	1,152	23	56	1,591
Equip Maint by Contract	468	5	(461)	12	0	0	12
Facility Maint by Contract	5	0	(5)	167	0	0	0
Equip Purchase (non-fund)	1,975	22	(555)	0	22	(14)	1,450
Prof & Mgmt Svcs by Contract	208	2	(43)	0	3	(170)	0
Studies, Analysis & Eval	293	3	(296)	133,734	0	0	0
Contract Eng & Tech Svcs	204	2	(206)	3	0	0	0
Other Contracts	98,645	1,085	34,004	133,734	2,006	(5,579)	130,161
Other Costs	20	0	(17)	3	0	0	3
Foreign Currency	0	0	0	0	0	0	0
Variance							
Total Oth Purchases	107,984	1,186	32,742	141,912	2,129	(5,689)	138,352
TOTAL	158,719	2,850	34,121	195,690	4,346	(9,810)	190,226

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

I. Description of Operations Financed

The Joint Recruiting Advertising Program (JRAP) in the Defense Human Resources Activity (DHRA) is the corporate-level recruitment advertising arm of the Department. It was established near the start of the All-Volunteer Force in order to provide corporate-level advertising to complement and support the individual Services' advertising programs. The Department employs individual Service/joint advertising approach in recruitment. The primary mission of joint advertising is to raise and sustain awareness of military opportunities for both prospective enlistees and those people who influence their decision to enlist, predisposing them to be receptive to individual Service messages. The specific joint advertising objective is to help increase positive propensity towards military service by creating a more positive image of the U.S. Armed Forces, and by making military service more relevant to youth.

JRAP also serves as the agent for multi-Service advertising which includes purchasing mailing lists for all the Services to use in direct mail and other recruiting efforts, publishing an annual high school magazine (*Futures*) showcasing military advertising and containing career and lifestyle information helpful to high school students, producing a joint-Services ROTC Scholarship folder used to distribute the Services' ROTC program literature to high schools, and producing a Montgomery GI Bill brochure for use by all the Services' recruiters. JRAP maintains the DoD Magazine Advertising Credit System (MACS) which ensures the Services receive credit for each other's print ad insertions thereby receiving the lowest rates possible, and the Television Advertising Conflict System (TACS) which avoids duplication of effort and over-saturation of military advertising in television programming by enforcing agreed-upon guidelines limiting the number and time of military advertisers in various forms of paid television programming.

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

I. Description of Operations Financed (Continued):

JRAP also conducts a monthly joint-Services direct mail campaign to new Selective Service registrants (approximately 135,000 pieces per month) to generate recruiting leads for the Services. Other programs include a print advertising campaign for the Armed Services Vocational Aptitude Battery (ASVAB) consisting of counselor advertisements placed in educational publications, and a student advertisement placed in JRAP's own *Futures* magazine. JRAP employs an advertising agency under contract administered by Defense Supply Services - Washington to procure advertising services.

The FY 2000 budget includes a \$10 million increase to the \$6.2 million JRAP base budget, to permit an integrated marketing communications campaign relying on paid television advertising. Corporate-level paid television advertising in support of the primary mission to increase positive propensity towards military service has not been conducted since FY 1996. Television has demonstrated that it is the most effective advertising media for raising awareness because of its impact, realism, and the ability to demonstrate a product or service. JRAP requires \$10 million for a synergistic advertising campaign using television and print advertising in order to mount an effective image-building campaign. Although television might be considered an expensive form of advertising it has proven to be a wise investment when compared on a cost per thousand persons reached basis due to the extremely high numbers of people reached.

In the current recruiting environment, one of the toughest yet faced by the All-Volunteer Force due to low unemployment, continued low propensity to serve (as measured by the Department's Youth Attitude Tracking Study), a booming economy, and rising college enrollment levels, a robust corporate-level advertising program is important, and will help the Services' recruiting efforts. Additionally, the current corporate advertising strategy was jointly developed ensuring that it will support and complement the individual Services' efforts and not "compete" with them. The difficult recruiting environment causes the Department to look at different ways to expand the market, or

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I. Description of Operations Financed (Continued):

better penetrate existing markets. This makes the secondary missions of JRAP, particularly list purchases, even more important to recruiting efforts.

II. Force Structure Summary: N/A

II. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group:</u>	FY 1998	Budget	FY 1999		FY 2000
	<u>Actuals</u>	<u>Request</u>	<u>Appropriated</u>	<u>Estimate</u>	<u>Estimate</u>
JRAP	* 6,200	0	0	5,573	16,200

* FY 1998 funding was executed in BA-4 and is reflected here for program comparison purposes only

III. Financial Summary (O&M: \$ in Thousands):

B. Reconciliation Summary:

	Change <u>FY 1999/1999</u>	Change <u>FY 1999/2000</u>
Baseline Funding	0	5,573
Congressional Adjustments	0	0
Supplemental Request	0	0
Price Change	0	84
Functional Transfers	5,573	0
Program Changes	0	10,543
Current Estimate	5,573	16,200

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases:

1. FY 1999 President's Budget Request	0
2. Congressional Adjustments (Distributed)	0
3. Congressional Adjustments (Undistributed)	0
4. FY 1999 Appropriated Amount	0
5. Price Change	0
6. Functional Transfers-In from BA-4	5,573
7. Functional Transfers-Out	0
8. Total Program Increases	0
9. Total Program Decreases	0
10. Revised FY 1999 Current Estimate	5,573
11. Price Growth	84
12. Functional Transfers-In	0
13. Functional Transfers-Out	0

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases:

14. Program Increases

Corporate television advertising campaign, 10,000
that will target both prospects and their
influencers with an image-building message
to raise awareness and propensity to serve
in the military. The increase will be used
for a synergistic advertising campaign resulting
in roughly 80 30-second television spots to run
throughout the academic year and roughly 20-30
print insertions.

Restores that portion of the program that was 543
deferred as a result of undistributed reductions
by Congress in FY 1999.

Total Program Increases 10,543

15. Program Decreases 0

16. FY 2000 Budget Request 16,200

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

IV. Performance Criteria And Evaluation

Joint Recruiting Advertising Program (JRAP)

The Joint Recruiting Advertising Program (JRAP) conducts corporate-level recruitment advertising to complement and support the individual Services' advertising programs. Performance in this area is measured in several ways.

For media advertising, standard advertising industry measures of effectiveness are employed by JRAP and its contracted advertising agency in media planning and evaluation efforts. Reach and frequency, cost-per-thousand, Gross Ratings Points (GRPs), audience composition, audited circulation data, editorial profiles, ratings, etc., are used to determine the most cost-efficient media to reach JRAP's various target audiences. Additionally, post-buy analyses are conducted comparing actual results to the media plan(s). In many cases, performance guarantees can be negotiated with media sources, and JRAP pursues make-good advertising placements if actual performance does not meet such guarantees.

Lead generation, while not a primary objective of most corporate-level advertising, is another important way to measure effectiveness. Joint advertising leads are generated via Business Reply Cards included in some literature, *Futures* magazine, JRAP's Selective Service direct mail campaign, Web sites, and via inbound calls to JRAP's 800 number. The leads are forwarded to the Services for follow-up by recruiters. In addition, the number of joint leads received are tracked by source, and response rates are calculated. These response rates are compared to industry standards or JRAP benchmarks and monitored in order to determine the effectiveness of various advertising products. During FY 1998, JRAP programs generated over 83,800 recruiting leads for the Services.

JRAP maintains the DoD Magazine Advertising Credit System (MACS) which ensures the Services receive credit for each other's print ad insertions thereby receiving

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

III. Performance Criteria And Evaluation (Continued):

the lowest rates possible. The Television Advertising Conflict System (TACS) avoids duplication of effort and over-saturation of military advertising in television programming by enforcing agreed-upon guidelines limiting the number of and time allotted to military advertisements in various forms of paid television programming. The annual Youth Attitude Tracking Study (YATS) includes data on advertising awareness and recall, and these results are also used to measure the effectiveness of JRAP advertising.

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

V. Personnel Summary:

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>Change</u> <u>FY 98/99</u>	<u>Change</u> <u>FY 99/00</u>
<u>Active Mil End Strength (E/S)(Total)</u>	5	5	5	0	0
Officer	4	4	4	0	0
Enlisted	1	1	1	0	0
<u>Civilian End Strength (Total)</u>	0	0	0	0	0
US Direct Hire	0	0	0	0	0
Foreign National Direct Hire	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0
Total Direct Hire	0	0	0	0	0
(Reimbursable Civilians-Memo)	0	0	0	0	0
<u>Active Mil FTE (Total)</u>	5	5	5	0	0
Officer	4	4	4	0	0
Enlisted	1	1	1	0	0
<u>Civilian Workyears (Total)</u>	0	0	0	0	0
US Direct Hire	0	0	0	0	0
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0
(Reimbursable Civilians-Memo)	0	0	0	0	0

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Activity Group: Joint Recruiting and Advertising Program (JRAP)

VI. OP-32 Line Items as Applicable (\$ in Thousands):

	FY 1998	Price	Program	FY 1999	Price	Program	FY 2000
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Other Contracts	6,200	68	(695)	5,573	84	10,543	16,200
TOTAL	* 6,200	68	(695)	5,573	84	10,543	16,200

* FY 1998 funding was executed in BA-4 and is reflected here for program comparison purposes only

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Activity Group: Defense Leadership and Management Program

I. Description of Operations Financed:

The Commission on Roles and Missions (CORM) in March 1995 called for changes in the way senior DoD civilians are trained, educated and developed. The CORM recommended mandatory rotational assignments, a structured educational system, enhanced opportunities for civilians to attend military service schools, and reimbursing, via "backfill" DoD organizations with participants engaged in long term training. In response, the Defense Leadership and Management Program (DLAMP) was established in April 1997 by DoD Directive 1430.16 as an executive development program to produce world-class managers for a select group of approximately 3,000 key DoD-wide leadership positions. The highest potential executives from within the Department will be put through a rigorous individualized program of educational courses and training experiences which have been designed to optimize their executive leadership and managerial skills and to expand their knowledge and understanding of the Department's national security mission. An additional objective of DLAMP is to enhance the teaming of senior military and civilian leaders by fostering an environment that nurtures a shared understanding and sense of mission among civilian employees and military personnel.

The Civilian Personnel Management Service of the Department of Defense Human Resources Activity (DHRA) has the responsibility for program management and stewardship of the centralized DLAMP funding. CPMS is responsible for the contract instructional staff, curriculum development and operation, CPMS administrative support, and participant TDY support. The Defense Finance and Accounting Service provides facilities, maintenance, furnishings, local transportation, communications, billeting, mess facilities, and all related support for DLAMP graduate schoolhouse operations.

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Activity Group: Defense Leadership and Management Program

I. Description of Operations Financed (Continued):

DLAMP is under the authority and oversight of the Defense Leadership and Management Council. The Council is chaired by the Assistant Secretary of Defense (Force Management Policy) and is composed of Assistant Secretaries having oversight in the Department and in the Components for civilian personnel policy, the Director of the Joint Staff, and the Director of Administration and Management.

Participants in the program are selected from grades (GS) 12 through 15 and may include incumbents of DLAMP positions. In November 1997, 300 participants were selected for the initial DLAMP class. An additional 350 participants were admitted to the program in June 1998. Curriculum along with program development was the DLAMP operational focus in FY 1997, with initial program operations implemented in FY 1998.

DLAMP participants are allowed up to six years to complete the program. Graduation for DLAMP requires the successful completion of four mandatory elements:

- A career broadening rotational assignment of at least twelve months. Policies and processes for DLAMP rotational assignments have been implemented. The initial group of 9 rotations began in the summer of 1998.
- A Professional Military Education (PME) course. The DLAMP ten-month PME program will eventually enroll 200 civilians annually at DoD Senior Service Schools. The initial pilot group of 23 at Senior Service Schools completed their course of study in June 1998. An additional group of 65 DLAMP students began ten-month PME course in March and August 1998. DLAMP has also successfully developed and initiated a three-month PME course for DLAMP participants.
- A minimum of 10 graduate-level courses. The DLAMP graduate curriculum consists of a total of 28 advanced courses designed to develop mastery by defense executives

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Activity Group: Defense Leadership and Management Program

I. Description of Operations Financed (Continued):

of a range of contemporary subjects and disciplines. Teams of educators and Defense experts have either completed or are in the process of completing course development. Initial course offerings began in February 1998. Twenty-two graduate classes with approximately 285 students will be completed by the end of December 1998. Sixty classes are being scheduled for calendar year 1999;

- Required Component or occupation specific development courses. These include courses designed to complement rather than overlap other DoD career development programs.

Of critical importance to the success of the program is the provision for "backfills," whereby DLAMP provides the DoD organizations with FTEs and the associated dollars to cover those DLAMP participants who are away on mandatory long-term training (i.e., the twelve-month rotational assignment or the ten-month PME course). Backfill is imperative if essential executive duties of DLAMP participants are to be performed while the participant is away from the job. With this in place, DLAMP will continue to attract the most highly qualified individuals from DoD organizations. Budget documentation will reflect manpower and dollar resource transfers to support each Component in accordance with candidate participation levels.

Participants will be evaluated annually. DoD Component boards will certify candidates for completion of the program. When DLAMP position vacancies become available, DLAMP participants will be the priority source for filling them.

II. Force Structure Summary N/A

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Activity Group: Defense Leadership and Management Program

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group:</u>	FY 1998	Budget	FY 1999	Current	FY 2000
	<u>Actuals</u>	<u>Request</u>	<u>Appropriated</u>	<u>Estimate</u>	<u>Estimate</u>
DLAMP	13,936	22,600	22,600	28,500	41,900
B. <u>Reconciliation Summary:</u>		Change		Change	
		<u>FY 1999/1999</u>		<u>FY 1999/2000</u>	
Baseline Funding		22,600		28,500	
Congressional Adjustments		0		0	
Supplemental Request		0		0	
Price Change		57		490	
Functional Transfers		5,900		0	
Program Changes		(57)		12,910	
Current Estimate		28,500		41,900	
C. <u>Reconciliation of Increases and Decreases:</u>					
1. FY 1999 President's Budget Request				22,600	
2. Congressional Adjustments (Distributed)				0	
3. Congressional Adjustments (Undistributed)				0	
4. FY 1999 Appropriated Amount				22,600	

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Activity Group: Defense Leadership and Management Program

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (Continued):

5. Functional Transfers-In Reflects realignment funds from DFAS to support the DLAMP program as the primary tenant of the Southbridge, MA, training facility.	5,900
6. Functional Transfers-Out	0
7. Price Change	57
8. Total Program Increases	0
9. Total Program Decreases Program Offset due to FY 99 price change.	(57)
10. Revised FY 1999 Current Estimate	28,500
11. Price Growth	490
12. Functional Transfers-In	0
13. Functional Transfers-Out	0

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Activity Group: Defense Leadership and Management Program

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (Continued):

14. Program Increases		
a. Funding for component participation, instructor course development, establishment of permanent facility support, student TDY, and participation backfill.	6,310	
b. Funding as the primary tenant of the Southbridge, MA, training facility.	6,600	
Total Program Increases		12,910
15. Program Decreases		0
16. FY 2000 Budget Request		41,900

IV. Performance Criteria and Evaluation:

Defense Leadership and Management Program (DLAMP)

The Defense Leadership and Management Program (DLAMP) was established in April 1997 as an executive development program for producing world-class managers for a select group of approximately 3,000 key DoD-wide leadership positions. The highest potential executives from within the Department will be put through a rigorous individualized program of educational courses and training experiences which have been designed to optimize their

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Activity Group: Defense Leadership and Management Program

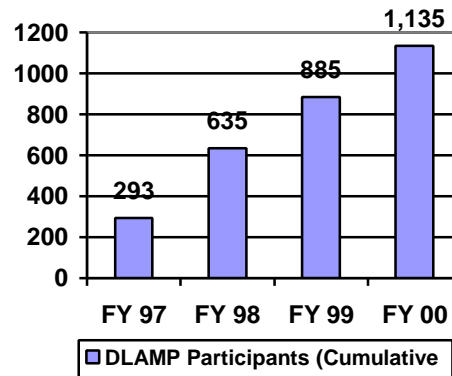
executive leadership and managerial skills and to expand their knowledge and understanding of the Department's national security mission. Participants in the program are selected

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Activity Group: Defense Leadership and Management Program

IV. Performance Criteria and Evaluation (Continued):

from grades (GS) 12 through 15 and may include incumbents of DLAMP positions. DLAMP is projected to grow significantly over the next several years.



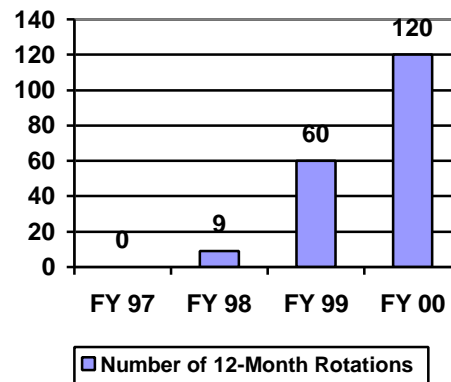
The overarching objective of DLAMP is to prepare, certify and continuously educate and challenge a highly capable, diverse and mobile cadre of senior civilian managers and executives. DLAMP participants are allowed up to six years to complete the program. Each participant's progress will be measured against an Individual Development Plan promulgated upon their induction into the program. The four mandatory elements of the program that must be completed with actual and projected performance measures are shown below:

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Activity Group: Defense Leadership and Management Program

IV. Performance Criteria and Evaluation (Continued):

- A Twelve-Month Rotational Assignment. The objective of the rotational assignment is to afford the DLAMP participant the opportunity to increase the breadth and depth of their experience outside that expected in their normal career progression. It will enhance the capacity of DLAMP participants to function as true executives with broad substantive knowledges and experiences without the narrowly restricted perceptions that may result from the traditional "stovepipe" career development practiced in the Department. Policies and processes for DLAMP rotational assignments have been implemented. The initial group of 9 rotations began in the summer of 1998 with rapid incremental increases planned in FY99 and out.

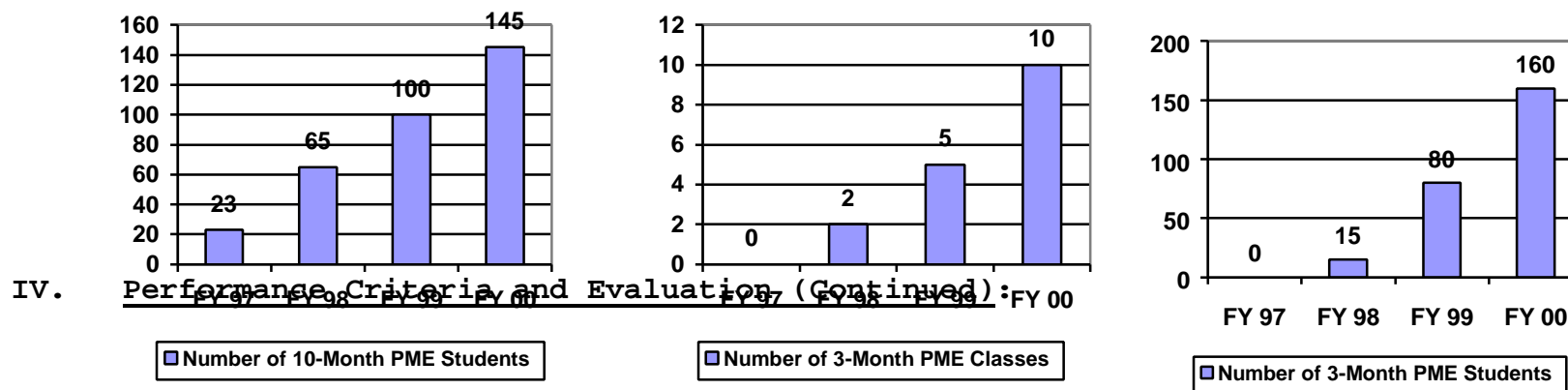


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Activity Group: Defense Leadership and Management Program

IV. Performance Criteria and Evaluation (Continued):

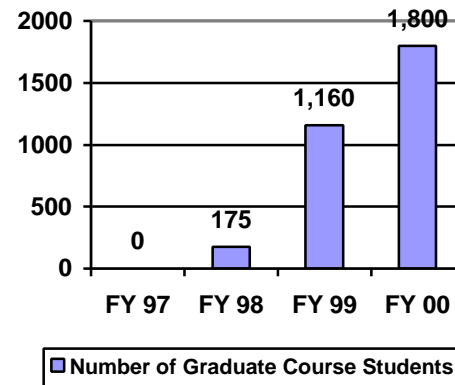
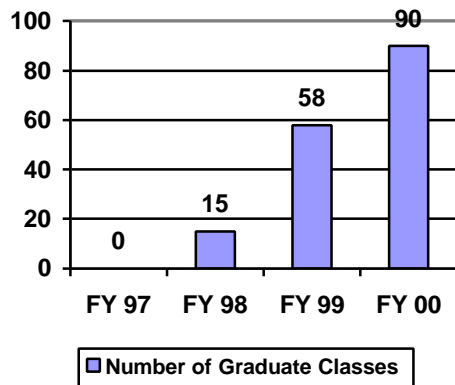
- A Professional Military Education (PME) Course. Each DLAMP participant is required to complete either the traditional 10-month PME course at a Senior Service School or, given the expected scarcity of available slots in the 10-month PME courses, a 3-month PME course developed by the National Defense University for DLAMP participants. The objective of the PME course is expand the DLAMP participant's knowledge of the Department's national security mission and foster an environment which strengthens communication between the Department's senior military and civilian leaders. The initial pilot group of 23 students at the Senior Service Schools completed their course of study in June 1998. An additional group of 65 DLAMP students began the ten-month PME course in March and August 1998. The DLAMP ten-month PME program will eventually enroll 200 civilians annually at the DOD Senior Service Schools. DLAMP also has successfully developed and initiated a three-month PME course for DLAMP participants. The initial class began in February 1998 at the National Defense University. Again, rapid incremental increases in the number of 3-month courses are projected as the program reaches maturity.



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Activity Group: Defense Leadership and Management Program

- Graduate Level Education. A minimum of 10 graduate-level two-week courses must be completed by each DLAMP participant. The objective is develop familiarity with the range of contemporary subjects and issues facing defense leaders. The DLAMP graduate curriculum consists of a total of 28 advanced courses designed to develop mastery by defense executives of a range of contemporary subjects and disciplines. Teams of educators and Defense experts have either completed or are in the process of completing course development. Initial schoolhouse operation of the DLAMP academic facility began in February 1998. Twenty-two graduate classes with approximately 285 students will be completed by the end of December 1998. Sixty classes are being scheduled for calendar year 1999.



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Activity Group: Defense Leadership and Management Program (DLAMP)

V. Personnel Summary:

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>Change FY 98/99</u>	<u>Change FY 99/00</u>
<u>Active Mil End Strength (E/S)(Total)</u>	0	0	0	0	0
<u>Civilian End Strength (Total)</u>	17	27	34	10	7
US Direct Hire	17	27	34	10	7
Foreign National Direct Hire	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0
Total Direct Hire	17	27	34	10	7
(Reimbursable Civilians-Memo)	0	0	0	0	0
<u>Active Mil FTE (Total)</u>	0	0	0	0	0
<u>Civilian Workyears (Total)</u>	17	27	34	10	7
US Direct Hire	17	27	34	10	7
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	17	27	34	10	7
Foreign National Indirect Hire	0	0	0	0	0
(Reimbursable Civilians-Memo)	0	0	0	0	0

Note: Backfill excluded.

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Activity Group: Defense Leadership and Management Program (DLAMP)

VI. OP-32 Line Items as Applicable (\$ in Thousands):

	FY 1998 <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 1999 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2000 <u>Estimate</u>
Exec, Gen & Spec Schedule	951	32	1,011	1,994	84	511	2,589
Total Civ Per Comp	951	32	1,011	1,994	84	511	2,589
Travel of Persons	1,202	13	2,378	3,593	54	1,402	5,049
Total Travel	1,202	13	2,378	3,593	54	1,402	5,049
Communication Svcs, DISA	52	0	2	54	9	(12)	51
Total Purchases	52	0	2	54	9	(12)	51
Rent to GSA (SLUC)	100	1	3	104	2	55	161
Purch Commo (non-fund)	50	1	57	108	2	44	154
Postal Service (USPS)	3	0	0	3	0	0	3
Sup & Matls (non-fund)	103	1	644	748	11	1	760
Printing & Reproduction	30	0	0	30	0	0	30
Equip Purch (non-fund)	118	1	876	995	15	1	1,011
Other Contracts	11,327	125	9,419	20,871	313	10,908	32,092
Total Other Purchases	11,731	129	10,999	22,859	343	11,009	34,211
 TOTAL	 13,936	 174	 14,390	 28,500	 490	 12,910	 41,900