

# **Fiscal Year 2011 Budget Estimates Defense Security Service (DSS)**



February 2010

**DEFENSE SECURITY SERVICE**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2011 Budget Estimates**

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

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

**Budget Activity (BA) 4: Administrative and Service-Wide Activities**

	<u>FY 2009</u> <u>Actuals</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2010</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2011</u> <u>Estimate</u>
DSS	450,524	6,004	40,497	497,025	7,133	14,585	518,743

**I. Description of Operations Financed:** The Defense Security Service (DSS) supports national security and the warfighters by securing the nation's technological base and overseeing the protection of U.S. and foreign classified information entrusted to our industry partners. The DSS works in partnership with industry to establish and maintain threat-appropriate security countermeasures. This happens through recurring inspections, monitoring, oversight and counterintelligence services, training, advice, consultations, site visits, and assistance. The DSS ensures that contractors maintain effective security systems that protect classified information. This protection is through technologies and counter-threat tactics to identify traditional and non-traditional adversaries who target the classified material in the hands of cleared contractors. The DSS provides counterintelligence support to recognize and report potential espionage threats; performs accreditation on information systems in industry to process classified information; and administers and manages the personnel security clearance process for industry personnel. The DSS also manages Foreign Ownership, Control or Influence (FOCI) in cleared U.S. companies and provides security education, training, advice and assistance to cleared industry and other federal government agencies.

The Department is executing the plan to improve the oversight of contractor services, acquire those services more effectively, and in-source contractor services where appropriate and efficient to do so. In FY 2011, the DSS intends to replace approximately 40 contractors with approximately 28 civilian FTEs at a total cost savings of \$3,000 thousand.

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

The DSS mission program areas are:

1. National Industrial Security Program (NISP)
2. Personnel Security Investigations for Industry (PSI-I)
3. Security Education, Training and Awareness (SETA)
4. Counterintelligence (CI)

**1. National Industrial Security Program (NISP):**

The DSS administers and implements the NISP on behalf of the Department of Defense (DoD) and 23 other non-DoD federal agencies, pursuant to Executive Order 12829. The DSS provides oversight and assistance to over 13,000 cleared contractor facilities, performs accreditation on information systems to process classified information; and assists cleared contractors in ensuring the protection of classified national security information. The NISP is responsible for facilitating shipments of classified material between the United States and 65 foreign countries and implementing and overseeing approximately 600 mitigation agreements at companies under Foreign Ownership, Control, or Influence (FOCI) mitigation arrangements. The DSS NISP oversight role includes responsibility for the majority of the cleared contractors in the United States to include determination, issuance, and oversight of facility security clearances and making determination that contractor employees are eligible for access to classified information. This oversight role further includes:

- Conducting required NISP inspections increasing ability to deter, detect, and identify loss or compromise of classified information and ensure corrective actions;
- Completing FOCI mitigation agreements and properly analyzing, evaluating and providing oversight to cleared firms under FOCI agreements;

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- Increasing International Security training and personnel needed to facilitate timely secure shipment of commercially sold classified export controlled materials to and from U.S. cleared contractors and 65 foreign countries;
- Providing proactive training and support for DSS field personnel, industry, government agencies
- Serve as the liaison with government Special Access Program (SAP) customers, and increase/improve analysis of SAP security issues.

**a. Industrial Security Field Operations(ISFO):**

<u>Dollars in Thousands</u>		
<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$54,620	\$83,040	\$101,670

The Industrial Security Field Operations (ISFO) inspects and provides oversight to cleared defense contractors on behalf of the Department and 23 National Industrial Security Program partners. Industrial Security personnel provide oversight and assistance to cleared industrial facilities and assist management and security staff in ensuring the protection of U.S. and foreign classified information. The ISFO is responsible for the adjudication of industry personnel security clearances. The ISFO mission task list is to:

- Serves as "first responder" to Industry for industrial security matters
- Ensure security of cleared Industry's Information Systems processing classified information
- Enhances security awareness among external and internal customers
- Assesses security posture of cleared Industry
- Monitors Foreign Ownership, Control or Influence (FOCI) mitigation instruments
- Supports the personnel security clearance process

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

**b. Industrial Policy and Programs (IP):**

<u>Dollars in Thousands</u>		
FY 2009	FY 2010	FY 2011
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$19,932	\$20,763	\$21,971

The Industrial Policy and Programs (IP) provides headquarters support to the Field Operations in the areas of industrial and personnel security policy, adjudication of Foreign Ownership, Control, or Influence (FOCI) and implementation of FOCI countermeasures, and administration of international programs. The IP coordinates with senior members of foreign civilian and military organizations who represent more than 65 foreign governments that are signatories of Bilateral Security Agreements for the timely and secure international movement of both U.S. and foreign classified information. The IP also exercises authority and responsibility for central operational management of the Department's personnel security investigation (PSI) for industry workload projections, tracks program performance for Industry and DoD components, monitors PSI funding, and provides analytical support to DSS and other DoD offices.

**2. Personnel Security Investigations for Industry (PSI-I):**

<u>Dollars in Thousands</u>		
FY 2009	FY 2010	FY 2011
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$218,697	\$230,215	\$234,109

The DSS identifies requirements and manages the costs for personnel security investigations for industry personnel in support of DoD components and 23 other federal agencies under the National Industrial Security Program (NISP). Contractor personnel are employed on projects in support of multiple Executive Branch agencies requiring a

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

centrally financed program to provide economies of scale across the federal government. The demand of Office of Personnel Management (OPM) personnel security clearance investigations has increased due to Overseas Contingency Operation (OCO) mission, the President's Management Agenda (PMA), and intelligence reforms mandated by the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004.

**3. Security Education Training and Awareness Program (SETA):**

<u>Dollars in Thousands</u>		
FY 2009	FY 2010	FY 2011
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$15,849	\$23,519	\$32,262

The SETA delivers security education, training, professional development, media support services, outreach, and awareness products and services in support of DoD and 23 NISP partners. The SETA curricula, performance support tools, and professional development services prepare the DoD security workforce with required competency requirements. The SETA has operational oversight for the Defense Security Service Academy (DSSA), the Security Education Division, the Media Services Division, the Outreach and Awareness Division, and Professionalization Office (SCDPO).

a. The Defense Security Service Academy (DSSA), accredited by the Council on Occupational Education (COE), provides for the security training and professional development of DoD and other U.S. Government personnel, employees of government contractors, and, when sponsored by authorized DoD Components, employees of selected foreign governments. It provides a common, unifying means to prepare individuals for their security program roles, facilitates the development of effective security programs, and eliminated duplicative training sources and infrastructures for the Federal Government.

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

The target audience for DSSA products includes security professionals, military personnel assigned to security functions, and other DoD or contractor personnel who require security training. The DSSA training programs focus on safeguarding national security assets to include classified information and the critical infrastructure within the Defense Industrial Base (DIB). The process of developing and delivering courseware, training products, job performance aids, and information that maintains and increases the level of professionalism within the security community directly contributes to the DoD strategy to defeat terrorist networks and defend the homeland.

The DSSA creates and conducts standardized resident and mobile security training support a sound national security protection program. The curriculum areas include industrial security, information security, personnel security, physical security, and security for Special Access Programs.

The DSSA provides, develops, and distributes required training for Facility Security Officers via training products in a variety of formats that include instructor-led, distance E-Learning, Video Teleconferencing (VTC), and job performance improvement tools. In FY 2009, DSSA recorded 74,626 course completions representing an increase of more than 32 percent over FY 2008. As an integral component of its business execution platform, the DSSA employs a comprehensive array of quality assurance measurements for its courseware. These measurements ensure the highest quality, relevance, and cost effectiveness of the professional development deliverables and support that it provides to DoD's security and intelligence communities. The DSSA maintains and manages an automated registration and learning management system to support the customer base.

b. The Security Education Division, scheduled for establishment in FY 2010, will provide advanced security education and professional development to the customers. This enhanced training will serve as a bridge from practitioner training to educating and developing

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

security managers and leaders who are capable of developing, implementing, and refining critical security programs in the Federal Government.

c. The Media Services Division supports and augments SETA's security education, training, and professional development missions through multi-media product and service support. The Media Services Division designs, developments, and produces video support products, audio support products, posters, web sites, and numerous other products and services that support the delivery of security training, education, and knowledge management functions.

d. The Outreach and Awareness Office provides community outreach service and products to DoD components, other government agencies, and government contractors through forums and conferences, the delivery of security training and education venues.

e. The Professionalization Office (SCDPO) facilitates the establishment, implementation, and maintenance of security career paths, maintenance of the Security Professional Education and Development (SPeD) Certification Program, provides program support to the DoD Security Training Council (DSTC), and the development, validation and maintenance of security skill standards. The SCDPO directly supports existing and emerging DoD strategic initiatives to broaden the knowledge and competency of DoD security professionals while facilitating the professional enhancement in the security community.

The funding will provide for continued development and enhancement of the security education and training programs through curriculum development and expansion of SETA's distance e-learning environment to improve training opportunities for a growing and dispersed security population. The funding will support the development and implementation of a DoD security certification program for the security workforce.

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

**4. Counterintelligence Program (CI)**

<u>Dollars in Thousands</u>		
<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$11,987	\$14,301	\$25,087

The DSS provides multidiscipline CI analysis in support of the National Industrial Security Program (NISP). The DSS CI Office is organized into four divisions to accomplish its mission: Field Operations, Analysis and Production, Insider Threat, and Collection Management. Intelligence reports are provided to the Intelligence Community (IC) and referred to CI and law enforcement (LE) agencies for investigations. The DSS analytical products support research and technology protection, critical infrastructure program, CI Campaigns, Joint Terrorism Task Force, and the FBI's DOMAIN program. The DSS prepares the Annual Foreign Technology Collection Trends report that is used in the Annual Report to Congress on Foreign Economic Collection and Industrial Espionage. The DSS CI office provides analytical support to the Insider Threat Program in detecting, assessing, and neutralizing persons with questionable loyalty to the United States. The DSS coordinates potential espionage indicators between the OPM Personnel Security Investigation program and DoD Personnel Clearance Adjudication Facilities to resolve insider threat issues. The DSS CI collects cyber intrusion information from the Defense Industrial Base, coordinates information with the Joint Task Force-Global Network Operations (JTF-GNO) and Defense Cyber Crime Center (DC3), and provides Cyber Threat and countermeasure information to the cleared defense contractor facilities. Funding will provide direct CI support for over 12,000 cleared defense contractors involved in the research and development of classified or export controlled critical program information. Specifically, the funds will support:

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- Increase security awareness briefs to industry, joint team inspections at cleared facilities, provide the ability to respond to suspicious contact reports from industry
- Implement an initiative to provide CI countermeasures to foreign visit vulnerabilities, provide analytical support for coordination of countermeasures to assist in the detection and deterrence of Foreign Intelligence Services' directed espionage operations and terrorist activities targeting our critical national assets
- Increase the level of support and coordination with the FBI Domain Program and DC3 efforts to counter the cyber war
- Provide analytical support to the Global War on Terrorism, the Campaign Programs, Foreign Ownership Control Influence, and the Insider Threat
- Increase the total ability of the DSS CI Office to collect, analyze and disseminate intelligence information to the Intelligence Community and Law Enforcement agencies

**Operational Support Activities**

**5. Management HQ Activities**

<u>Dollars in Thousands</u>		
<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$38,056	\$49,016	\$48,753

The DSS Operational Support Activities include the Office of the Director, the Office of the Chief Financial Officer (CFO), the Office of the Chief of Staff, the Office of Communication, and the Inspector General. These functions provide agency wide direction and support. The Office of the CFO is the principal advisor to the agency Director and senior management on all aspects of financial management, strategy planning, and support services. The Office of the Chief of Staff is the principal advisor to the agency Director and senior management on all aspects of human resources, internal security, and legal counsel. The Chief of Staff is responsible for ensuring DSS is compliant with all legal and statutory requirements in these

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

areas. The DSS Office of Communication (OC) serves as a public information service by delivering accurate and timely information about DSS, and its mission, goals, and activities to our customers, the public, and Congress. The OC also facilitates communication within the DSS and shares information relating to the agency's mission, strategies, and activities throughout the DSS community. The DSS Inspector General's Office is within the Office of the Director, DSS. The role of the Inspector General's office is to promote independent and objective evaluations of agency programs and processes, evaluate management controls and compliance with DoD Directives, and develop a systematic program for identifying fraud, waste, abuse, mismanagement, and security incidents within DSS and other DoD programs.

**6. Office of the Chief Information Officer (OCIO)**

<u>Dollars in Thousands</u>		
FY 2009	FY 2010	FY 2011
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
\$91,383	\$76,170	\$54,891

The OCIO supports Automated Information Systems (AIS) and telecommunications infrastructure for the DSS and its programs: National Industrial Security Program, Counterintelligence (CI) activities, Security Education and Awareness Training, and other support elements. The OCIO maintains the IT infrastructures for the agency to include desktops, networks (Joint Worldwide Intelligence Communications System- JWICS, Non-secure Internet Protocol Router Network-NIPRNet, and Secure Internet Protocol Router Network - SIPRNeT), Help Desk operations, and a Call Center. The OCIO plans, programs and manages the activities associated with the Enterprise Security System (ESS). This includes the ongoing support and maintenance of the legacy systems (i.e., Industrial Security Facilities Database (ISFD), and Electronic Network Registration and On-Line Learning (ENROL)) that are integrated components of ESS. Further, OCIO supports the enhancement of the DSS Industrial Security mission including installation of additional network segments, support to additional field operations staff, and capacity enhancements to support the growing mission areas. The FY2011 budget estimates reflect the functional transfer of resources to Defense Human Resources Agency

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(DHRA) and the Defense Manpower Data Center (DMDC) to support the following legacy systems: the Joint Personnel System (JPAS), Defense Central Index of Investigations (DCII), Secure Web Fingerprint Transmission (SWFT) and the Improved Investigative Records Repository (IIRR).

a. Enterprise Security System (ESS) supports the DSS and DoD missions. The ESS provides the DoD and Intelligence community with current eligibility and access levels of civilian, military, and industry personnel within the DoD and federal workforce. It provides a centralized web-based platform for NISP personnel to manage industrial security facility clearance process from request to approval (or rejection) and store investigative data associated with that process. The ESS provides DoD and the DoD Industrial Base access to a secure web-based system to capture fingerprint information and sends it to a DSS store-and-forward server for subsequent submission to OPM. The ESS contains a single web-based portal access and repository of DoD investigation data that identifies the storage location of files and reports related to investigations conducted by DoD investigative and adjudicative agencies, and provides customers access to historical personnel security investigation records. The ESS maintains a customized Commercial-off-the-Shelf (COTS) Learning Management System (LMS) and Learning Content Management System (LCMS) which facilitates DSS security education.

**II. Force Structure Summary: N/A**

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

	<b>FY 2009 Actuals</b>	<b>FY 2010</b>				<b>Current Estimate</b>	<b>FY 2011 Estimate</b>
		<b>Budget Request</b>	<b>Amount</b>	<b>Percent</b>	<b>Appropriated</b>		
<b>BA 04 Administrative and Service Wide</b>							
* National Industrial Security Program	74,552	103,978	-174	0.2%	103,804	103,804	123,641
PSI for Industry	218,697	230,600	-385	0.2%	230,215	230,215	234,109
Security Education Training Awareness	15,849	23,558	-39	0.2%	23,519	23,519	32,262
Counterintelligence Program	11,987	14,328	-27	0.2%	14,301	14,301	25,087
Management HQ Activities	38,056	49,096	-80	0.2%	49,016	49,016	48,753
**Office of Chief Information Officer	91,383	76,297	-127	0.2%	76,170	76,170	54,891
<b>Total</b>	<b>450,524</b>	<b>497,857</b>	<b>-832</b>	<b>0.2%</b>	<b>497,025</b>	<b>497,025</b>	<b>518,743</b>

\* National Industrial Security Program includes budget estimates for Industrial Security Field Operation (ISFO) and Industrial Policy and Programs (IP)

\*\* Budget estimates include funding for the Enterprise Security System.

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III. Financial Summary (\$ in thousands)

<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2010/FY 2010</u>	<u>Change</u> <u>FY 2010/FY 2011</u>
<b>Baseline Funding</b>	497,857	497,025
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)	-621	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)	-211	
<b>Subtotal Appropriated Amount</b>	<b>497,025</b>	
Fact-of-Life Changes (CY to CY Only)		
<b>Subtotal Baseline Funding</b>	<b>497,025</b>	
Anticipated Supplemental		
Reprogrammings		
Price Changes		7,133
Functional Transfers		-27,800
Program Changes		42,385
<b>Current Estimate</b>	<b>497,025</b>	<b>518,743</b>
Less: Wartime Supplemental		
<b>Normalized Current Estimate</b>	<b>497,025</b>	

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

	<b>Amount</b>	<b>Totals</b>
<b>C. Reconciliation of Increases and Decreases</b>		
<b>FY 2010 President's Budget Request (Amended, if applicable)</b>		<b>497,857</b>
1. Congressional Adjustments		-832
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8097 - Economic Assumptions	-621	
e. Congressional Earmarks		
1) Sec 8037 - Mitigation of Environment Impacts	-211	
<b>FY 2010 Appropriated Amount</b>		<b>497,025</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact of Life Changes		
<b>FY 2010 Baseline Funding</b>		<b>497,025</b>
4. Reprogrammings (requiring 1415 Actions)		
a. Increases		
b. Decreases		
<b>Revised FY 2010 Estimate</b>		<b>497,025</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		
<b>FY 2010 Normalized Current Estimate</b>		<b>497,025</b>
6. Price Change		7,133
7. Functional Transfers		-27,800
a. Transfers In		

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<b>C. Reconciliation of Increases and Decreases</b>	<b>Amount</b>	<b>Totals</b>
b. Transfers Out - realigns resources and 13 civilian full time equivalents to the DHRA (DMDC) to support the functional transfer of JPAS, DCII, SWFT and iIRR.	-27,800	
8. Program Increases		50,735
a. Annualization of New FY 2010 Program		
c. Program Growth in FY 2011		
1) National Industrial Security - increase provides the ability to conduct more thorough risk based facility inspections including in depth facility and threat analysis vice a checklist review; conduct classified system accreditation and issue interim authority to operate within 45 days; establish a board to coordinate proposed policy changes, feedback on processes and procedures and their effectiveness; reconstitute a robust overseas security and counterintelligence presence providing in-theater coverage of contractor personnel and provide industry with threat information through cross training of industrial security representatives in basic Counterintelligence. Provides continued support in the areas of industrial and personnel security policy, adjudication of foreign ownership, control, and influence (FOCI) and implementation of FOCI countermeasures, and administration of international programs (FY 2010 Base: \$103,804)	18,550	
2) PSI for Industry (PSI-I) - increase to sustain program requirements for personnel security investigations for industry personnel in support of DoD components and federal agencies under the NISP. (FY 2010 Base: \$230,215)	3,894	

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<b>C. Reconciliation of Increases and Decreases</b>	<b>Amount</b>	<b>Totals</b>
3) Security Education Training and Awareness (SETA) increase allows SETA to establish the security education program, expand the DSS Academy course curricula with new courses, develop and implement the SPeD Certification Program and expand SETA's products and services using multi media tools. SETA will be able to develop new required courses needed to keep pace with the changing security environment. (FY 2010 Base: \$23,519)	8,419	
4) Counterintelligence Programs - Increase provides for security awareness briefs to industry, joint team inspections at cleared facilities, and provides the ability to respond to suspicious contact reports from industry. Implements an initiative to provide CI countermeasures to foreign visit vulnerabilities, provide analytical support for coordination of countermeasures to assist in the detection and deterrence of Foreign Intelligence Services' directed espionage operations and terrorist activities targeting our critical national assets. Increases the level of support and coordination with the FBI Domain Program and DC3 efforts to counter the cyber war. Provides analytical support to the Global War on Terrorism, the Campaign Programs, Foreign Ownership Control Influence, and the Insider Threat. (FY 2010 Base: \$14,301)	10,551	
5) Office of the Chief Information Officer (OCIO) - Increases in funding provides a robust CIO organization to provide IT support for the planned increase in personnel for DoD and partner agency industrial and personnel security missions. (FY 2010 Base: \$76,170)	4,830	

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<b>C. Reconciliation of Increases and Decreases</b>	<b>Amount</b>	<b>Totals</b>
6) Civilian Increase (In-source): net increase in civilian payroll is offset by in-sourcing contractor services where it is more appropriate and/or efficient to do so. The DSS is planning to hire 28 civilians and reduce contracting costs by \$7,411K. (FY 2010 Base: \$110,993)	4,491	
9. Program Decreases		-8,350
a. Annualization of FY 2010 Program Decreases		
b. One-Time FY 2010 Increases		
c. Program Decreases in FY 2011		
1) Contract Services (In-source): decrease intends to replace approximately 40 contractors with approximately 28 civilian FTEs for a cost savings of \$3,000K. (FY 2010 Base: \$63,754)	-7,411	
2) Management Headquarters - decrease supports efforts to control costs and improve efficiencies (FY 2010 Base: \$49,016)	-939	
<b>FY 2011 Budget Request</b>		<b>518,743</b>

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**IV. Performance Criteria and Evaluation Summary**

During FY 2009, the DSS developed and deployed an array of performance measures to gauge mission performance and transformation efforts. Formulated to satisfy both OMB Circular A-11 and the DoD Balanced Scorecard requirements, the DSS identified and published twenty-six key measures in the DSS Performance Measures Catalog.

Efforts continue to focus on methods for DSS to collect and manage supporting data to establish performance baselines. The DSS will continue to evolve and refine its performance measures to ensure senior leaders have the tools necessary to make sound decisions in the areas of risk and resource management.

The following performance measures were established and data collection and analysis has begun to assess the DSS core mission performance:

**1. National Industrial Security Program (NISP)**

**NISP Performance Measure #1:** Facilities of Interest (FIL) Inspections Completed.

**Comments:** This performance measure for Industrial Security Field Operations (ISFO) measures the completion of cleared contractor facility inspections utilizing Facility of Interest (FIL) prioritization. The DSS recently transformed its methodology from a calendar-based inspection cycle for all facilities to a risk-based segregation of facilities. Higher risk facilities warrant more detailed scrutiny by applying an updated threat mitigation strategy and methodology to prioritize inspections based on quantitative risk management factor and serves as the agency's primary assessment of risk as it relates to the overall foreign threat to key technologies within cleared industry. The FIL was published July 1, 2009. The DSS will continue to update the FIL quarterly to reflect the latest threat information. The FY 2009 inspection data are shown below.

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**IV. Performance Criteria and Evaluation Summary**

**Note:** The DSS is applying resources provided by the Department for the DSS Transformation Plan and DSS Future Options Study to reduce backlog and increase inspection rates. Switching facility inspection criteria to the FIL methodology created a onetime backlog that DSS is currently working to reduce and ultimately alleviate.

FY09 Inspection Data By FIL		<b>FY Inspections Completed</b>	<b>Facilities Overdue Inspection</b>	<b>Facilities Not Overdue Inspection</b>	<b>Total Amount of Facilities</b>	<b>% Facilities Not Overdue</b>	<b>GOAL</b>	<b>BELOW GOAL</b>
	FIL 1	867	53	786	839	94%	100%	6%
	FIL 2	2447	495	2384	2879	83%	100%	17%
	FIL 3	5490	2326	7006	9332	75%	90%	15%
<b>Total</b>	<b>8804</b>	<b>2874</b>	<b>10176</b>	<b>13050</b>	<b>78%</b>	<b>----</b>	<b>---</b>	

**NISP Performance Measure #2:** Average Information System Accreditation Cycle Time.

**Comments:** This output performance measure displays the average number of days for DSS to issue an accreditation that enables a contractor information system to process classified information. Accreditation cycle time for each system processed is determined by comparing the date an information system security plan is received by DSS to the date DSS issues an accreditation for that system. The actual average number of days it takes to complete an accreditation is calculated by taking the combined number of calendar days it takes to complete all of the accreditations divided by the number of accreditations completed. Below reflects accreditation data through August 2009.

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**IV. Performance Criteria and Evaluation Summary**

Average Information System Accreditation (days)	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Actual Average	34.5	36.6	39.3	38.5	33.8	33.1	38.0	41.5	35.4	31.2	20.0	28.1
YTD Average	34.5	35.2	36.5	36.9	36.3	35.7	36.0	37.0	36.7	36.1	33.4	32.5
# Over 45 days					29	28	35	66	47	33	32	57
Monthly Target	30	30	30	30	30	30	30	30	30	30	30	30

**NISP Performance Measure #3:** Percent of Initial Adjudications completed within an average 25 days.

**Comments:** This output performance measure for the Personnel Security Clearance Program indicates the total number of initial adjudications processed by the Defense Industrial Security Clearance Office (DISCO) that contribute to a 25 day average divided by the total number processed by DISCO, expressed as a percentage. The DSS is required by the Intelligence Reform and Terrorism Prevention Act of 2004 to make a determination on at least 90 percent of applications for an initial personnel security clearance within an average of 25 days (see note in tables below for recent changes to this measure). This performance metric exceeds guidelines of the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004 and DoD performance goal. The FY 2009 data are shown below.

Initial Adjudications Completed in 25 Days	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Target	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Actual	95%	85%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
# Completed for 25 day average	11,770	5,921	9,568	10,741	10,251	13,293	10,943	10,599	9,462	10,370	10,607	10,105
Total # Completed	12,365	6,966	9,568	10,741	10,251	13,293	10,943	10,599	9,462	10,370	10,607	10,105

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**2. Security Education Training and Awareness Program (SETA)**

**SETA Performance Measure #1:** Requested FY 2010 Course Iterations Scheduled.

**Comments:** This performance measure is used for resource planning by comparing the number of classroom course iterations requested by the security community versus the DSS available support resources. The DSS will apply future resources for the DSS Transformation Plan and DSS Future Options Study to increase capacity to accommodate the needs of the security community. The FY 2010 projected data are shown below.

<b>Requested FY10 Course Iterations Scheduled</b>	<b>Oct-09</b>	<b>Nov-09</b>	<b>Dec-09</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>	<b>Jul-10</b>	<b>Aug-10</b>	<b>Sep-10</b>
Cum Monthly Sch	6	14	21	29	39	47	56	65	74	82	91	99
Requested	207	207	207	207	207	207	207	207	207	207	207	207

**SETA Performance Measure #2:** Required Active Course Inventory.

**Comments:** This output performance measure provides the actual number of active courses in inventory compared to the number of active courses required by the security community. Given current resources, the DSS established a FY 2009 goal of increasing inventory to 75% of the requirement. The DSS will apply future resources for the DSS Transformation Plan and DSS Future Options Study to increase capacity to accommodate the needs of the security community. Data for the FY 2009 are shown below.

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Required Active Course Inventory FY09	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Total Actual Active Course Inv	34	34	36	39	43	43	48	53	56	57	59	61
FY 09 Total Course Inv Requirement	78	78	78	78	78	78	78	78	78	78	78	78
FY 09 Course Inv Target	59	59	59	59	59	59	59	59	59	59	59	59

**3. Counterintelligence (CI)**

**CI Performance Measure #1:** Suspicious Contact Reports Received and Reviewed.

**Comments:** The DSS CI office is charged with the responsibility for receiving, analyzing and referring information on suspicious contacts within cleared industry. This output performance measure provides the monthly and year-to-date total number of SCR received and reviewed by DSS. The DSS is applying additional resources provided by the Department for the DSS Transformation Plan and DSS Future Options Study to increase SCR review rates. Data for the FY 2009 are shown below.

SCRs Reviewed and Received	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Total # SCRs Received by the Field (Month)					561	710	617	602	679	575	717	789
Total # SCRs Received by the Field (YTD)					2313	3023	3640	4242	4921	5496	6213	7002
Total # SCRs Reviewed by the Field (Month)			272	355	378	730	366	379	499	376	736	914
Total # SCRs Reviewed by the Field (YTD)			761	1116	1494	2225	2591	2970	3469	3845	4581	5495
% SCRs Reviewed (Month)			47%	46%	67%	103%	59%	63%	73%	65%	108%	116%
Target	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
# CAT 1/2 Reviewed	0	0	0	0	0	0	0	0	0	0	14	14
Inventory (CAT 1-4)			142	409	183	351	505	546	378	565	451	138

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<b>V. <u>Personnel Summary</u></b>	<b><u>FY 2009</u></b>	<b><u>FY 2010</u></b>	<b><u>FY 2011</u></b>	<b>Change FY 2009/ FY 2010</b>	<b>Change FY 2010/ FY 2011</b>
<u>Civilian End Strength (Total)</u>	706	862	1,030	156	168
U.S. Direct Hire	706	862	1,030	156	168
Foreign National Direct Hire					
Total Direct Hire	706	862	1,030	156	168
Foreign National Indirect Hire					
 Civilian FTEs (Total)					
U.S. Direct Hire	639	862	1,030	223	168
Foreign National Direct Hire					
Total Direct Hire	639	862	1,030	223	168
Foreign National Indirect Hire					
Average Annual Civilian Salary (\$ in thousands)	119.2	128.8	132.1	9.6	3.3

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

<u>OP 32 Line</u>	<u>FY 2009</u> <u>Actuals</u>	<u>Change</u> <u>FY 2009/FY 2010</u>		<u>FY 2010</u> <u>Estimate</u>	<u>Change</u> <u>FY 2010/FY 2011</u>		<u>FY 2011</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	76,176	1,886	32,931	110,993	1,721	23,390	136,104
<b>199 Total Civ Compensation</b>	<b>76,176</b>	<b>1,886</b>	<b>32,931</b>	<b>110,993</b>	<b>1,721</b>	<b>23,390</b>	<b>136,104</b>
308 Travel of Persons	<u>3,596</u>	<u>40</u>	<u>3,323</u>	6,959	97	1,398	8,454
<b>399 Total Travel</b>	<b>3,596</b>	<b>40</b>	<b>3,323</b>	<b>6,959</b>	<b>97</b>	<b>1,398</b>	<b>8,454</b>
673 Def Fin & Accounting Svc	<u>499</u>	<u>5</u>	<u>189</u>	693	10	129	832
<b>699 Total Purchases</b>	<b>499</b>	<b>5</b>	<b>189</b>	<b>693</b>	<b>10</b>	<b>129</b>	<b>832</b>
771 Commercial Transport	89	1	214	304	4	0	308
<b>799 Total Transportation</b>	<b>89</b>	<b>1</b>	<b>214</b>	<b>304</b>	<b>4</b>	<b>0</b>	<b>308</b>
912 GSA Leases	3,704	41	653	4,398	62	1,169	5,629
914 Purch Communications	2,478	27	3,001	5,506	89	1,359	6,954
915 Rents, Leases (non GSA)	3,646	40	1,275	4,961	69	3,176	8,206
917 Postal Svc (USPS)	71	1	140	212	3	-3	212
920 Supplies/Matl (non fund)	18,031	198	1,518	19,747	276	29	20,052
921 Print & Reproduction	210	2	119	331	5	16	352
922 Eqt Maint Contract	433	5	2,556	2,994	42	1,152	4,188
923 Facilities Maint Contr	1,818	20	1,002	2,840	40	709	3,589
925 Eqt Purchase By Contract	1,166	13	1,056	2,235	31	3,846	6,112
931 Contract Consultants	2,437	27	1,278	3,742	52	1,392	5,186
932 Mgt Prof Support Svcs	3,405	37	3,449	6,891	96	3,181	10,168
934 Engineering & Tech Svcs	69,412	764	-17,055	53,121	741	-23,996	29,866
987 Other IntraGovt Purch	220,657	2,427	9,499	232,583	3,256	1,007	236,846

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

<u>OP 32 Line</u>	<u>FY 2009</u> <u>Actuals</u>	<u>Change</u> <u>FY 2009/FY 2010</u>		<u>FY 2010</u> <u>Estimate</u>	<u>Change</u> <u>FY 2010/FY 2011</u>		<u>FY 2011</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
989 Other Contracts	42,696	470	-4,651	38,515	539	-3,369	35,685
999 Total Other Purchases	370,164	4,072	3,840	378,076	5,301	-10,332	373,045
<b>Total</b>	<b>450,524</b>	<b>6,004</b>	<b>40,497</b>	<b>497,025</b>	<b>7,133</b>	<b>14,585</b>	<b>518,743</b>

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