

8. PERFORMANCE IMPROVEMENT

8.1 INTRODUCTION

Purpose

This chapter satisfies certain requirements of the Government Performance and Results Act of 1993 (GPRAMA), the GPRAMA Modernization Act (GPRAMA) of 2010, and Office of Management and Budget (OMB) Circular A-11 – all of which call for integration of annual performance goals and results with Congressional budget justifications. This chapter complements the appropriation-specific budget justification information that is submitted to Congress by providing:

- A performance-focused articulation of the Defense Department's strategic goals and objectives; and
- A limited number of Department-wide performance improvement priorities for senior-level management to focus on over the current and budget year.

The Department looks forward to working with the Administration and Congress to meet the challenge of creating more effective and efficient operations, while delivering a high-value return for the American taxpayer's investment in the Defense Department.

DoD Mission and Organizational Structure

The mission of the Department of Defense (DoD) is to provide the military forces needed to deter war, to win wars if needed, and to protect the security of the United States. Since the creation of America's first army in 1775, the Department and its predecessor organizations have evolved into a global presence of over 3 million individuals, stationed in more than 140 countries and dedicated to defending the United States by deterring and defeating aggression and coercion in critical regions. Details on major operating components, Military Departments, and DoD geographic spread can be found on www.defense.gov/osd. The Department is also one of the nation's largest employers, with approximately 1.4 million personnel on active duty, 782,000 civilians, and 835,000 men and women in the Selected Reserve of the National Guard and Reserve forces. There are also more than 2 million military retirees and family members receiving benefits.

DoD Performance Governance

Ultimate responsibility for performance improvement in the Defense Department rests with the Deputy Secretary of Defense as the Chief Management Officer (CMO) and Chief Operating Officer, pursuant to the GPRAMA of 2010. Principal Staff Assistants (PSAs) within the Office of the Secretary of Defense (OSD) are responsible for recommending performance goals and achieving results for their respective functional oversight areas.

Title 5, United States Code, section 4312 and Office of Personnel Management (OPM) implementing instructions require performance evaluations for DoD's Senior Executive Service members and Senior Level/Scientific and Technical professionals to be based on both individual and organizational performance. The OPM further requires that each Agency describe, at the end of the performance rating period, how it assessed organizational performance and how it communicated that performance to rating and reviewing officials and members of Performance Review Boards to inform individual performance decisions. The Department uses its Annual Performance Report, along with other PSA and DoD Component-specific performance results, as the basis for DoD-wide organizational assessment and senior level personnel evaluations.

DoD Strategic Plan

In Fiscal Year (FY) 2013, the 2010 Quadrennial Defense Review (QDR) served as the agency strategic plan. The QDR forms the basis for the Department's Annual Performance Plan (APP), which includes the goals, objectives, and performance measures that are updated annually to reflect changes to strategic direction or management priorities. Performance measures must be supported by accurate and reliable data and computation methodologies before they are approved, with results verified by the accountable senior-level DoD officials.

In FY 2013, the Department began implementing the Defense Strategic Guidance (DSG) issued by the President and the Secretary of Defense in 2012. Entitled *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, this guidance revised the Department's strategy from the 2010 QDR. The DSG addressed emerging strategic and fiscal circumstances, including the drawdown from Iraq and the planned transition in Afghanistan and budget cuts mandated by the Budget Control Act of 2011 (BCA). The DSG was built around four overarching principles: (1) Maintain the world's finest military; (2) Avoid hollowing out the force; (3) Take needed reductions in a balanced strategic manner; and (4) Preserve the quality of the All-Volunteer Force by keeping faith with men and women in uniform and their families.

The DSG called for a future military force that is smaller and leaner, but also agile, flexible, rapidly deployable, and technologically advanced. As a result, the Department took steps to implement force structure reductions (including ground forces and tactical air), while decreasing the risks of a smaller force by emphasizing readiness across the Military Services and missions.

Despite the continuing fiscal uncertainty, the Department will adhere to its institutionalized future budget process. In March 2013, Secretary Hagel directed Deputy Secretary Ashton Carter to conduct a Strategic Choices and Management Review (SCMR), with the support of the Chairman of the Joint Chiefs of Staff, General Martin Dempsey, and the Department's civilian and military leadership. The SCMR developed a menu of choices for aligning Defense strategy with a range of budget scenarios.

The SCMR focused on both strategic and managerial choices, ranging from options for future force structure needs to institutional reform, efficiencies, and compensation. The SCMR sought to preserve the key tenets of the President's 2012 DSG and to optimize savings gained from reducing overhead and structural costs with minimal impact on the capability and readiness of the force. The SCMR guided the Services and Defense Agencies in developing the budget for FY 2015. It served as an input to the 2014 QDR, which will determine the Department's strategic course in the years ahead.

Throughout FY 2013, the Department remained dedicated to obtaining, investing, and effectively using its financial resources to ensure the security of the United States and meet the needs of both the warfighter and the ever-changing battlefield. Taking care of our people, reshaping and modernizing the force in the current fiscal environment, and supporting our troops in the field remain the highest priorities for the Department.

DoD Performance Plan and Report

The FY 2013 DoD Annual Performance Report (APR), presented in Section 8.2, provides a summary of the Department's prior year performance. The FY 2014 DoD Annual Performance Plan (APP), which is the update of the Department's strategic objectives and performance goals for the current and budget year based on the results of the APR, is presented on the web at <http://comptroller.defense.gov/budgetmaterials/budget2015.aspx> (Section 8.3). These documents are ultimately part of the congressional budget justification that is forwarded to the

President for approval. The Department will align the FY 2015 APP with the QDR and submit it at a later date.

8.2 FY 2013 DOD ANNUAL PERFORMANCE REPORT

Executive Summary

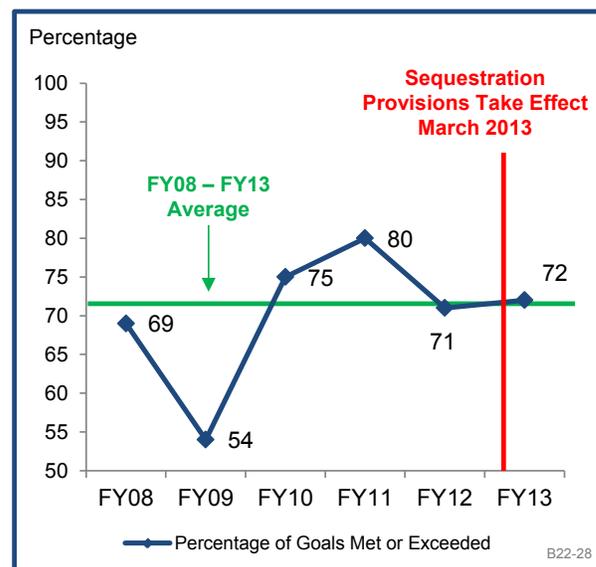
In FY 2013, the Department demonstrated its resilience in the face of challenging fiscal constraints. The BCA sought to reduce the long-term growth of Federal spending by enacting strict caps on discretionary funding through FY 2021. In addition, it tasked Congress to enact an additional \$1.2 trillion in deficit reduction through what was called the “Joint Committee” process. When that process failed, it triggered further reductions in discretionary funding caps, split equally between defense and non-defense programs. Because military pay and benefits were excluded from the reductions, other budget areas absorbed larger percentage cuts to meet the Department’s mandatory reduction.

In March 2013, the triggering of sequestration resulted in a \$37 billion reduction that impacted the last 6 months of the fiscal year. The Department also experienced an unexpected shortfall in wartime Overseas Contingency Operations (OCO) funding. Together, sequestration and the shortfall caused damaging and far-reaching impacts on the Department’s operations. Major cuts in training and maintenance seriously damaged overall military readiness. The Air Force curtailed exercises and grounded all flights in 13 combat-coded fighter and bomber squadrons. The Army cancelled seven combat training center rotations and five brigade-level exercises that were essential to preparation for deploying units. The Navy delayed deployment of the USS TRUMAN carrier strike group to the Persian Gulf, curtailed the sailing of the USNS COMFORT to Latin America, and cancelled other ship deployments. The Department furloughed approximately 650,000 civilians for six days. Despite these fiscal challenges, the Department made significant progress towards achieving its strategic goals and objectives in FY 2013.

For the FY 2013 APP, the Department presented 74 enterprise-wide performance goals/measures to assess progress towards achieving the Department’s strategic goals and objectives. Performance results are not yet available for six of the 74 performance goals. Of the 68 goals assessed, 72 percent (49 of 68) met or exceeded the annual performance targets by DoD strategic goal area; 28 percent (19 of 68) did not meet their annual goals. Of the 74 total performance goals, 12 are associated with Agency Priority Goals (APGs). Performance results are not yet available for two performance goals associated with APGs, but 70 percent (7 of 10) of the available performance goals associated with APGs met or exceeded targets.

Figure 8-1 shows the percent of performance measures that met or exceeded target performance in each year from FY 2008 to FY 2013. The Department’s performance in FY 2013 was above historical averages dating back to 2008, which is an impressive accomplishment given the sequestration challenges the Department faced in 2013.

Figure 8-1. Percentage of Performance Goals Met or Exceeded since FY 2008

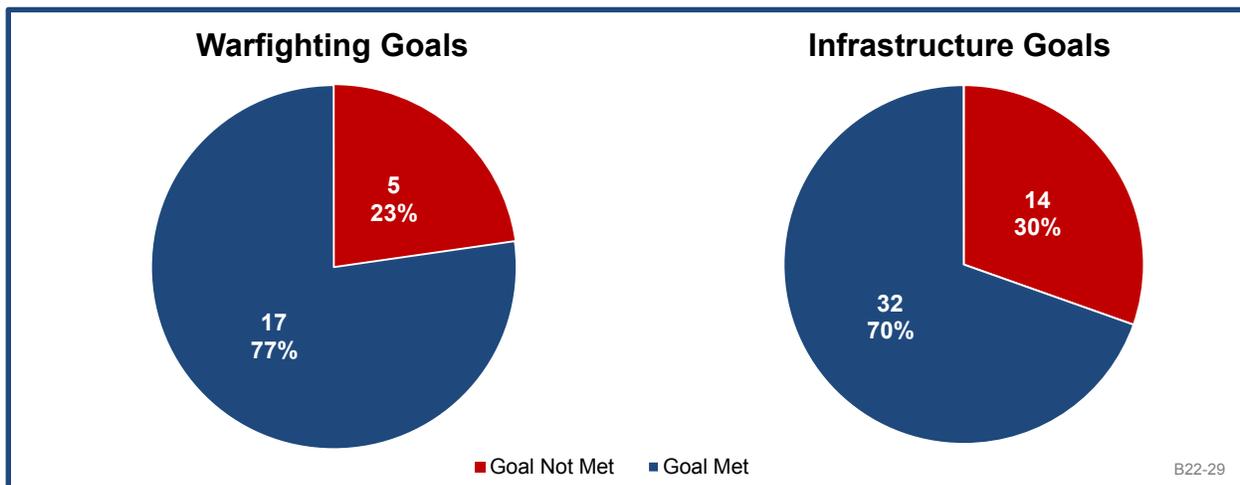


Overview – FY 2015 Defense Budget

In FY 2013, the Department achieved success in some areas. Other areas present opportunities for continued improvement. The Department ensured that each Combatant Command (COCOM) was equipped with the manpower and materiel required to execute today's missions and prevail in today's wars. Additionally, the Department demonstrated its commitment to caring for its people by making continued improvements to its health care system. The Department must continue to focus on driving improvements in the Integrated Disability Evaluation System (IDES) and identifying ways to reduce energy use at DoD facilities.

Figure 8-2 compares the Department's FY 2013 performance results in terms of warfighting and infrastructure goals. The DoD met or exceeded targets for 77 percent and 72 percent, respectively, of its warfighting and infrastructure goals. Performance results are not available for three warfighting and three infrastructure performance measures at the time of this report.

Figure 8-2. FY 2013 Performance Measure Results



Summary of Results

Successes: In FY 2013, the Department met or exceeded performance targets for some of its most critical performance goals and demonstrated its commitment to caring for its people. The Department's focus on mission readiness resulted in readiness levels to execute current operations, although the Department is facing challenges in other mission readiness areas due to continued sequestration reductions. In the face of these challenges, the Department has maintained its commitment to its people and has made considerable improvements to the psychological care and health of Service members. In addition to these mission critical goals, the Department's efforts towards improving audit readiness and inventory management have been very successful in supporting the warfighter as the Department continues to reset equipment as part of the drawdown from Afghanistan and generating savings for the Department.

Despite budget reductions, the Department is committed to ensuring that our nation's military remains ready to prevail in today's wars. Activities tied to current operations include transitioning security responsibilities to Afghan National Security Forces (ANSF), conducting Joint and Coalition exercises and engagements, and maintaining capable and ready forward-deployed and forward-stationed units and capabilities.

Caring for our nation's Wounded, Ill, and Injured (WII) is a top priority. In FY 2013, the Department made significant improvements in streamlining services provided to our WII Service members. By the end of FY 2013, every WII Service member was assigned a Recovery Care Coordinator who administered an active recovery plan within 30 days of enrollment in a Service recovery coordination plan. This is a 32 percent improvement from FY 2012.

Overview – FY 2015 Defense Budget

A comprehensive post-deployment health assessment is a critical tool in assessing the health of Service members and identifying potential injuries, both physical and emotional. Emerging science and DoD programs and policies have supported the early detection of non-visible injuries such as Traumatic Brain Injury (TBI) and Post-Traumatic Stress Disorder which could lead to prompt treatment. To incorporate improvements into post-deployment health assessments, the Military Health System (MHS) now uses a more comprehensive post-deployment health assessment instrument that is designed to facilitate early identification and referral for care to ensure that those with post deployment injuries as a result of service to the nation receive the treatment they need.

The Department also conducted an enterprise-wide review of all psychological health programs in FY 2013 to identify programs that are producing measurably effective results and areas where improvement is needed. This review identified best practices that the Department can implement to continue improving the psychological and TBI care provided to service members and their families.

Improving audit readiness across the Department is a critical step in achieving sustained cost savings and improving business outcomes. A key component of the Department's audit readiness goal is validating the existence and accountability of mission critical assets such as real property, military equipment, and inventory. The Department's improved validation and accountability have played a critical role in identifying and reducing excess inventory, and resulted in significant savings from the Department's approximately \$30 billion of secondary inventory (defined as inventory supplied by a different Military Service/Agency or residual inventory not transferred to the General Services Administration). At mid-year in FY 2013, the Department reduced excess inventory from 9.9 percent to 7.8 percent of on-hand secondary inventory, generating real savings. The Department's continued improvement in accountability of mission critical assets will drive further reductions in excess secondary inventory.

Improvement Areas: While the Department is improving its overall care to wounded warriors, the Department will focus on decreasing the IDES processing time in support of its commitment to provide top-quality care to wounded warriors. The Department can also improve facility energy performance, which will reduce overhead and headquarters costs and preserve mission readiness.

The Department of Defense and the Department of Veterans Affairs (VA) share responsibility for processing wounded warriors through IDES. While DoD has made considerable improvements in providing top-quality physical and psychological care to its wounded warriors, the percent of Service members who are processed through IDES within 295 days (Active) or 305 days (Reserve) needs additional focus. In the fourth quarter of FY 2013, 32 percent of Service members were processed through IDES within the given timeframe, which is below the target of 70 percent. This is primarily due to delays in the completion of the transition, proposed rating, and benefits decision portions of the process, of which two are outside of DoD's control. Over the past year, the time to complete DoD-specific IDES activities (referral, Medical Evaluation Board (MEB), Informal Physical Evaluation Board (PEB), and Transition) improved from an average of 188 days to 147 days; the DoD-specific goal was 105 days. The Department also provided, and will continue to provide, personnel to assist operations in a Seattle VA site to expedite IDES case processing.

In December 2012, DoD assumed responsibility to download information from the Defense Personnel Records Information Retrieval System and upload it into Virtual VA to assist VA in completing IDES final benefit determinations sooner. The VA processes and practices have impacted the Department's ability to achieve the intended results. The Department will continue to work with the VA in FY 2014 to improve the processes, practices, and interfaces that support

Overview – FY 2015 Defense Budget

our shared desire to ensure relevant, timely, and quality outcomes for our warriors and veterans.

The Department manages a global property portfolio on 28 million acres with more than 563,000 facilities and a replacement value of nearly \$828 billion. The DoD is the largest consumer of energy in the Federal government, spending approximately \$4 billion annually to power these facilities. This infrastructure is critical to maintaining military readiness, and the importance of sustaining these facilities cannot be overstated. The Department's goal is to fund facilities sustainment at a minimum of 90 percent of the Facilities Sustainment Model (FSM) requirement. The FSM has been used since 2003 to estimate the annual sustainment funds the Services need to budget to perform maintenance and repair activities needed to keep their buildings and structures in good working order to maximize facility service life. The DoD budgeted for 84 percent of the sustainment requirement in FY 2013 but, due to sequestration reductions, it only obligated funding equal to 70 percent of the FSM requirement by the end of FY 2013. The Department will require marked improvement in order to accomplish its goals in this area.

Facilities maintenance supports the Department's efforts to improve energy conservation and efficiency, reduce operating costs and greenhouse gas emissions, and improve mission effectiveness. The Department's goal is to improve the average energy intensity of its buildings by 30 percent in FY 2015 compared to the FY 2003 baseline. While the Department has made significant improvements towards meeting the goal over the last two years, sequestration reductions may make it difficult for the Department to achieve the FY 2015 goal.

FY 2012 - FY 2013 Agency Priority Goal (APG) Results

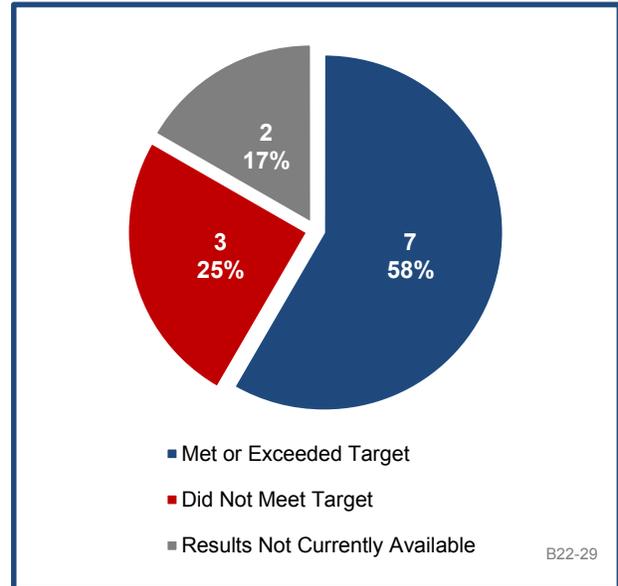
Pursuant to the GPRA Modernization Act of 2010, the Department established five APGs in FY 2012, which were used to track the Department's progress toward achieving priorities throughout FY 2012 and FY 2013. Each of the five APGs is provided in its entirety, as follows:

- **Agency Priority Goal One:** By September 30, 2013, the DoD will attain a passing score on a comprehensive cyber security inspection that assesses compliance with technical, operational, and physical security standards on an overwhelming majority of inspected military cyberspace organizations resulting in improved hardening and cyber defense.
- **Agency Priority Goal Two:** By September 30, 2013, the DoD will improve the care and transition of WII Warriors by: (1) increasing the use of Recovery Care Coordinators and ensuring WII service members have active recovery plans; (2) improving effectiveness of behavioral health programs and ensuring all service members complete quality post-deployment health screenings; and (3) accelerating the transition of WII service members into veteran status by reducing the disability evaluation processing time.
- **Agency Priority Goal Three:** By September 30, 2013, the DoD will: (1) improve its facility energy performance by reducing average building energy intensity by 24 percent from the 2003 baseline of 117,334 British Thermal Units (BTUs) per gross square foot, and producing or procuring renewable energy equal to 13 percent of its annual electric energy usage; and (2) improve its operational energy performance by establishing an operational energy baseline with all available data on fuel use; developing a plan for remediating data gaps; funding and implementing a comprehensive data plan; establishing and executing operational energy performance targets based on this comprehensive data for each Military Service and relevant agency.
- **Agency Priority Goal Four:** By September 30, 2013, the DoD will improve its acquisition process by ensuring that: 100 percent of Acquisition Category (ACAT) 1

Overview – FY 2015 Defense Budget

programs, going through Milestone A decision reviews, present an affordability analysis; 100 percent of ACAT 1 programs, going through milestone decision reviews present a competitive strategy; the average cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 5 percent from the Acquisition Program Baseline; the annual number of MDAP breaches – significant or critical cost overruns, for reasons other than approved changes in quantity – will be zero; and the DoD will increase the amount of contract obligations that are competitively awarded to 60 percent in FY 2013.

Figure 8-3. FY 2013 APG Summary of Performance

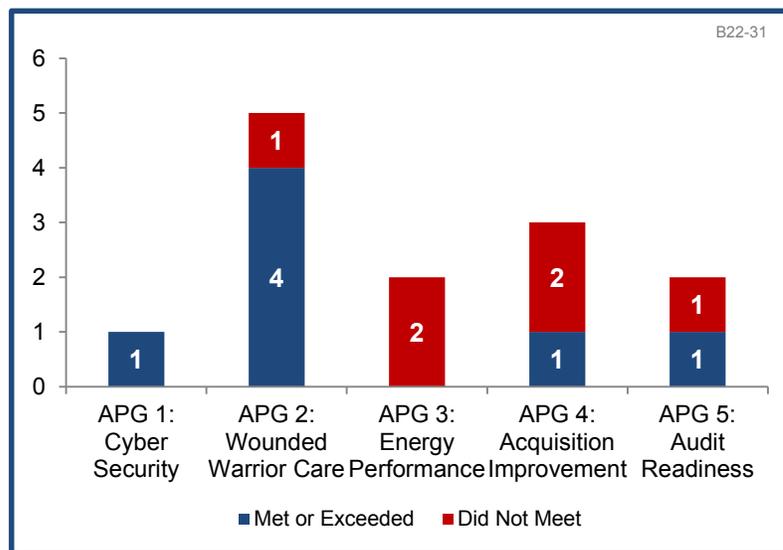


Agency Priority Goal Five: By September 30, 2014, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received from 80 to 100 percent.

The Department uses 12 of its 74 performance measures to track progress towards achieving its priority goals. As depicted in Figure 8-3, in FY 2013, the Department met 58 percent (7 of 12) of its APG performance measures. The results for two APG performance measures were not available at the time of this report, but detailed narratives for the remaining ten APG performance measures are found in the “Summary of DoD Performance by Strategic Objective” section. The two remaining APG performance measures relate to the Department’s use of energy and are assessed on an annual basis at the end of the calendar year. The final results are not yet available.

Figure 8-4 reflects FY 2013 APG performance results by APG. For FY 2013, the DoD met its cyber security and the majority of its wounded warrior care goals, while achieving less progress in Acquisition Improvement and audit readiness. The energy performance APG measures are assessed on an annual basis. For the Defense Department’s contributions to the APGs and its progress, please refer to <http://goals.performance.gov/agency/dod>.

Figure 8-4. FY 2013 Performance Results by Agency Priority Goal



Cross-Agency Priority Goals

In addition to APGs, the GPRA Modernization Act also requires the identification of Cross-Agency Priority (CAP) Goals in areas where increased cross-agency coordination on outcome-focused areas is likely to improve progress. In accordance with the GPRA Modernization Act, interim CAP Goals were published concurrent with the FY 2013 President's Budget and are addressed in the agency Strategic Plan, the Annual Performance Plan (APP), and the Annual Performance Report (APR). Please refer to <http://goals.performance.gov/agency/dod> for the Defense Department's contributions to those goals and progress, where applicable. The DoD currently contributes to the following CAP Goals:

- Entrepreneurship and Small Business
- Veteran Career Readiness
- Data Center Consolidation
- Cyber security
- Sustainability
- Real Property
- Improper Payments
- Closing Skills Gaps
- Strategic Sourcing

High Risk Areas

In an effort to drive increased accountability and efficiencies in the Federal government, the Government Accountability Office (GAO) determines high risk areas across the Federal government based on vulnerability to fraud, waste, abuse, or mismanagement; and changes required to address major economic, efficiency, or effectiveness challenges. The GAO has published biennial high-risk series updates since 1990 (see <http://www.gao.gov/highrisk/overview>). The Defense Department shares responsibility for the following cross-agency areas on the GAO high risk list:

- Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks;
- Strategic Human Capital Management;
- Managing Federal Real Property;
- Mitigating Gaps in Weather Satellite Data;
- Establishing Effective Mechanisms for Sharing and Managing Terrorism-Related Information to Protect the Homeland;
- Protecting the Federal Government's Information Systems and the Nation's Cyber Critical Infrastructures;
- Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests;
- Improving and Modernizing Federal Disability Programs.

Overview – FY 2015 Defense Budget

The GAO also designates the following seven DoD-specific functional areas as high risk:

- DoD Support Infrastructure Management (since 1997 with scope reduced in 2011);
- DoD Supply Chain Management (since 1990);
- DoD Contract Management (since 1992);
- DoD Weapon Systems Acquisition (since 1990);
- DoD Approach to Business Transformation (since 2005);
- DoD Business Systems Modernization (since 1995); and
- DoD Financial Management (since 1995).

All seven DoD-specific high risk areas are under the Department's Strategic Goal Five, focused on reforming DoD business and support functions. Performance achieved under DoD's Strategic Goal Five and the GAO's high risk areas for DoD are correlated.

DoD Major Management Challenges

The Office of the Inspector General (IG) works to promote efficiency, effectiveness, and integrity in the programs and operations of the Department. The DoD IG identified the following areas as presenting the most serious management and performance challenges:

- Financial Management;
- Acquisition Processes and Contract Management;
- Joint Warfighting and Readiness;
- Information Assurance, Security, and Privacy;
- Health Care;
- Equipping and Training Afghan Security Forces; and
- The Nuclear Enterprise.

Detailed information regarding these challenges, the IG's assessment of the Department's progress, and the Department's management response can be found with the report at <http://comptroller.defense.gov/>.

STRATEGIC GOAL ONE: PREVENT AND DETER CONFLICT

Strategic Goal One accounts for 12 of the Department’s 74 FY 2013 APP measures (16 percent). These measures focus on implementing the Department’s updated strategic guidance as set forth in the Defense strategy, “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense,” published in January 2012. The Department has shifted its force structure and investments towards the Asia-Pacific and Middle East regions to align with its updated strategy, while sustaining key alliances and partnerships in other regions. Additionally, the Department will continue to “right-size” the force in order to maintain the capability to defeat a major adversary in one theater while denying aggression elsewhere.

In FY 2013, the Department met or exceeded 58 percent (7 of 12) of performance measures and did not meet 33 percent (4 of 12). At the time of this report, performance results for 8 percent (1 of 12) of Strategic Goal One’s performance measures were not available.

The FY 2013 strategic objectives and performance results for Strategic Goal One are presented in detail below by the following four strategic objectives:

■ On Track
 ■ Off Track
 N/A = Not available

DoD STRATEGIC GOAL #1: PREVENT AND DETER CONFLICT.			
DoD Forces and Infrastructure Category 1F1: Expeditionary Forces			
DoD Strategic Objective 1.1-1F1: <i>Ensure that we can quickly confront and defeat aggression from any adversary – anytime, anywhere.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
1.1.1-1F1: percent of the DoD Combatant Commanders that are ready to execute their Core or Theater Campaign Plan missions (USD(P&R))	1.1.1-1F1: For each fiscal year, DoD Combatant Commanders will be ready to execute 100 percent of their Core or Theater Campaign Plan missions.	FY08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11 Actual: 100% FY12 Actual: 100%	FY13 Target: 100% FY13 Actual: 90%
Contributing DoD Components: USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM			
1.1.2-1F1: percent of the DoD Combatant Commanders’ Contingency Plans which they report ready to execute (USD(P&R))	1.1.2-1F1: For each fiscal year, Combatant Commanders (COCOMs) will be ready to execute at least 80 percent of their Contingency Plans.	FY08 Actual: Not available FY09 Actual: 89% FY10 Actual: 82.1% FY11 Actual: 80% FY12 Actual: 91%	FY13 Target: 80% FY13 Actual: 75%
Contributing DoD Components: USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM			
1.1.3-1F1: Cumulative percent of Army Brigade Combat Teams (BCTs) converted to a modular design and available to meet military operational demands (USD(P))	1.1.3-1F1: By FY 2014, 100 percent of Army Brigade Combat Teams (BCTs) will have converted to a modular design and be available to meet military operational demands.	FY08-12 Actual: Not available	FY13 Target: 99% FY13 Actual: 100%
Contributing DoD Components: Army			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
1.1.4-1F1: Cumulative number of Army Multi-functional and Functional Support (MFF) brigades converted to a modular design and available to meet military operational demands (USD(P)) (USD(P&R))	1.1.4-1F1: By FY 2013, the DoD will convert 229 Army Multi-functional and Functional Support (MFF) brigades to a modular design.	FY08 Actual: 188 FY09 Actual: 196 FY10 Actual: 202 FY11 Actual: 225 FY12 Actual: 228	FY13 Target: 229 FY13 Actual: 229
Contributing DoD Components: <i>Army</i>			
1.1.5-1F1: Cumulative number of ships in the fleet (USD(P))	1.1.5-1F1: By FY 2020, the DoD will increase the number of ships in the fleet to 295 for security operations.	FY08 Actual: 282 FY09 Actual: 285 FY10 Actual: 287 FY11 Actual: 284 FY12 Actual: 287	FY13 Target: 285 FY13 Actual: 285
Contributing DoD Components: <i>Navy</i>			
DoD Strategic Objective 1.2-1F1: <i>Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
1.2.1-1F1: Average number of trained or deployed civilian expeditionary ministerial-level advisors (USD(P))	1.2.1-1F1: By FY 2014, the DoD will maintain an annual average of 100 civilian expeditionary advisors to provide ministerial-level training and advice to partner nations.	FY08-09: N/A FY10 Actual: 17 FY11 Actual: 45 FY12 Actual: 60	FY13 Target: 75 FY13 Actual: Data not available
Contributing DoD Components: <i>Army, Navy, Marine Corps, Air Force, DSCA, and OSD</i>			
1.2.2-1F1: Average number of countries with active Defense Institution Reform Initiative (DIRI) programs (USD(P))	1.2.2-1F1: By FY 2015, the DoD will expand its Defense Institution Reform Initiative (DIRI) program to include 30 countries.	FY10 Actual: N/A FY11 Actual: 17 FY12 Actual: 22	FY13 Target: 26 FY13 Actual: 17
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
1.2.3-1F1: percentage of general purpose force (GPF) deployed to support Combatant Commander security force assistance requirements that have received focused SFA training. (USD(P&R))	1.2.3-1F1: Beginning in FY 2013, 95 percent of GPF units/teams deployed to support Combatant Commander SFA requirements will have received focused SFA training.	FY10–12 Actual: N/A	FY13 Target: 95% FY13 Actual: 92.4%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
DoD Strategic Objective 1.3-1F1: <i>Rebalance our global posture and presence to emphasize the Asia-Pacific region and maintain focus on the Middle East.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
Goals deferred to FY 2014 (USD (P))			
DoD Strategic Objective 1.4-1F1: <i>Build innovative partnerships and strengthen key alliances and partnerships elsewhere in the world.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
Goals deferred to FY 2014 (USD (P))			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 1F3: Military Space Forces			
DoD Strategic Objective 1.5-1F3: <i>Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
1.5.1-1F3: Cumulative number of Aegis Ballistic Missile Defense (BMD)-capable ships (USD(P))	1.5.1-1F3: By FY 2017 the DoD will have 33 Aegis ships that are BMD-capable.	FY08 Actual: 17 FY09 Actual: 18 FY10 Actual: 20 FY11 Actual: 24 FY12 Actual: 25	FY13 Target: 26 FY13 Actual: 28
Contributing DoD Components: <i>Navy and MDA</i>			
1.5.2-1F3: Cumulative number of Standard Missile - Model 3 (SM-3) Interceptors (all variants) delivered (USD(AT&L))	1.5.2-1F3: By FY 2017, the DoD will have delivered 394 SM-3 Interceptors (all variants) to counter aerial threats.	FY08-09: N/A FY10 Actual: 88 FY11 Actual: 108 FY12 Actual: 129	FY13 Target: 128 FY13 Actual: 128
Contributing DoD Components: <i>MDA</i>			
1.5.3-1F3: Cumulative number of Army- Navy/Transportable Radar Surveillance – Model 2 (AN/TPY-2) delivered (USD(AT&L))	1.5.3-1F3: By FY 2017, the DoD will have delivered 12 AN/TPY-2 Radars to detect aerial threats.	FY08-09: N/A FY10 Actual: 7 FY11 Actual: 7 FY12 Actual: 7	FY13 Target: 8 FY13 Actual: 8
Contributing DoD Components: <i>MDA</i>			
DoD Forces and Infrastructure Category 1X2: Intelligence Operations			
DoD Strategic Objective 1.6-1X2: <i>Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
1.6.1-1X2: Cumulative number of Predator (MQ-1) and Reaper (MQ-9) intelligence, surveillance, and reconnaissance (ISR) orbits (USD(I))	1.6.1-1X2: By FY 2014, the DoD will achieve and maintain 65 Predator (MQ-1) and Reaper (MQ-9) ISR orbits.	FY08 Actual: 29 FY09 Actual: 36 FY10 Actual: 45 FY11 Actual: 59 FY12 Actual: 57	FY13 Target: 61 FY13 Actual: 62
Contributing DoD Components: <i>Air Force</i>			

Strategic Objective 1.1-1F1 Ensure that we can confront and defeat aggression from any adversary – anytime, anywhere.

Areas of Significant Improvement: In FY 2013, the Army successfully completed its strategy to standardize its force structure by successfully converting 100 percent of its Brigade Combat Teams (BCTs) and Multi-Functional and Functional Support Brigades (MFFs), ahead of schedule, to a modular design that provides the nation with a more flexible, versatile force while providing the capability to meet operational demands. Additionally, the Navy is currently on track to maintain its desired fleet size, ensuring the Department's continued capability to provide sea-based power projection anytime, anywhere in the world.

Areas of Challenge: The adverse impacts of sequestration have had a negative impact on the Combatant Commanders' ability to execute their plans for Core or Theater Campaigns and contingencies in FY 2013. For example, the budget impacts of sequestration have resulted in

Overview – FY 2015 Defense Budget

substantial end strength reductions that may result in a reduction in the number of BCTs. The details of the degradation to Combatant Commander (COCOM) mission readiness in the mission plans for Core or Theater Campaigns and contingencies are classified, but it is clear that sequestration is affecting the Department's readiness and has left our nation less prepared to respond to mission plans for Core and Theater Campaigns and contingencies. It is a top priority of the Department to work with Congress to address these challenges in the most expeditious manner possible.

Mitigation Strategies: To mitigate the impacts of significant end strength reductions, the Army is exploring redesign options for the BCTs to make them more capable.

Strategic Objective 1.2-1F1: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of US forces.

Areas of Significant Improvement: Although annual targets were not met, by third quarter the Department exceeded its performance target. The Department annually requires 95 percent of General Purpose Forces (GPF) units/teams deployed to support COCOM Security Force Assistance (SFA) requirements to ensure they have received focused SFA training. For the second and third quarters of FY 2013, this target was exceeded and 100 percent of GPF units/teams deployed to support Combatant Commander SFA requirements received focused SFA training. The high rate of focused SFA training can be attributed largely to the analysis of requests for forces performed and necessary training provided by the Military Services.

Areas of Challenges: Of GPF deployed to support COCOM security force assistance requirements, 100 percent received SFA training during 2 fiscal quarters of 2013, and the total over the course of the year was 92.4 percent. However, the Department fell short of its fourth quarter goal, dropping to 79.3 percent. There is a lack of standardization when translating operational COCOM requirements to training requirements, as many do not request focused SFA training for SFA missions. Force providers sometimes identify the requirement for this training, but occasionally there is a gap. In the midst of ongoing budget uncertainty, it may prove difficult to maintain the capabilities needed to provide focused SFA training.

Mitigation Strategies: The Office of the Deputy Assistant Secretary of Defense for Readiness (DASD-R) is working with organizations such as the OSD/Joint Staff SFA Working Group, the COCOMs, and the Services to better identify requirements for focused SFA training.

Strategic Objective 1.5-1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.

Areas of Significant Improvement: Missile Defense capabilities have increased steadily over the last 10 years. An integral part of these capabilities is the Aegis Ballistic Missile Defense (BMD) System which provides exo-atmospheric engagement capability against short, medium, and intermediate range ballistic missile attacks utilizing the Standard Missile 3 (SM-3) interceptor. The SM-3 has consistently met performance requirements in flight tests and is currently being improved to provide a better kinetic warhead, an improved discriminating seeker and larger motors. In FY 2013, the Department met its target of eight deliveries of AN/TPY-2 radars. It should be noted that contractual changes resulted in a reduced target for the number of SM-3 interceptors delivered. However, the Department was successful in meeting these adjusted targets in FY 2013. Further, the Navy has maintained the requisite number of BMD-capable warships available for tasking.

Overview – FY 2015 Defense Budget

Areas of Challenges: The Department faces three significant challenges to expanded international BMD: (1) shrinking global defense budgets; (2) U.S. export control hurdles; and (3) the need to ensure interoperability of systems between U.S. and international partners.

Mitigation Strategies: Continued cooperation analysis with Allies will help ensure planning that yields the most capable and cost effective solutions. As U.S.-based BMD systems continue to mature and transition to production, the Department is increasingly looking at Foreign Military Sales (FMS) as an option to provide proven capabilities to Allies in a timely manner. When possible, it will help to drive down the cost of procuring systems through economies of scale. The Department continues to participate in broad-based reviews of the U.S. export control system to overcome present control hurdles. Lastly, an incremental approach to building international partner capacity to integrate capabilities into international and regional architectures is underway.

Strategic Objective 1.6-1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations

Areas of Significant Improvement: The Department exceeded its performance goal for Predator (MQ-1) and Reaper (MQ-9) orbits in FY 2013 by increasing the number orbits from 57 to 62. The Air Force is well positioned to meet its objective of 65 orbits by May 2014. The Air Force is well into planning and preparation to meet upcoming goals, including the use of Air National Guard units from Tennessee and crews from Britain's Royal Air Force (RAF) to augment manning requirements.

Areas of Challenges: There are no significant challenges. The Air Force achieved its FY 2013 goal for this measure. All aircraft and manning issues have been addressed.

Areas of Mitigation Strategies: OUSD(I) is working throughout the Department to determine how to support and achieve DoD's warfighting needs as we move forward. The Air Force is on track to meet the FY 2014 objective of 65 orbits by May 2014.

STRATEGIC GOAL TWO: PREVAIL IN TODAY'S WARS

DoD Strategic Goal Two accounts for 4 percent (3 of 74) of the Department's FY 2013 performance results. Although the performance measures for Strategic Goal Two account for only a small percentage of the Department's performance measures, these measures address DoD's most essential task, to prevail in today's wars. The performance measures aligned to Strategic Goal Two focus on, first, the mission readiness of the COCOMs to execute current operations, and second, the provision of forces to support the transition of security responsibilities in Afghanistan from the U.S. to the Afghan National Security Force (ANSF) by the end of FY 2014. At the time of this report, the results the two military end strength performance measures were not yet available.

The Department's FY 2013 performance results for Strategic Goal Two are presented in detail below.

Overview – FY 2015 Defense Budget

■ On Track ■ Off Track

N/A = Not available

DoD STRATEGIC GOAL #2: PREVAIL IN TODAY'S WARS.			
DoD Strategic Objective 2.1-OCO:			
Transition security responsibilities to the Afghan National Security Force (ANSF) and reset DoD forces and equipment.			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
2.1.1-OCO: percent of DoD Combatant Commanders' Current Operations which they report ready to execute (USD(P&R))	2.1.1-OCO: For each fiscal year, DoD Combatant Commanders will be ready to execute 100 percent of Current Operations.	FY08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11 Actual: 100% FY12 Actual: 100%	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM			
2.1.2-OCO: Average annual military strength in Afghanistan (USD(P))	2.1.2-OCO: For FY 2014, the DoD will maintain an average annual military strength in Afghanistan of not more than: (sensitive)	FY10-12 Actual: Not available	FY13 Target: 67,500 FY13 Actual: Data not available
Contributing DoD Components: USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM			
2.1.3-OCO: Average annual military strength providing theater support (USD(P))	2.1.3-OCO: For FY 2014, the DoD will maintain an average annual military strength of not more than (sensitive) for theater support.	FY10-12 Actual: Data not available	FY13 Target: 49,199 FY13 Actual: Data not available
Contributing DoD Components: USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM			

Strategic Objective 2.1-12A: Transition security responsibilities to the Afghan National Security Force (ANSF) and reset DoD forces and equipment.

FY 2013 performance results for goals 2.1.2-OCO and 2.1.3-OCO were not available at the time of this report.

Areas of Significant Improvement: There are no areas of significant improvement at this time.

Areas of Challenges: There are no significant challenges at this time.

Areas of Mitigation Strategies: There are no mitigation strategies at this time.

STRATEGIC GOAL THREE: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES

Strategic Goal Three accounts for 14 percent (10 of 74) of the Department's FY 2013 Annual Performance Plan measures. The Department met or exceeded 90 percent (9 of 10) of performance results for Strategic Goal Three. This goal focuses on enhancing the Department's capability to rapidly and effectively respond to a wide range of contingencies in defense of U.S. national interests. The performance measures focus on improving the responsiveness of consequence management forces, combating the proliferation of weapons of mass destruction, enhancing cyber capabilities, and maintaining a strong technical foundation

Overview – FY 2015 Defense Budget

with the Science and Technology program. Results by specific performance goal and each strategic objective area are presented in detail below:

■ On Track
 ■ Off Track
 N/A = Not available

DoD STRATEGIC GOAL #3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.			
DoD Forces and Infrastructure Category 1F2: Homeland Defense			
DoD Strategic Objective 3.1-1F2A: <i>Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.1.1-1F2A: Number of formal DoD- led meetings with international partners to reaffirm U.S. commitments to extended deterrence (USD(P))	3.1.1-1F2A: Beginning in FY 2011, the DoD will lead at least six formal meetings with international partners to reaffirm U.S. commitments to extended deterrence.	FY08-10 Actual: Not available FY11 Actual: 11 FY12 Actual: 17	FY13 Target: 6 FY13 Actual: 12
Contributing DoD Components: OSD			
3.1.2-1F2A: Passing percentage rate for Defense Nuclear Surety Inspections (USD(P))	3.1.2-1F2A: Beginning in FY 2011, the DoD will maintain a passing rate of 100 percent for all regular Defense Nuclear Surety Inspections.	FY08 Actual: 71% FY09 Actual: 77% FY10 Actual: 73% FY11 Actual: 85.7% FY12 Actual: 100%	FY13 Target: 100% FY13 Actual: 91.7%
Contributing DoD Components: Navy, Air Force, TJS, and DTRA			
DoD Strategic Objective 3.2-1F2B: <i>Improve the responsiveness and flexibility of consequence management response forces.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.2.1-1F2B: Cumulative number of Homeland Response Forces (HRFs) trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours (USD(P))	3.2.1-1F2B: The DoD will have and maintain ten National Guard HRFs trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours to a very significant or catastrophic event.	FY08-10 Actual: Not available FY11 Actual: 2 FY12 Actual: 10	FY13 Target: 10 FY13 Actual: 10
Contributing DoD Components: USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau			
3.2.2-1F2B: Cumulative number of Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages (CERFPs) trained, equipped, evaluated, and validated at a response time of 6-12 hours (USD(P))	3.2.2-1F2B: The DoD will have and maintain 17 National Guard CERFPs trained, equipped, evaluated, and validated at a response time of 6-12 hours in order to backfill existing CERFPs that will convert to HRFs.	FY08-10 Actual: Not available FY11 Actual: 17 FY12 Actual: 17	FY13 Target: 17 FY13 Actual: 17
Contributing DoD Components: USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau			
3.2.3-1F2B: Number of Defense CBRN Response Forces (DCRFs) trained, equipped, evaluated, and certified at a response time of 24 – 48 hours (USD(P))	3.2.3-1F2B: The DoD will have and maintain one DCRF trained, equipped, evaluated, and certified at a response time of 24 – 48 hours.	FY08-10 Actual: Not available FY12 Actual: 1	FY13 Target: 1 FY13 Actual: 1
Contributing DoD Components: USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.2.4-1F2B: Number of Command and Control (C2) CBRN Response Elements (C2CREs) trained, equipped and evaluated, as well as certified or validated as applicable at a response time of 96 hours (USD(P))	3.2.4-1F2B: The DoD will have and maintain two C2CREs trained, equipped and evaluated as well as certified or validated as applicable at a response time of 96 hours.	FY08-10 Actual: Not available FY12 Actual: 2	FY13 Target: 2 FY13 Actual: 2
Contributing DoD Components: <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>			
DoD Forces and Infrastructure Category 1F2: Homeland Defense			
DoD Strategic Objective 3.3-1F2C: <i>Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.3.1-1F2C: Cumulative number of labs working with dangerous pathogens at risk for exploitation (USD(AT&L))	3.3.1-1F2C: By FY 2017, the DoD will have secured 66 labs working with dangerous pathogens that are considered at risk for exploitation.	FY08 Actual: 16 FY09 Actual: 19 FY10 Actual: 20 FY11 Actual: 37 FY12 Actual: 44	FY13 Target: 45 FY13 Actual: 53
Contributing DoD Components: <i>DTRA</i>			
Forces and Infrastructure Category 1X1: Operational Command & Control Systems			
DoD Strategic Objective 3.4-1X1: <i>Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.</i> * = Agency Priority Goal			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.4.1-1X1: percent of DoD's nuclear command, control, and communications (NC3) cryptographic modernization plan completed (DoD CIO)	3.4.1-1X1: By FY 2016, the DoD will have completed 100 percent of its NC3 cryptographic modernization action plan for the most critical 25 networks.	FY08-10 Actual: N/A FY11 Actual: 12% FY12 Actual: 32%	FY13 Target: 44% FY13 Actual: 44%
Contributing DoD Components: <i>Army, Navy, Air Force, NSA, and DISA</i>			
*3.4.2-1X1: percent of inspected DoD military cyberspace organizations that attain a passing grade on a Command Cyber Readiness Inspection (CCRI) (DoD CIO)	*3.4.2-1X1: By FY 2013, (not available) percent of inspected DoD military cyberspace organizations will attain a passing grade on a Command Cyber Readiness Inspection.	FY08-10 Actual: N/A FY12 Actual: <i>Information is sensitive</i>	FY13 Target: <i>Information is sensitive</i> FY13 Actual: <i>Information is sensitive</i>
Contributing DoD Components: <i>All</i>			
DoD Forces and Infrastructure Category 2D: Science and Technology			
DoD Strategic Objective 3.5-2D: <i>Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
3.5.1-2D: percent of completing demonstration programs transitioning each year (USD(AT&L))	3.5.1-2D: Beginning in FY 2014, the DoD will transition 40 percent of completing demonstration programs per year.	FY08 Actual: 43.1% FY09 Actual: 52.6% FY10 Actual: 61.5% FY11 Actual: 83% FY12 Actual: 83%	FY13 Target: 30% FY13 Actual: 77%
Contributing DoD Components: <i>Army, Navy, Air Force, DLA, DARPA, CBDP, and OSD</i>			

Strategic Objective 3.1-1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attacks on the U.S. and on our allies and partners.

Areas of Significant Improvement: The Department met its FY 2013 performance measure by holding 12 formal DoD-led meetings with international partners in 2013. These meetings demonstrated the Department's continued commitment to maintaining an aggressive engagement plan to assure our allies and reinforce our extended deterrence obligations. With active support from our allies and partners, we have doubled the frequency of meetings since release of the Nuclear Posture Review Report (NPR) in 2010. Furthermore, the agendas for these meetings have significantly evolved to include deeper discussion of strategic issues and to incorporate table top exercises.

The Department and Services continue to rigorously execute Defense Nuclear Surety Inspections (DNSI) to ensure DoD nuclear forces are meeting the standards required for a safe, secure and effective nuclear deterrent. The DNSI program establishes a standard that has enhanced the performance of the DoD nuclear enterprise, although the nuclear forces did not achieve a 100 percent passing rate in the fourth quarter of FY 2013. While not passing a DNSI is a concern, the system has identified the problem and the issue is being resolved.

Areas of Challenges: The current assessment process does not allow the Department to measure the critical implementation tasks of the NPR. Long-term fiscal uncertainty may place the health of the nuclear enterprise at greater risk. Sequestration in FY 2013 inhibited the nuclear enterprise's ability to plan for long-term needs and its ability to continue making investments necessary to sustain the arsenal. This directly affects the readiness of our forces.

The percent passing rate of *first-time* DNSIs is not the strongest indicator of the safety, security and effectiveness of the Department's nuclear arsenal. Maintaining a 100 percent passing rate on *first-time* DNSIs does not measure safe and effective nuclear arsenal on a *continual* basis. Left unchanged, the results assessed could generate unrealistic expectations that may not be sustainable for achieving long term excellence in the nuclear enterprise.

Mitigation Strategies: The Air Force has taken corrective actions in the case of the DNSI failure and expects that the unit will be able to pass the inspection at its re-evaluation in 90 days. Overall, the health and status of our nuclear deterrent is of key interest to senior leaders within the Department and the Administration. The Department continues to submit numerous reports to the President and Congress on the safety, security and effectiveness of the U.S. nuclear deterrent. These reports provide greater detail and fidelity on the sustainment and modernization of the nuclear deterrent. Additionally, the sustained focus and frequent assessments of the surety of weapons in DoD custody by the Defense Threat Reduction Agency (DTRA) and the Services has contributed to ensuring that the Department's nuclear arsenal is safe, secure, and effective.

Strategic Objective 3.2-1F2B: Improve the responsiveness and flexibility of consequence management response forces.

Areas of Significant Improvement: The Department met all four performance goals in the fourth quarter of FY 2013 for Strategic Objective 3.1-1F2B. Beginning in FY 2013, detailed chemical, biological, radiological, and nuclear (CBRN) consequence management (CM) operational planning at the state and regional levels will, when completed, result in a better understanding of the anticipated needs of civil authorities on the National Guard and Federal military forces. In addition, this integrated, total force detailed planning will lead to improved unity of effort, not only with civilian responders, but also between the CBRN CM military forces operating under state control and those operating concurrently and geographically proximate

Overview – FY 2015 Defense Budget

under Federal control. Additional future refinements to CBRN CM response force employment procedures and minor modifications to response force task organization should also lead to more rapid employment to an incident site, more synchronized performance as incident response progresses over time, and greater force effectiveness.

Areas of Challenges: The reduction in overseas operations and anticipated increased availability of domestic capability has not been realized for all components of the CBRN CM response forces alerted during dwell for domestic operations. Service approaches to get the force “healthy” have resulted in difficulties sourcing certain enterprise capabilities during FY 2013. The Department’s global force management system will continue to be used to rectify any sourcing shortfalls in the future. If sequestration-level funding becomes a reality across the Future Years Defense Program (FYDP) and beyond, inevitable future force structure decreases may strain the ability of the Services to provide trained and ready CBRN CM forces at alert levels necessary to maximize the number of lives saved during domestic CBRN incident responses.

Mitigation Strategies: The DoD will continue to explore ways to accommodate the Services’ “man, train, equip” imperatives to maintain capabilities to execute primary missions of the Department, including domestic CBRN CM response assisting civil authorities. Potential strategies include: (1) providing more explicit guidance to the Services to maintain CBRN CM capability during top-line reductions; (2) refinement of joint sourcing processes to leverage geographically proximate enabling capabilities to potentially reduce the total number of Prepare to Deploy Order (PTDO) CBRN CM forces; and (3) further refinement of operating concepts that leverage and synchronize the total force (Active Component, Federal reserves, National Guard, Defense support agencies, DoD civilian workforce) to maximize CBRN CM response effectiveness.

Strategic Objective 3.3-1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.

Areas of Significant Improvement: The Department exceeded its performance target for this strategic objective and made improvements over targets identified for FY 2013. As a result, the Department is ahead of schedule in its efforts to improve security at labs working with dangerous pathogens at risk for exploitation.

Areas of Challenges: Labs working with dangerous pathogens will continue to be at risk of targeting or exploitation, and the Department must remain vigilant in order to ensure these facilities have effective security measures and procedures in place.

Mitigation Strategies: The Department’s plan to secure labs working with dangerous pathogens is an effective mitigation strategy that will put in place security measures and procedures that will reduce the risk posed by targeting or exploitation.

Strategic Objective 3.4-1X1: Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.

Areas of Significant Improvement: The Department has met both performance measures for Strategic Objective 3.4-1X1 in FY 2013. The DoD faces an advanced and persistent cyber threat. Ensuring that Department’s systems and networks adhere to policies and standards and are properly configured will significantly reduce the “attack surface,” slow or reduce the advances that an adversary could make, and reduce the risk to the Department’s mission. The cryptographic modernization plan is 44 percent complete and on track towards achieving its goal of 100 percent implementation on the 25 most critical networks by 2016. Additionally, DoD

Overview – FY 2015 Defense Budget

military cyberspace organizations are on track to meet performance measures relating to Command Cyber Readiness Inspections (CCRIs). CCRIs help ensure compliance with policies and standards, thereby hardening the Department's systems and networks and improving its cyber defense posture. Due to the sensitive nature of Federal cyber security efforts, progress updates on this goal are kept internal to the government.

Areas of Challenges: The cyber threat is growing and becoming increasingly complex and will require constant vigilance and capability advancement to stay ahead of the threat.

Mitigation Strategies: The Department's plan to grow and enhance the cyber workforce and continue investing in advanced cyber technologies will serve as principle methods for DoD to continue to mitigate cyber threats.

Strategic Objective 3.5-2D: Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.

Areas of Significant Improvement: In FY 2013, 77 percent of demonstration programs transitioned to the next phase of development, far exceeding the Department's target of 30 percent. This positive achievement supports the Department's ability to maintain U.S. defense preeminence.

Areas of Challenges: Constrained budgets present challenges across the DoD Enterprise; it will take a concerted effort to ensure that the Department devotes the requisite resources to keeping the Department's science and technology portfolio strong.

Mitigation Strategies: The Department's strategic guidance places an emphasis on ensuring a strong science and technology portfolio to ensure the U.S. military maintains its technological edge. Steadfast adherence to this Department imperative will be the best mitigation to the challenges posed by the current environment of constrained resources.

STRATEGIC GOAL FOUR: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE

Strategic Goal Four accounts for 31 percent (23 of 74) of the Department's FY 2013 APP performance measures. In FY 2013, 78 percent (18 of 23) of the measures have met or exceeded their goals, while 22 percent (5 of 23) did not. The FY 2013 performance results for Strategic Goal Four are presented in detail below by the following four strategic objectives:

Overview – FY 2015 Defense Budget

■ On Track
 ■ Off Track

N/A = Not available

DoD STRATEGIC GOAL #4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.			
DoD Forces and Infrastructure Category 2M: Defense Health Program			
DoD Strategic Objective 4.1 2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs. * = Agency Priority Goal			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase (USD(P&R))	4.1.1-2M: The DoD will maintain an average Defense Health Program (DHP) medical cost per equivalent life increase at or below the average healthcare premium increase in the civilian sector.	FY08 Actual: 1.1% FY09 Actual: 6.7% FY10 Actual: -1% FY11 Actual: 1.4% FY12 Actual: -6.4%	FY13 Target: <= 0% FY13 Actual: -2.6%
Contributing DoD Components: <i>Army, Navy, Air Force, and Marine Corps</i>			
4.1.2-2M: percentage of Armed Forces who meet Individual Medical Readiness (IMR) requirements (USD(P&R))	4.1.2-2M: By FY 2015, 85 percent of the Armed Forces will have an IMR that indicates readiness for deployment.	FY08 Actual: 67% FY09 Actual: 69% FY10 Actual: 74% FY11 Actual: 78% FY12 Actual: 84%	FY13 Target: 82% FY13 Actual: 85%
Contributing DoD Components: <i>Army, Navy, Air Force, and Marine Corps</i>			
*4.1.3-2M: percent of Service members who are processed through the Integrated Disability Evaluation System (IDES) within 295 days (Active) or 305 days (Reserve) (USD(P&R))	*4.1.3-2M: By FY 2014, 80 percent of Service Members will be processed through the IDES within 295 days (Active) or 305 days (Reserve) components.	FY08-11 Actual: Not available FY12 Actual: 24%	FY13 Target: 70% FY13 Actual: 32%
Contributing DoD Components: <i>Army, Navy, Air Force, and Marine Corps</i>			
*4.1.4-2M: percent of wounded, ill and injured (WII) Service members who are enrolled in a Service recovery coordination program and have established an active recovery plan administered by a DoD trained Recovery Care Coordinator (USD(P&R))	*4.1.4-2M: Assure that 100 percent of wounded, ill, and injured (WII), who are enrolled in a Service recovery coordination program, will have an established and active recovery plan administered by a DoD trained Recovery Care Coordinator.	FY08-10 Actual: Not available FY12 Actual: 68%	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
*4.1.5-2M: percent of wounded, ill and injured (WII) Service members who are assigned to a DoD trained Recovery Care Coordinator (RCC) within 30 days of being enrolled in a Wounded Warrior Program (USD(P&R))	*4.1.5-2M: Assure that 100 percent of wounded, ill, and injured (WII) Service members will be assigned to a DoD trained Recovery Care Coordinator within 30 days of being enrolled in a Wounded Warrior Program.	FY08-10 Actual: Not available FY12 Actual: 70%	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
*4.1.6-2M: percentage of Psychological Health Programs that have been reviewed (USD(P&R))	*4.1.6-2M: By September 30, 2013, 100 percent of Psychological Health programs will be reviewed for measures of effectiveness to identify programs producing superior results, those that are ineffective, and those that need to establish measures.	FY08-12 Actual: Not available	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
*4.1.7-2M: percentage of Armed Services that have transitioned to a more comprehensive post-deployment health assessment (USD(P&R))	*4.1.7-2M: By September 30, 2013, 100 percent of the five Armed Services will have transitioned to a more comprehensive post-deployment health assessment.	FY08-12 Actual: Not available	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force, and U.S. Coast Guard</i>			
DoD Forces and Infrastructure Category 2P: Central Personnel Administration			
DoD Strategic Objective 4.2-2P: <i>Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.2.1-2P: percent variance in Active component end strength (USD(P&R))	4.2.1-2P: For each fiscal year, the DoD Active component end strength will not vary by more than three percent from the SECDEF/NDAA- prescribed end strength for that fiscal year.	FY08 Actual: 2.1% FY09 Actual: 0.9% FY10 Actual: 0.4% FY11 Actual: -0.5% FY12 Actual: -1.6%	FY13 Target: +/-3% FY13 Actual: -1.4%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.2.2-2P: percent variance in Reserve component end strength (USD(P&R))	4.2.2-2P: For each fiscal year, the DoD Reserve component end strength will not vary by more than three percent from the SECDEF/NDAA- prescribed end strength for that fiscal year.	FY08 Actual: 0% FY09 Actual: 1% FY10 Actual: 0.6% FY11 Actual: 0.2% FY12 Actual: -0.8%	FY13 Target: +/-3% FY13 Actual: -0.86%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.2.3-2P: percentage of the Department's active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home	4.2.3-2P: By FY 2015, 95 percent of active duty Army personnel will meet the deployment to dwell objective of 1:2.	FY08-10 Actual: Not available FY11 Actual: 85.7% FY12 Actual: 91%	FY13 Target: 80% FY13 Actual: 96%
Contributing DoD Components: <i>Army</i>			
4.2.4-2P: percentage of the Department's active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home USD(P&R))	4.2.4-2P: Ensure at least 95 percent of active duty Navy personnel will meet the deployment to dwell objective of 1:2.	FY08-10 Actual: Not available FY11 Actual: 95.6% FY12 Actual: 95%	FY13 Target: 95% FY13 Actual: 98%
Contributing DoD Components: <i>Navy</i>			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.2.5-2P: percentage of the Department's active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home USD(P&R))	4.2.5-2P: By FY 2015, at least 95 percent of active duty Marine personnel will meet the deployment to dwell objective of 1:2.	FY08-10 Actual: Not available FY11 Actual: 94% FY12 Actual: 96%	FY13 Target: 95% FY13 Actual: 99%
Contributing DoD Components: <i>Marines</i>			
4.2.6-2P: percentage of the Department's active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home USD(P&R))	4.2.6-2P: Ensure at least 95 percent of active duty Air Force personnel will meet the deployment to dwell objective of 1:2.	FY08-10 Actual: Not available FY11 Actual: 97.3% FY12 Actual: 98%	FY13 Target: 95% FY13 Actual: 99%
Contributing DoD Components: <i>Air Force</i>			
4.2.7-2P: percent of Reserve Component (RC) Service members mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5 (USD(P&R))	4.2.7-2P: Beginning in FY 2013, a minimum of 80 percent of the RC Service members undergoing mobilization will have a dwell ratio of 1:5 or greater.	FY08-10 Actual: N/A FY11 Actual: 71.8% FY12 Actual: 72.7%	FY13 Target: 80% FY13 Actual: 85%
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
4.2.8-2P: Number of days for all external civilian hiring actions (end- to-end timeline) (USD(P&R))	4.2.8-2P: Beginning in FY 2013, the Department will maintain its timeline for all external (direct hire authority, expedited hire authority, and delegated examining) civilian hiring actions to 80 days or less.	FY08 Actual: Data not available FY09 Actual: 155 FY10 Actual: 116 FY11 Actual: 104 FY12 Actual: 83	FY13 Target: 80 FY13 Actual: 94
Contributing DoD Components: <i>All</i>			
DoD Forces and Infrastructure Category 2R: Central Personnel Benefits			
DoD Strategic Objective 4.3-2R: <i>Better prepare and support families during the stress of multiple deployments.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.3.1-2R: percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.1-2R: The DoD (except Navy) will maintain at least 90 percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition; Navy will meet the 90 percent goal in FY 2017.	FY08-10 Actual: Not available FY11 Actual: 80% FY12 Actual: 81.5%	FY13 Target: 82% FY13 Actual: 79%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.3.2-2R: percent of the worldwide inventory for government-owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.2-2R: The DoD (except Navy) will maintain at least 90 percent of the worldwide government- owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition; Navy will meet the 90 percent goal in FY 2022.	FY08-10 Actual: Not available FY11 Actual: 85% FY12 Actual: 85%	FY13 Target: 87% FY13 Actual: 86%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.3.3-2R: Cumulative percent of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1 or Q2) standards (USD(P&R))	4.3.3-2R: By FY 2018, 100 percent of DoDEA schools will meet the OSD acceptable standard of good or fair (Q1 or Q2) standards.	FY08-10 Actual: Not available FY12 Actual: 38%	FY13 Target: 39% FY13 Actual: 42%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.3.4-2R: Cumulative number of military spouses who have obtained employment through the Military Spouse Employment Partnership (MSEP) (USD(P&R))	4.3.4-2R: By FY 2017, a cumulative of 100,000 military spouses will have obtained employment through the Military Spouse Employment Partnership (MSEP).	FY08–12 Actual: Not available	FY13 Target: 20,000 FY13 Actual: 27,552
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
DoD Forces and Infrastructure Category 2T: Central Training			
DoD Strategic Objective 4.4-2T: <i>Train the Total Defense Workforce with the right competencies.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
4.4.1-2T: percent of acquisition positions filled with personnel meeting Levels II and III certification requirements (USD(AT&L))	4.4.1-2T: The DoD will increase the percent of positions filled with personnel meeting Levels II and III certification requirements from the previous fiscal year.	FY08-10 Actual: Not available FY12 Actual: 70.1%	FY13 Target: 70.2% FY13 Actual: 76.3%
Contributing DoD Components: <i>All</i>			
4.4.2-2T: percentage of Defense Language Institute (DLI) Foreign Language Center students who achieve a 2/2/1+ Defense Language Proficiency Test (DLPT) score in reading, listening, and speaking modalities (USD(P&R))	4.4.2-2T: At least 80 percent of DLI Foreign Language Center students will achieve a 2/2/1+ score on the DLPT in the reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale.	FY08-10 Actual: Not available FY12 Actual: 77%	FY13 Target: 80% FY13 Actual: 86%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.4.3-2T: percent of Military Departmental information assurance positions and contract requirements filled with personnel meeting certification requirements (DoD CIO)	4.4.3-2T: By FY 2016, 95 percent of Military Departmental information assurance positions and contract requirements will be filled with personnel meeting certification requirements.	FY08-11 Actual: Not available FY12 Actual: 78%	FY13 Target: 75% FY13 Actual: 80%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
4.4.4-2T: percent of student enrollments to funded training seats at the HUMINT Training Joint Center of Excellence (HT-JCOE) for Military Source Operations (MSO), interrogation, and HUMINT-enabling training activities (USD(I))	4.4.4-2T: By FY 2016, 100 percent of Military Source Operations (MSO), interrogation, and HUMINT-enabling activities training seats at the HUMINT Training Joint Center of Excellence (HT-JCOE) will be filled with validated enrollees.	FY08-12 Actual: Not available	FY13 Target: 85% FY13 Actual: 69%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force, and DIA</i>			

Strategic Objective 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.

Areas of Significant Improvement: The Department made substantial progress towards ensuring that all Wounded, Ill, or Injured (WII) service members were enrolled in a Service recovery coordination program and have an established active recovery plan administered by a DoD trained Recovery Care Coordinator. At the end of FY 2013, all Services are reported 100 percent enrollment with an active recovery plan. During the 1st and 2nd quarters of FY 2013, United States Air Force (USAF) Wounded Warrior Project (WWP) reported experiencing some technical latency issues in a few locations due to information technology (IT) infrastructure issues between USAF and the United States Marine Corps (USMC). However, as of the fourth quarter of FY 2013, all latency issues have been resolved to ensure compliance with the National Defense Authorization Act 2008 requirements. Both USAF and USMC WWPs reported positive feedback on the resolution of all issues.

In addition, the Department has two new performance measures for FY 2013 that exceeded their targets. In FY 2013, the Department successfully reviewed 100 percent of Psychological Health Programs across all the Services and all Services successfully implemented a more comprehensive Military Health Service (MHS) post-deployment health assessment.

The variance in Medical Cost Per Member has also remained within target parameters for the second consecutive year. Historically lower medical inflation rates have helped with achieving this outcome; the Department has also been successful in decreasing utilization through better preventive care and other initiatives aimed at improving the medical treatment provided.

Areas of Challenges: The Integrated Disability Evaluation System (IDES) did not meet its overall goals in FY 2013. Completion rates for DoD-specific, required activities (Referral stage, MEB, Informal Physical Evaluation Board, and Transition) averaged 147 days against a goal of 105 days, with 60 percent of cases meeting the goal. This overall timeliness figure included an average of 41 days in the Transition phase to allow Service members to take voluntary allowable administrative absences for activities, such as house hunting or using accrued leave, which are not part of the IDES process. The Department will continue to work with the VA in FY 2014 to improve the processes, practices, and interfaces that support our shared desire to ensure relevant, timely, and quality care for our warriors as they transition to veterans.

Mitigation Strategies: Staffing increases improved timeliness for the DoD portion of the initial two phases of the IDES process, evidenced by DoD meeting the 100-day MEB phase goal in Q4 (now at 7 consecutive months). The DoD continues to provide personnel to assist operations at the VA Disability Rating Activity Site (DRAS) in Seattle to expedite the Physical Evaluation Board phase of IDES case processing. Additionally, since December 2012, DoD has uploaded over 9,000 DD Forms 214 into Virtual VA to assist VA in completing IDES final benefit determinations sooner. The DoD Warrior Care Policy staff continues to focus on process and resourcing to improve timeliness and monitor Services' execution of the process.

Strategic Objective 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.

Areas of Significant Improvement: Acknowledging that people are its greatest asset, the Department is committed to ensuring it has the right workforce mix by managing the deployment tempo with greater predictability and ensuring the long-term viability of the Reserve Component. In FY 2013, the Department met its annual targets for seven of the performance measures for this strategic objective. The percentage of Active Duty Service members across the all Services who meet the planning objectives for time deployed in support of combat operations versus time

Overview – FY 2015 Defense Budget

at home has exceeded targets for FY 2013 and has shown improvement since the end of FY 2012. Additionally, the Department in aggregate has maintained Active Duty and Reserve Component end strength within one percent of the end strength prescribed by the National Defense Authorization Act (NDAA) and the Secretary of Defense, far exceeding the FY 2013 goal of three percent end strength variance.

Areas of Challenges: In FY 2013, the Department continues to struggle with meeting its 80 day target for external civilian hiring. The length of time for civilian hiring increased over the first three fiscal quarters, but the number fell from 98 days to 94 days in the fourth quarter. While the fourth quarter results represent a positive trend, the Department will continue to work diligently to achieve its goal of 80 days. Challenges with achieving the target may be attributed to Component hiring freezes, workforce furloughs, and concerns over future funding cuts. The Department is also concerned that longer wait times for hiring and diminished recruiting capabilities could potentially cause the DoD to lose interest from quality candidates. Mission critical occupations are being recruited in very limited instances but require lengthy approvals or waivers. There may also be delays associated with the Veterans Employment Opportunities Act (VEOA) eligibility verification process for transitioning military Service members. Average Time-To-Hire for VEOA appointments is approximately 145 percent higher than other types of appointments. To date, veteran hires represent approximately 40 percent of external hires for the DoD. Both of these factors warrant ongoing investigation and monitoring.

Mitigation Strategies: The Department must continue to aggressively recruit and retain Service members of the requisite quality. Strategies and deployment schedules must be closely monitored and adjusted to meet both operational requirements and support our personnel during mobilization and deployments. Training, outreach, and collaboration are the key focus areas for continued success with expeditious and efficient civilian hiring. The DoD is committed to successful delivery of enhancements to key systems, increased reliability, and ease-of-use for job seekers and system administrators. Additionally, efforts are underway to identify and obtain appropriate hiring authorities and to remove barriers to efficient hiring of quality candidates. The Department is also re-writing the existing Deploy 2 Dwell (D2D) ratio policy to apply more broadly than the policy applied to Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF).

Strategic Objective 4.3-2R: Better prepare and support families during the stress of multiple deployments.

Areas of Significant Improvement: The Department missed the targets on two measures, to include percent of worldwide government-owned Family Housing inventory and percent of worldwide inventory for government-owned permanent party Unaccompanied Housing (UH) at good or fair (Q1-Q2) condition.

During FY 2013, the Department of Defense's worldwide government-owned permanent party Unaccompanied Housing (UH) inventory at good or fair (Q1-Q2) condition increased from 85 percent to 86 percent (excluding the Navy, this number would have been 91 percent). The Army Q1/Q2 percentages slightly decreased from the end of FY 2012 to the end of FY 2013 (92 percent to 91 percent), the Marine Corps held steady (86 percent), and Navy and Air Force increased, 41 percent to 50 percent and 96 percent to 98 percent, respectively. The worldwide inventory of 316,523 bedrooms at the end of FY 2013 was split between the Services as follows: Army, 44 percent; Marine Corps, 22 percent; Navy, 13 percent; and Air Force, 21 percent.

Regarding school standards, the Department is committed to supporting military families and is working to ensure that 100 percent of DoD schools meet the OSD standards of good or fair by the end of FY 2018. Since embarking on these improvements, the Department has met or exceeded its targets and is on track to fulfill its FY 2018 target on time. During FY 2013, more

than 200 partner companies hired 27,552 military spouses through the Military Spouse Employment Partnership (MSEP). The program has recently added the Spouse Ambassador Network, a group of 11 military support organizations who help connect MSEP partners with military spouses in the communities where they live. Of the four performance measures that the Department tracks for Strategic Objective 4.3-2R, three measures are assessed annually and were unavailable at the time of this report.

Areas of Challenges: Reduced sustainment and recapitalization budgets pose the greatest challenge to improving the condition of government-owned family housing. The decrease in funding due to sequestration was the main reason for decreased performance during FY 2013 for the Marine Corps and Navy. Furthermore, with the last Air Force family housing privatization projects awarded by the end of FY 2013, the remaining DoD-owned family housing inventory is almost all in foreign locations (97 percent foreign, 3 percent domestic). Adequately maintaining housing in foreign locations can be more challenging because of the higher cost of doing business and the uncertainty on the enduring nature of certain locations. For example, the Army's decreased Q1/Q2 percentage was largely due to the inventory being expanded to include all units available for occupancy, including 5,179 units at five locations that are planned to be returned to the host nation. Due to limited budgets, housing managers are understandably reluctant to spend more than minimally required for units at possible non-enduring locations.

During FY 2013, the Department of Defense worldwide government-owned Family Housing (FH) inventory at good or fair (Q1-Q2) condition decreased from 81.5 percent to 79 percent. All of the Services reported decreased Q1/Q2 percentages from the end of FY 2012 to the end of FY 2013 except for the Air Force (which went from 85 percent-91 percent): Army 90 percent to 77 percent, Marine Corps 98 percent to 87 percent, and Navy 60 percent to 55 percent. The worldwide inventory of 43,832 dwelling units at the end of FY 2013 was split between the Services as follows: Army 36 percent, Marine Corps 2 percent, Navy 20 percent, and Air Force 42 percent.

Both the Army and Air Force have already achieved the 90 percent Q1/Q2 goal for government-owned permanent party unaccompanied housing, and the Marine Corps plans to exceed the 90 percent goal by the end of FY 2016. The Army shows performance continuing to exceed the 90 percent goal through the FYDP; the Air Force expects performance to decrease below 90 percent starting in FY 2017 due to constrained sustainment funding, dropping to 85 percent by the end of FY 2019. Sustainment and recapitalization funding shortfalls also limit the Navy's performance; they project to be at 58 percent Q1/Q2 by the end of FY 2019. At this condition level, it is unlikely the Navy could get to 90 percent by the end of FY 2022.

Mitigation Strategies: Within the FYDP, only the Marine Corps and the Army project achieving the 90 percent Q1/Q2 government-owned family housing performance goal, by the end of FY 2014 and FY 2016, respectively. The Navy and Air Force both expect to be at 79 percent Q1/Q2 at the end of FY 2019. Achieving 90 percent within the FYDP would require increased funding and/or re-stationing actions that would lead to divestiture of inadequate units.

Air Force sustainment levels must be increased to arrest the projected deterioration of permanent party UH inventory. The Navy needs to budget more for UH sustainment and recapitalization starting in FY 2016 to have a chance of achieving the 90 percent goal by the end of FY 2022.

Regarding schools, the DoDEA currently has 47 MILCON projects in design and 16 projects under construction to address concerns about those school facilities that do not meet quality standards. The DoDEA will continue to implement a robust project coordination process with Services and Commands to best ensure schools are sized properly and located on enduring installations.

Strategic Objective 4.4-2T: Train the Total Defense Workforce the right competencies.

Areas of Significant Improvement: As part of DoD's pledge to train the Total Defense Workforce, the Defense Language Institute's Foreign Language Center (DLIFLC) is committed to 80 percent of its students achieving a 2/2/1+ score on the Defense Language Proficiency Test (DLPT) in the reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale. In FY 2012, the Defense Language Steering Committee (DLSC) established two standing working groups to improve the process for training language officials at DLIFLC. Between FY 2012 and FY 2013, the percentage of DLIFLC students who achieved exemplary scores on the DLPT in reading, listening, and speaking modalities increased from 77 percent at the end of FY 2012 to 86 percent at the end of FY 2013. This represents a significant improvement above the intended target of 80 percent.

Another priority for the Department is ensuring that acquisition workforce members meet position certification requirements. The Department has consistently achieved an increasing performance target for the percent of acquisition positions filled with Level II/III-certified personnel since FY 2011. The Department has exceeded its FY 2013 target for DoD acquisition professionals, significantly improving its certification levels since 2009 from 61 percent to 76.3 percent at the conclusion of FY 2013. Results reflect continuous improvement with leadership and the Better Buying Power (BBP) strategy to improve the professionalism of the acquisition workforce. Key contributing factors included senior leadership emphasis on qualifications and training capacity contributed to the improvement.

A key challenge to training the DoD workforce in the right competencies exists in the area of information assurance. In the past five quarters, the Department has consistently reported that 78 percent of information assurance positions and contract requirements were filled with personnel meeting certification requirements. In FY 2013, the Department increased this figure to 80 percent, exceeding its target of 75 percent.

Areas of Challenges: Sequestration and civilian furloughs have created challenges that prevented the Department from reaching its annual goal relating to the percent of student enrollments in Human Intelligence (HUMINT)-enabling training activities. Impacts of sequestration and civilian furloughs have posed challenges to achieving the performance targets for FY 2013. The DoD Components received guidance that restricted travel and training to mission critical needs only. Students who were scheduled to take training were not allowed to attend training. Additionally, civilian furloughs caused some courses to be cancelled due to a lack of students or training cadre available for the course.

Mitigation Strategies: The acquisition workforce faces extensive losses of experienced personnel based on large year groups of retirement eligible and near-retirement eligible personnel. Hiring entry-level personnel will put a heavy demand on training capacity and initiatives to ensure a sufficiently qualified future workforce and capacity. The DoD will also have to ensure that the mid-career workforce is qualified and prepared for key acquisition leadership positions. The DoD has used the Defense Acquisition Workforce Development fund to increase training capacity and improve certification training. As part of improving professionalism and qualifications of the total acquisition workforce, under the BBP 2.0 Initiatives, DoD is establishing higher standards for key leaders and establishing stronger qualification requirements for all acquisition career fields.

STRATEGIC GOAL FIVE: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE

Strategic Goal Five accounts for 35 percent (26 of 74) of the Department’s FY 2013 performance results. In FY 2013, 54 percent (14 of 26) of the measures have met or exceeded their goals, while 35 percent (9 of 26) did not. At the time of this report, performance results for 12 percent (3 of 26) of Strategic Goal Five’s performance measures were not available. FY 2013 strategic objectives and performance results for Strategic Goal Five are presented below:

■ On Track
 ■ Off Track
 N/A = Not available

DoD STRATEGIC GOAL #5: REFORM AND FIND FURTHER EFFICIENCIES IN THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.			
DoD Forces and Infrastructure Category 2A: Force Installations			
DoD Strategic Objective 5.1-2A: Reduce energy demand and increase use of renewable energy at DoD installations * = Agency Priority Goal			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
5.1.1-2A: Average facilities sustainment rate (USD(AT&L))	5.1.1-2A: In FY 2014, the DoD will fund facilities sustainment at a minimum of 80 percent of the Facilities Sustainment Model (FSM) requirement	FY08 Actual: 94% FY09 Actual: 81% FY10 Actual: 88% FY11 Actual: 83% FY12 Actual: 85%	FY13 Target: 86% <b style="color: red;">FY13 Actual: 65%
Contributing DoD Components: <i>Army, Navy, Air Force, DLA, NRO, USMC and DoDEA</i>			
*5.1.2-2A: Cumulative average percent reduction in building energy intensity (USD(AT&L))	*5.1.2-2A: By FY 2015, DoD will reduce average building energy intensity by 30 percent from the FY 2003 baseline of 117,334 BTUs per gross square foot.	FY08 Actual: 10.7% FY09 Actual: 9.7% FY10 Actual: 10.5% FY11 Actual: 13.3% FY12 Actual: 17.7%	FY13 Target: 24% FY13 Actual: Data not available
Contributing DoD Components: <i>Army, Navy, Air Force, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, NRO, USMC, and WHS</i>			
*5.1.3-2A: percentage of renewable energy produced or procured based on DoD's annual electric energy usage (USD(AT&L))	*5.1.3-2A: By FY 2025, the DoD will produce or procure renewable energy equal to 25 percent of its annual electric energy usage.	FY08 Actual: 9.8% FY09 Actual: 9.7% FY10 Actual: 10% FY11 Actual: 8.5% FY12 Actual: 9.6%	FY13 Target: 13% FY13 Actual: Data not available
Contributing DoD Components: <i>Army, Navy, Air Force, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, NRO, USMC, and WHS</i>			
5.1.4-2A: Million square feet (MSF) of excess or obsolete facilities eliminated (USD(AT&L))	5.1.4-2A: Between FY 2008 and FY 2013, the DoD will demolish a minimum of 62 million square feet (MSF) of excess or obsolete facilities	FY10 Actual: 10.8 MSF/ 34.3 MSF Cumulative FY11 Actual: 7.3 MSF/ 41.6 MSF Cumulative FY12 Actual: 14.2 MSF/ 55.8 MSF Cumulative	FY13 Target: 62 MSF Cumulative <b style="color: green;">FY13 Actual: 10.3 MSF / 66.1 MSF Cumulative
Contributing DoD Components: <i>Army, Navy, Air Force, TMA, DoDEA, and DLA</i>			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 2C: Communications & Information Infrastructure			
DoD Strategic Objective 5.2-2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
5.2.1-2C: percent of applicable IT and National Security Systems (NSS) that are Certification and Accreditation (C&A)-compliant (DoD CIO)	5.2.1-2C: By FY 2015, 99 percent of applicable IT and National Security Systems (NSS) will be Certification and Accreditation (C&A)-compliant.	FY08 Actual: 95% FY09 Actual: 97% FY10 Actual: 90% FY11 Actual: 92% FY12 Actual: 91.1%	FY13 Target: 95% FY13 Actual: 95%
Contributing DoD Components: All			
5.2.2-2C: Cumulative percent reduction in the number of DoD data centers (DoD CIO)	5.2.2-2C: By FY 2015, the DoD will reduce its number of data centers by 45 percent (from 772 in FY 2010 to 428 in FY 2015) in order to increase data center storage utilization/capacity.	FY10 Actual: Not available FY11 Actual: 7% FY12 Actual: 15%	FY13 Target: 31% FY13 Actual: 32.4%
Contributing DoD Components: All			
5.2.3-2C: Cumulative percentage of DoD Non-secure Internet Protocol Router Network (NIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.3-2C: By FY 2014, 95 percent of DoD NIPRNet accounts will have PKI cryptographic logon capability.	FY08 Actual: 57% FY09 Actual: 87% FY10 Actual: 88% FY11 Actual: 88% FY12 Actual: 95%	FY13 Target: 93% FY13 Actual: 94%
Contributing DoD Components: All			
5.2.4-2C: Cumulative percentage of DoD Secure Internet Protocol Router Network (SIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.4-2C: By FY 2014, 95 percent of DoD SIPRNet accounts will have PKI cryptographic logon capability.	FY08–11 Actual: Not available FY12 Actual: 16.5%	FY13 Target: 75% FY13 Actual: Data not available
Contributing DoD Components: All			
DoD Forces and Infrastructure Category 2E: Acquisition Infrastructure			
DoD Strategic Objective 5.3-2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items. * = Agency Priority Goal			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
*5.3.1-2E: percentage of contract obligations that are competitively awarded (USD(AT&L))	*5.3.1-2E: The DoD will continue to increase, by one percent annually, the amount of contract obligations that are competitively awarded.	FY08 Actual: 64% FY09 Actual: 63% FY10 Actual: 62.5% FY11 Actual: 58.5% FY12 Actual: 57.5%	FY13 Target: 60% FY13 Actual: 56.9%
Contributing DoD Components: All			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
*5.3.2-2E: Average percentage increase from the Approved Program Baseline (APB)- cycle time for active Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after (USD(AT&L)) ¹	*5.3.2-2E: The DoD will not increase by more than five percent from the APB cycle time for active Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after.	FY08-09 Actual: Not available FY10 Actual: 4.4% FY11 Actual: 4.5% FY12 Actual: 6.6%	FY13 Target: </=5% FY13 Actual: 5.37%
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
5.3.3-2E: Average rate of acquisition cost growth from the previous year for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 (USD(AT&L))	5.3.3-2E: The DoD will ensure that average rate of acquisition cost growth from the previous year for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 does not exceed three percent.	FY08–11 Actual: Not available FY12 Actual: -0.3%	FY13 Target: </=3% FY13 Actual: -1.42%
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
*5.3.4-2E: Number of Major Defense Acquisition Program (MDAP) breaches (equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost)) for reasons other than approved changes in quantity (USD(AT&L))	*5.3.4-2E: The DoD will not have any MDAP breaches (significant cost overruns) for reasons other than approved changes in quantity.	FY08-10 Actual: Not available FY11 Actual: 4 FY12 Actual: 1	FY13 Target: 0 FY13 Actual: 0
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
5.3.5-2E: percentage of Small Business prime contract obligation goal met annually (USD(AT&L))	5.3.5-2E: Beginning in FY 2012, the DoD will meet 100 percent of its Small Business prime contract obligation goal.	FY08-11 Actual: Not available FY12 Actual: 20%	FY13 Target: 100% FY13 Actual: 93%
Contributing DoD Components: <i>All</i>			
5.3.6-2E: Number of Major Automated Information System (MAIS) “significant” breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months)) (DCMO)	5.3.6-2E: The DoD will ensure that the number of both MAIS “significant” breaches (equal to or greater than 15 percent of the APB total cost or with schedule slippages greater than six months) will not exceed one.	FY08 Actual: 1 FY09 Actual: 1 FY10 Actual: 1 FY11 Actual: 2 FY12 Actual: 3	FY13 Target: </=1 FY13 Actual: 0
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			
5.3.7-2E: Number of Defense Major Automated Information System (MAIS) “critical” breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more)) (DCMO)	5.3.7-2E: DoD will ensure that the number of MAIS and non-DBS MAIS “critical” breaches (equal to or greater than 25 percent of the APB total cost or with schedule slippages greater than one year) will not exceed two.	FY08 Actual: 2 FY09 Actual: 6 FY10 Actual: 2 FY11 Actual: 1 FY12 Actual: 3	FY13 Target: 0 FY13 Actual: 0
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			

¹ Performance goal 5.3.2-2E was updated from what was published in the FY 2013 APP update. Instead of median percent, the Department is assessing the average percent increase from the Approved Program Baseline (APB) cycle time.

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
5.3.8-2E: Cumulative percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009 (USD(AT&L))	5.3.8-2E: By FY 2013, 100 percent of Major Defense Acquisition Programs will be certified, as required by the Weapon Systems Acquisition Reform Act of 2009.	FY08-10 Actual: N/A FY11 Actual: 60% FY12 Actual: 84%	FY13 Target: 100% FY13 Actual: 90%
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
DoD Forces and Infrastructure Category 2L: Logistics			
DoD Strategic Objective 5.4-2L: <i>Provide more effective and efficient logistical support to forces abroad.</i>			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
5.4.1-2L: Perfect Order Fulfillment percentage for Defense Logistics Agency (DLA)-stocked items (USD(AT&L))	5.4.1-2L: By FY 2012, the DoD will increase and maintain Perfect Order Fulfillment (POF) percentage for DLA-stocked items at or above 85.1 percent.	FY08 Actual: 73.7% FY09 Actual: 79.9% FY10 Actual: 84.8% FY11 Actual: 85.9%	FY13 Target: 85.1% FY13 Actual: 88.9%
Contributing DoD Components: <i>DLA</i>			
5.4.2-2L: Army Customer Wait Time (USD(AT&L))	5.4.1-2L: By FY 2013, the DoD will maintain the Army's average customer wait time at or below 15 days.	FY08 Actual: 17.4 FY09 Actual: 16.6 FY10 Actual: 16.6 FY11 Actual: 14.1 FY12 Actual: 13.7	FY13 Target: 15 FY13 Actual: 13.8
Contributing DoD Components: <i>Army</i>			
5.4.3-2L: Navy Customer Wait Time (USD(AT&L))	5.4.2-2L: The DoD will maintain the Navy's average customer wait time at or below 15 days.	FY08 Actual: 10.3 FY09 Actual: 12.6 FY10 Actual: 12.7 FY11 Actual: 11.4 FY12 Actual: 12.6	FY13 Target: 15 FY13 Actual: 15.5
Contributing DoD Components: <i>Navy</i>			
5.4.4-2L: Air Force Customer Wait Time (USD(AT&L))	5.4.3-2L: The DoD will maintain the Air Force's average customer wait time at or below 7.5 days.	FY08 Actual: 5.7 FY09 Actual: 6.3 FY10 Actual: 7.6 FY11 Actual: 5 FY12 Actual: 5.5	FY13 Target: 7.5 FY13 Actual: 5.6
Contributing DoD Components: <i>Air Force</i>			
5.4.5-2L: percentage of excess on-hand secondary item inventory (USD(AT&L))	5.4.4-2L: By FY 2016, the DoD will reduce and maintain the percentage of excess on-hand secondary inventory to eight percent of total on-hand secondary inventory.	FY08 Actual: 14.1% FY09 Actual: 11.3% FY10 Actual: 10.7% FY11 Actual: 9.2% FY12 Actual: 9.9%	FY13 Target: 10% FY13 Actual: 7.2%
Contributing DoD Components: <i>Army, Navy, Air Force, and DLA</i>			
5.4.6-2L: percentage of excess on-order secondary item inventory (USD(AT&L))	5.4.5-2L: By FY 2016, the DoD will reduce and maintain the percentage of secondary item excess on-order inventory to four percent of total on order secondary item inventory.	FY08 Actual: 6.9% FY09 Actual: 8.5% FY10 Actual: 5.5% FY11 Actual: 4.8% FY12 Actual: 5.8%	FY13 Target: 6.3% FY13 Actual: 7.6%
Contributing DoD Components: <i>Army, Navy, Air Force, and DLA</i>			

Overview – FY 2015 Defense Budget

Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
DoD Forces and Infrastructure Category 2U/2V: Department Headquarters and other Infrastructure			
DoD Strategic Objective 5.5-2U/2V: <i>Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.</i> * = Agency Priority Goal			
Performance Goals	Long-Term Goals	Prior Year Results	FY13 Results
5.5.1-2U: percent of DoD's General Funds Balance with Treasury validated as audit-ready (USD(C/CFO))	5.5.1-2U By FY 2014, 100 percent of DoD's General Funds Balance with Treasury validated as audit- ready.	FY08 Actual: 5% FY09 Actual: 7% FY10 Actual: 9% FY11 Actual: 9% FY12 Actual: 9%	FY13 Target: 30% FY13 Actual: 9%
Contributing DoD Components: All			
5.5.2-2U: percent of DoD's general fund Schedule of Budgetary Activity (SBA) for material Components validated as audit ready-ready for material Components validated as audit-ready (USD(C/CFO)) ²	5.5.2-2U: By FY 2014, 100 percent of DoD's general fund Schedule of Budgetary Activity (SBA) for material Components will be validated as audit-ready s Activity (SBA) for material Components will be validated as audit-ready.	FY08 Actual: 10% FY09 Actual: 13% FY10 Actual: 14% FY11 Actual: 14% FY12 Actual: 14%	FY13 Target: 20% FY13 Actual: 19%
Contributing DoD Components: All			
5.5.3-2U: percent of DoD mission- critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated as audit-ready for existence and completeness (USD(C/CFO))	5.5.3-2U: By FY 2017, 100 percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) will be validated as audit-ready for existence and completeness.	FY08-09 Actual: Not available FY10 Actual: 4% FY11 Actual: 4% FY12 Actual: 41%	FY13 Target: 42% FY13 Actual: 50%
Contributing DoD Components: All			
*5.5.4-2U: percent of DoD's Statement of Budgetary Resources for Appropriations Received validated as audit ready (USD(C/CFO))	*5.5.4-2U: By FY 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received to 100 percent.	FY10 Actual: 19% FY11 Actual: 80% FY12 Actual : 88%	FY13 Target: 100% FY13 Actual: 100%
Contributing DoD Components: All			

² Performance goal 5.5.2-2U was updated from what was published in the FY 2013 APP Update. The Department measures the percent of the DoD's Statement of Budgetary Activity for material Components validated as audit ready, instead of the Statement of Budgetary Resources as was stated in the FY 2013 Update.

Strategic Objective 5.1-2A: Reduce energy demand and increase use of renewable energy at DoD installations

At the time of this report, the performance results for performance goals 5.1.2-2A and 5.1.3-2A were unavailable.

Areas of Significant Improvement: No significant improvement in the area of average facilities sustainment rates.

The DoD has made significant strides to tactically eliminate individual excess buildings and structures from the inventory. It is DoD policy that real property for which there is no foreseeable military requirement either in peacetime or for mobilization, or that is not economically repairable, shall be disposed of in accordance with applicable law, policies, guidance, and procedure.

While the Services and Agencies prioritized sustainment tasks and focused their funding on their most pressing requirements (Health and Life Safety requirements), they also demolished 10.3 million square feet (MSF) of excess or obsolete facilities during FY 2013, bringing the cumulative total since FY 2005 to 66.1 million square feet (MSF).

Areas of Challenges: The Department annually spends approximately \$4 billion on its global property portfolio of more than 555,000 facilities on 28 million acres. With a replacement value of close to \$850 billion, this infrastructure is critical to maintaining military readiness; the importance of sustaining these facilities cannot be overstated.

Progress toward the facility energy goals in FY 2013 was negatively impacted due to (1) late appropriations in FY 2011, which led to a delay in energy project implementation, (2) a hot summer and cold winter, both increasing facility energy use, and (3) troops returning home, leading to increased activity and energy consumption at DoD installations.

The Facilities Sustainment Model (FSM) has been used since 2003 to estimate the annual sustainment funds the services need to budget to perform maintenance and repair activities needed to maximize facility service life and keep the buildings and structures in good working order. The Department's goal is to fund facilities sustainment at a minimum of 90 percent of the requirement.

Although DOD budgeted for 86 percent of the sustainment requirement in FY 2013, by the year's end it had only obligated funding equal to 65 percent of the FSM requirement due to sequestration reductions. The Services and Agencies prioritized sustainment tasks and focused funding on the most pressing requirements (health and life safety requirements). Demolition regularly ranks below other priority facility areas, to include Sustainment, Restoration & Modernization, and New Construction.

In the short term, it is occasionally more cost effective to remove an unneeded building from active use, disconnect its utilities, and render it inaccessible to unauthorized personnel rather than demolish it. Such procedures nearly eliminate operating costs and keep unneeded facilities from being used for inappropriate purposes. However, while this approach saves the costs of demolition, other problems persist that may be associated with such "shuttered" buildings, which have the potential to become an eyesore and can also become fire or safety hazards if not kept under regular surveillance. For those reasons, shuttered buildings eventually must be removed from installations.

Mitigation Strategies: Sustainment is funded in Operation and Maintenance (O&M) accounts. As this funding is reprioritized due to budget limits, the Services and Agencies will fund only the most pressing facilities requirements (Health and Life Safety requirements). The Department

Overview – FY 2015 Defense Budget

will require marked improvement in order to accomplish its goals in this area.

Congress denied the Department's request for authority to conduct a Base Realignment and Closure (BRAC) round in FY 2015. Without additional BRAC authority, the Department will retain more bases than it needs to support its operations. Disposing of unneeded infrastructure will reduce the sustainment requirement and allow DoD to focus existing resources on sustainment requirements on remaining bases. The Department will continue working with the Defense Components to develop and implement more effective and efficient methods to eliminate excess infrastructure. This includes proactively managing the Department's processes to meet historic preservation requirements (to address environmental preservation concerns) and to expedite completion of required environmental mitigation.

The Department will continue working with host nations to avoid prolonged negotiations over the return or disposal of excess facilities in foreign countries, thereby minimizing delays in removing these facilities from the DOD real property inventory. The Department will also seek other means of low or no cost disposal and divestiture of facilities within our existing authority, such as privatization, public benefit conveyance, and returning the facility to the host nation.

Strategic Objective 5.2-2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.

Areas of Significant Improvement: In FY 2013, the Department made significant progress in certifying DoD IT and National Security Systems (NSS); 95 percent of the Department's IT and National Security Systems (NSS) now meet Certification and Accreditation (C&A) requirements. The Department met its goal for this measure and is confident it will achieve its goal of 99 percent C&A compliance in FY 2015. This is due in part to involvement of the DoD Chief Information Officer (CIO) who has closely monitored compliance rates on a monthly basis and military department CIOs who have applied industry best practices to rationalize their applications and systems and convert them to virtualized environments.

By the end of FY 2013, the Department reduced the number of DoD data centers by 32.4 percent, exceeding its target of 31 percent.

Areas of Challenges: The Department transitioned 94 percent of DoD NIPRNet accounts to cryptographic login capability by the end of FY 2013; this result is short of the goal of 95 percent.

Mitigation Strategies: An implementation plan is in place to achieve the goal in FY 2014.

Strategic Objective 5.3-2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.

Areas of Significant Improvement: Of the USD(AT&L)'s seven quarterly goals, four are meeting their annual targets, and one demonstrates progress over FY 2012. The average rate of MDAP cost growth from fourth quarter, FY13 (-1.42 percent) was significantly below the annual goal of three percent. There was a significant improvement between FY 2012 (-0.3 percent) and FY 2013 (-1.42 percent) for this measure. Also, as of FY 2013, there were no MDAP cost breaches for reasons other than approved changes in quantity. The average MDAP cycle growth percentage time showed positive improvements over the previous year, although it did not meet the annual target of less than or equal to five percent. All ACAT 1 programs going through milestone reviews presented affordability analyses and competitive strategies.

Changes to the acquisition policy will continue to have positive future effects on MDAP execution. These changes were directed by the Under Secretary of Defense for Acquisition,

Overview – FY 2015 Defense Budget

Technology and Logistics (USD(AT&L)) in his “Implementation Directive for BBP 2.0 – Achieving Greater Efficiency and Productivity in Defense Spending.” It will take some time before the long-term effects of these changes on achieving longer-term acquisition outcomes can be assessed.

Additionally, the percent of MDAPs certified, as required by the Weapon Systems Acquisition Reform Act (WSARA) of 2009, increased from 84 percent to 90 percent as of the end of the fourth quarter. Three of the five areas assume changes to the acquisition policy will have positive effects on MDAP execution. These changes were directed by BBP 2.0. Specifically, this directive requires the establishment of affordability goals and caps. Affordability goals will be established at the Materiel Development Decision (MDD) to inform requirements and design trades during early research and development; affordability caps will be established prior to Milestone Band and will serve as fixed cost requirements that are functionally equivalent to Key Performance Parameters (KPPs).

The requirement to certify all MDAPs was statutorily-driven in the WSARA of 2009. In addition, the number of Major Automated Information System (MAIS) significant and critical breaches met targets for both FY 2012 and FY 2013. The Department continues to develop indicators that will identify threats to the MAIS program lifecycle; this will enable further reductions in risk to the MAIS program lifecycle.

Areas of Challenges: The current rate of cycle time growth for the MDAPs being measured is 5.37 percent, which is an improvement over the 6.61 percent for FY 2012. Most of the programs in the portfolio show little or no cycle time growth; however, 8 of 34 programs with cycle time growth exceeding 10 percent skew the result.

Although the Department continues to stress the importance of increased competition among contracts awarded, the Department did not meet its FY 2013 competition goal. The Department achieved a competitive contract obligation rate of 56.9 percent against the target of 60.0 percent for FY 2013. The Department is taking steps to improve competition for its products and services in BBP 2.0, which emphasizes the importance of creating and maintaining competitive environments throughout the life cycle of the program. However, the Department continues to experience barriers to competition for procurement of legacy weapon systems’ spares, upgrades, and specialized equipment that need to be purchased from the original equipment manufacturer or supplier. In most instances, these programs were initially procured using competitive procedures but now must rely on exceptions to competition for the follow-on procurements because competition is no longer economically viable. These contract actions, along with limited new starts, in the current budget environment have reduced competitive dollars obligated and the corresponding competition rate. The Department will not complete the certifications of all MDAPs, as initially required by the WSARA of 2009, as the requirement to certify all MDAPs was rescinded, and this measure will be dropped for FY 2014.

Mitigation Strategies: To prevent cost breaches and cycle time growth for newer MDAP programs, the DoD has strengthened the front end of the acquisition process through new policy and procedural guidance. Release of the request for proposal for the Engineering and Management Development (EMD) phase is the critical decision point in a program. The program will either successfully lead to a fielded capability or identify problems based on the soundness of the capability requirements, the affordability of the program, and the feasibility of the program execution plan put into motion at that point. To increase emphasis on the importance of this decision, the USD(AT&L) has issued policy guidance establishing a new decision point – Pre-EMD Review – designed to ensure a comprehensive and effective discussion of program business arrangements and readiness to proceed to EMD *before* EMD source selection and Milestone B. The BBP 2.0 continues the emphasis on small businesses

Overview – FY 2015 Defense Budget

with an increased focus on identifying more opportunities for small businesses.

“Should Cost” Management also receives systematic emphasis throughout the program life-cycle. Should Cost is a management tool designed to proactively target cost reduction and drive productivity improvement into programs. It challenges program managers to identify and achieve savings below the budgeted most likely costs. The objective is to seek out and eliminate low-value or unnecessary elements of program cost to motivate better cost performance wherever possible, and to reward those that succeed in achieving those goals.

Affordability and investment analysis has been institutionalized to drive program affordability and enforce affordability caps. Affordability analysis examines competing Component fiscal demands for production and sustainment within a relevant portfolio of products to reveal the life-cycle cost and inventory implications of the proposed new products within the portfolio. However, when program schedules are stretched due to overall affordability constraints, program costs may increase.

To improve upon the percentage of contract obligations that are competitively awarded, the Department continues to share best practices at quarterly competition meetings and is exploring initiatives to support the BBP 2.0 competition guidance. The BBP 2.0 will promote competition by emphasizing how vital it is to create and maintain competitive environments when acquiring both products and services. The Department is also taking the following steps to help mitigate the challenges to competition:

- Identify and track the specific factors that affect the competition rate, such as foreign military sales, and consider this information when setting annual competition goals for Components.
- Develop guidance to enable the Components to apply lessons learned from past procurements to increase competition for the same or similar good and services in follow on procurements.
- Implement tools using Federal Procurement Data Systems (FPDS) and Product Service Code data to help identify opportunities to increase competition for goods and services.

Strategic Objective 5.4-2L: Provide more effective and efficient logistical support to forces abroad.

Areas of Significant Improvement: In FY 2013, four of the six logistics support measures met their annual targets. The Army and Air Force reduced Customer Wait Times (CWTs) to meet goal, while the Navy reduced CWT to 15.5 days compared to a target of 15 days. Perfect Order Fulfillment exceeded its target every quarter, and the percentage of excess on-hand secondary item inventory, an annual measure, was 7.2 percent compared to a target of 10 percent.

Areas of Challenges: The Navy’s cumulative CWT performance of 15.5 days was driven by a high of 19.6 days for March 2013. The issues were addressed and the Navy’s performance in the subsequent months has been well within the goal of 15 days (April, 13.5 days; May, 13.8 days; June, 12 days; July, 13.9 days; August, 14.3 days; and September, 14.6 days).

The percent of excess on-order performance (7.6 percent) is 1.3 percent above FY 2013 target (6.3 percent) due to declining customer demand. As the drawdown in Afghanistan operations tempo increases, requirements for new procurements are decreasing at a rate faster than contracts are being reviewed and terminated.

Mitigation Strategies: The Navy continues to closely monitor its CWT measure and may re-evaluate its goal in light of budgetary uncertainties and the changing mix of items being ordered and management decisions. All measures associated with logistics support will continue to be

Overview – FY 2015 Defense Budget

monitored for compliance with desired execution. For on-order secondary items, the DoD Components will continue to monitor materiel procurement contracts for termination as applicable.

Strategic Objective 5.5-2U/2V: Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.

Areas of Significant Improvement: A key component of the Department’s audit readiness goal is validating the existence and accountability of “mission critical assets,” such as real property, military equipment, and inventory. The Department exceeded its target by eight percentage points and validated the existence and accountability of 50 percent of “mission critical” assets.

The Department has also achieved its goal of validating 100 percent of DoD’s Statement of Budgetary Resources (SBR) for appropriations received. This is a key element of the Department’s priorities for financial improvement and will directly support the Department’s goal of achieving 100 percent audit readiness of all financial statements by 2017.

Areas of Challenges: The DoD Components continue to face significant challenges with business and financial legacy systems because these systems cannot record all financial transactions at the transaction level and are not interfaced with key financial systems. In addition, supporting documentation for financial transactions is neither complete or nor readily available. Therefore, manual interfaces and workarounds between systems are required to provide the entire transaction cycle from origination to financial reporting. The Department did not meet the FY 2013 Q4 goals for both 5.5.1-2U and 5.5.2-2U because of slippages within the Navy assertion plans due to longer discovery time and corrective action plan implementations. The revised estimated date to meet the Q4 goal of 30 percent for 5.5.1-2U and the Q4 goal of 20 percent for 5.5.2-2U is Q3FY14 and Q1FY14, respectively.

Mitigation Strategies: In addition to system modernization efforts to include the Enterprise Resource Planning deployments, each Component’s audit readiness efforts are being monitored and feedback is regularly provided on financial improvement plans. Corrective action plans are in the process of being executed for identified deficiencies. End-to-end views and memorandums of understanding are also being written to capture the processes in their entirety, including the reportable entity and the service provider’s roles and responsibilities.

Conclusion

As the Nation takes steps to improve stewardship of taxpayer dollars by more efficiently and effectively managing budgets, Defense spending has come under intense scrutiny. Sequestration has resulted in across-the-board cuts in virtually all of the Department’s FY 2013 discretionary spending areas and has impacted the Department’s ability to achieve its strategic goals. Cuts in training exercises and operational budgets to meet sequestration targets are likely to affect the readiness of DoD organizations. Despite these challenges, the Department has been successful in meeting several of its most critical goals and performance measure targets in FY 2013, including those related to mission readiness and taking care of our people. A focus on mission readiness has resulted in high readiness levels to execute current, ongoing operations, although the Department is facing challenges in other mission readiness areas. Similarly, the Department has maintained its commitment to taking care of its people and has made considerable improvements to the psychological care and post-deployment health of Service members.

Nevertheless, there are performance improvement opportunities in several areas, to include the processing of wounded warriors through IDES. The Department needs to continue to focus

Overview – FY 2015 Defense Budget

efforts on decreasing the time required to process wounded Service members through IDES in support of its commitment to provide top-quality care to wounded warriors. On the energy conservation front, the Department can further improve facility energy performance, which will contribute to reducing overhead and headquarters costs and ultimately return dollars to the mission.

Continued budget cuts will require creative solutions to building partner capacity with a renewed emphasis on a globally networked approach to deterrence and warfare. It will also require thoughtful choices regarding the necessity, cost, and location of future operations. As the Department continues to navigate a fiscally constrained environment, it will steadfastly continue to advance its mission of providing the military forces the ability to deter war and protect the security of our country. Doing so in this challenging budgetary background will require active management and continuous evaluation of how our warfighting and infrastructure operations are delivering quality and timely performance results to the warfighter.

8.3 FY 2014 DOD ANNUAL PERFORMANCE PLAN UPDATE

Introduction

On August 1, 2013, the Deputy Secretary of Defense released new strategic guidance for the Department of Defense based on the Strategic Choices and Management Review (SCMR). The FY 2014 Agency Performance Plan (APP) update reflects the strategic priorities that are consistent with that guidance. In addition on, July 1, 2013, the Department released its Strategic Management Plan (SMP), which is a bi-annual plan that sets forth the business strategy for the Department.

Ten new performance goals were added for DoD management focus in FY 2014:

- Management headquarters active military positions filled by the Services
- Contract support direct labor hours and associated costs
- Workforce codes to identify personnel in cyberspace
- Separation briefings for eligible Service Members who received (a) pre-separation counseling, (b) Department of Labor Employment workshop, and (c) as required by 10 USC CH 58 § 1142 & § 1144 and Public Law 112-56 (Veterans Opportunity to Work Act)
- Separating eligible Service Members who met Career Readiness Standards prior to separation
- Defense Travel non-compliant vouchers corrected/reconciled (Travel Transformation: Travel Policy Compliance Program)
- Defense Travel dollars recovered (Travel Transformation: Travel Policy Compliance Program)
- Public facing services migrated into organizational and/or DISA-provided DMZ
- PKI authentications for Web Servers & Web-Based Applications
- COMSEC Modernization Rate

The above additions were offset by the following 15 performance goal deletions for FY 2014:

- Percent of the DoD COCOMs that are ready to execute their Core or Theater Campaign Plan missions
- Percent of the DoD COCOMs Contingency Plans which they report ready to execute
- Cumulative percent of Army BCTs converted to a modular design and available to meet military operational demands
- Cumulative number of Army Multi-functional and Functional Support (MFF) brigades converted to a modular design and available to meet military operational demands
- Cumulative number of ships in the fleet
- Percent of DoD COCOMs Current Operations which they report ready to execute
- Percentage of Armed Services that have transitioned to a more comprehensive post-deployment health assessment
- Percentage of the Department's active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home

Overview – FY 2015 Defense Budget

- Percentage of the Department’s active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home
- Percentage of the Department’s active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home
- Percentage of the Department’s active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home
- Million square feet (MSF) of excess or obsolete facilities eliminated
- Cumulative percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009
- Percent of DoD’s Statement of Budgetary Resources for Appropriations Received validated as audit ready
- Cumulative number of labs working with dangerous pathogens at risk for exploitation.

These goals were deleted based on having met desired end states in FY 2013, adjustments made to FY 2014 budget, DoD goal leader determination that these operations were no longer at risk based on performance, or goal leader determination that these measures are no longer a priority.

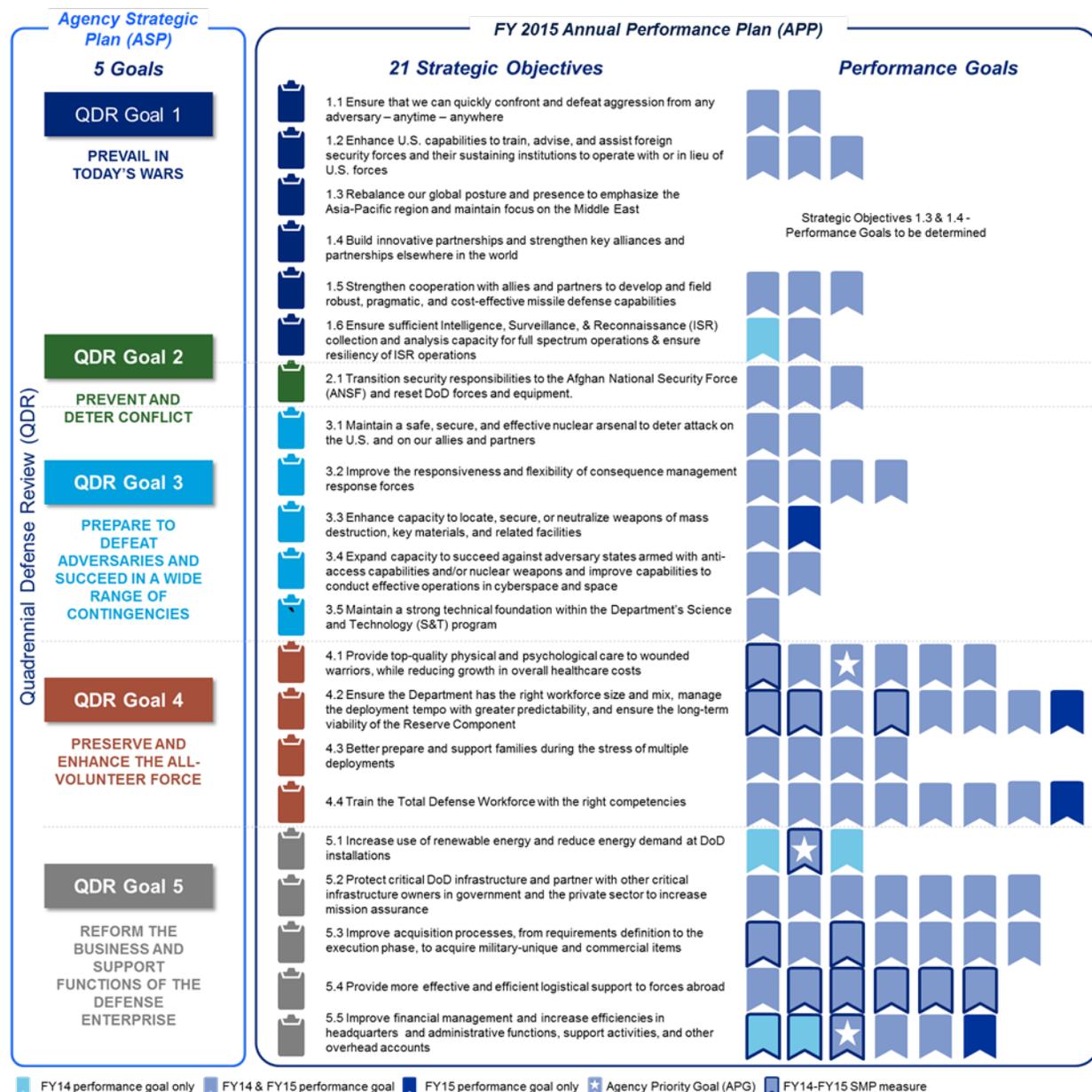
Figure 8-5. Summary of FY 2014 APP Performance Goal Updates

DoD Strategic Goal	FY 2014					
	#	%	Adds	Delete	Total Count	%
Goal 1 – Prevent and Deter Conflict	12	16	1	-5	8	11
Goal 2 – Prevail in Today’s Wars	3	4	0	-3	0	0
Goal 3 – Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies	11	15	0	-2	9	12
Goal 4 – Preserve and Enhance the All-Volunteer Force	23	31	6	-5	24	33
Goal 5 – Reform and Find Further Efficiencies in the Business and Support Functions of the Defense Enterprise	26	34	9	-3	32	44
Total:	75	100	16	-18	73	100

Overview – FY 2015 Defense Budget

Figure 8-6 provides a summary view of the performance goals in the FY 2014 APP Update

Figure 8-6. Summary of FY 2014 APP Update



DoD Programs

The GPRA Modernization Act requires the APP to identify low-priority program activities based on an analysis of contribution to the mission and goals of the agency. The APP should include an evidence-based justification for designating a program activity as low priority. The “Terminations, Reductions, and Savings (TRS)” volume of the President’s Budget identifies the low-priority program activities under the GPRA Modernization Act, 31 U.S.C. 1115(b) (10). The public can access the volume at <http://www.whitehouse.gov/omb/budget>.

Overview – FY 2015 Defense Budget

The GPRAMA of 2010 also requires a government-wide inventory of Federal programs with accompanying descriptions to facilitate coordination across programs and to identify programs with shared goals. With the release of the DoD Program Inventory for 2013, the Department is publicly reporting on this requirement. More information regarding the DoD program inventory is available at <http://dcmo.defense.gov/products-and-services/program-inventory/>.

DoD Human Resources

The DoD FY 2013–2018 Strategic Workforce Plan details the ongoing accomplishments and strategy implementation for shaping a ready civilian employee workforce. This plan continues to focus on improving engagement of the Military Departments and Defense Agencies through ongoing outreach meetings, standardizing reporting templates and developing baseline results-oriented performance measures. For more information on DoD's Strategic Workforce Plan go to: <http://dcips.dtic.mil/documents/SWP%20whole%20report%20CD%20v2.pdf>.

FY 2014 – FY 2015 DoD Agency Priority Goals

Based on the GPRAMA, the FY 2015 APP will have a subset of its performance goals identified as Agency Priority Goals (APGs), which are bi-annual performance goals with ambitious targets that reflect the top near-term performance improvement priorities within the Department. Additional details are available online at www.performance.gov. The FY 2014 APP update includes three APGs that are continued from among the FY 2012 – FY 2013 APGs published in the FY 2014 Defense Budget, in addition to one, or possibly two, new APGs that reflect areas in which DoD can continue to focus its performance improvement efforts over the next 2 years to advance progress toward near-term outcomes based on DoD strategic priorities.

The GPRAMA also requires each APG to have an Action Plan that sets the implementation strategy, risk mitigation strategies, goal leaders, and contributing programs, and to publish these on www.performance.gov. Figure 8-7 provides a summary of the FY 2014 – FY 2015 APGs.

Overview – FY 2015 Defense Budget

Figure 8-7. Summary of FY 2014 – FY 2015 Agency Priority Goals

FY 2014 – FY 2015 APG Topic	Performance Goal	Description
Improve the Transition of Veterans	<p>With America's involvement in Afghanistan winding down, there is a large influx of returning Service members and veterans transition to civilian life. To better support all Service members, DoD transformed its Wounded Warrior Agency Priority Goal from Fiscal Years 2012-2013 to an APG focused on Transition to Veterans. Transition to Veterans is a top DoD issue, and the Department wants to ensure our men and women in uniform are fully equipped for life after the military. By September 30, 2015 DoD will improve the career readiness of Service Members' transitioning to Veteran status by:</p> <p>(1) ensuring at least 85% of eligible Service Members complete new required transition activities prior to separation: pre-separation counseling, a Department of Labor (DoL) employment workshop, and Veterans Affairs' benefits briefings;</p> <p>(2) verifying that at least 85% of separating service members meet newly established Career Readiness Standards prior to separation; (3) achieving and maintaining 85% or better positive responses from Service Members assessing the effectiveness of the Department's transition assistance training curriculum;</p> <p>(4) accelerating the transition of recovering Service Members into Veteran status by reducing the disability evaluation processing time; and (5) supporting the seamless transition or recovering service members by sharing active recovery plans with the VA</p>	<p>The Department, per Title X, Chapter 58, is responsible for ensuring that separating Service members assigned to remote locations, or other sites where it is not possible to obtain face-to-face pre-separation counseling, are allowed access to a Transition Assistance Program Counselor, regardless of Service affiliation, through Service-funded TDY/TAD of the Service member or Counselor, whenever possible. The Service member's command is responsible for ensuring that face-to-face pre-separation counseling and DoD and/or Service publications are available to its personnel. At a minimum, in no case shall a Service member be separated without having the opportunity to review applicable DoD or Service publications describing transition services and benefits.</p>
Improve Energy Performance	<p>By September 30, 2015, the DoD will improve its facility energy performance by:</p> <p>1) reducing average facility energy intensity by 30 percent from the 2003 baseline of 117,334 BTUs per gross square foot, and 2) producing or procuring renewable energy equal to 12 percent of its annual electric energy usage.</p>	<p>DoD is the largest consumer of energy in the Federal government and has a variety of efforts related to energy conservation and efficiency. Sequestration reductions have made it difficult for the Department to meet energy legislation requirements in recent years, but DoD continues to strive toward improving facility energy performance by reducing energy intensity and increasing renewable energy use.</p>
Improve Audit Readiness	<p>Improve Audit Readiness. By FY2015, validate 82 percent of DoD's mission critical assets for existence and completeness; validate 99 percent of DoD's General Funds, Funds Balance with Treasury (FBwT) as audit ready; and validate 100 percent of DoD's General Fund, Schedule of Budgetary Activity (SBA) for material components as audit ready.</p>	<p>Achieving full audit readiness by FY 2017 across Department is a critical step in achieving sustained cost savings and improving business outcomes. A key component of the Department's audit readiness efforts is to validate the existence and accountability of "mission critical assets," such as real property, military equipment, and inventory balances, and this performance goal continues to be an APG for FY 2014 – FY 2015.</p>

Overview – FY 2015 Defense Budget

FY 2014 – FY 2015 APG Topic	Performance Goal	Description
Improve Acquisition Process	By September 30, 2015, DoD will improve its acquisition process by ensuring that the median cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 2.0% from the previous year; the average rate of acquisition cost growth for MDAPs will not exceed 3% from the previous year; the annual number of MDAP breaches - significant or critical cost overruns for reasons other than approved changes in quantity - will be zero; and DOD will increase the amount of contract obligations that are competitively awarded from 58 percent in FY 2014 to 59 percent in FY 2015.	To prevent MDAP breaches and reduce cycle time for newer programs, DoD has taken on a number of initiatives. One key change is strengthening the front end of the acquisition process through new policy and procedural guidance. All programs must proceed into the process via mandatory process entry point, the Materiel Development Decision. This will ensure programs are based on rigorous assessments of alternatives and requirements. Other changes that are designed to reduce technical risk are the requirements for a Preliminary Design Review and an independent review to certify the maturity of technologies before Milestone B.
Personnel Security Evaluation	Under development	Under development

Details on each proposed FY 2014 – FY 2015 APG are discussed below:

Agency Priority Goal 1: Improve the Transition of Veterans

By September 30, 2014, DoD will improve Service members' transition to veterans status (USD (P&R)).

The Department is responsible for ensuring that separating Service members assigned to remote locations, or other sites where it is not possible to obtain face-to-face pre-separation counseling, are allowed access to a Transition Assistance Program Counselor, regardless of Service affiliation, through Service-funded Temporary Duty Assignment/Temporary Duty Yonder (TDY/TAD) of the Service member or Counselor, whenever possible. The Service member's command is responsible for ensuring that face-to-face pre-separation counseling and DoD and/or Service publications are available to its personnel. At a minimum, in no case shall a Service member be separated without having the opportunity to review applicable DoD or Service publications describing transition services and benefits.

The Department will improve the services received by transitioning veterans by ensuring that Service members have necessary pre-separation counseling, access to a Department of Labor employment workshop and VA benefits briefings prior to their separation. This enables Career Readiness Standards for eligible separating Service members prior to separation, accelerated transition of WII Service members into veteran status by reducing the disability evaluation processing time and supporting the seamless transition of recovering service members by sharing active recovery plans with the VA.

More detailed information on the Department's Transition of Veterans Agency Priority Goal can be found at www.performance.gov.

Agency Priority Goal 2: Improve Energy Performance

By September 30, 2015, DoD will: (1) improve its facility energy performance by reducing average facility energy intensity by 30 percent from the 2003 baseline of 117,334 BTUs per gross square foot, and 2) produce or procure renewable energy equal to 12 percent of DoD's annual electric energy usage (USD(AT&L)).

Improving facility energy performance at the DoD will reduce reliance on fossil fuels, reduce energy costs, improve mission effectiveness, and improve energy security. Efficiencies will be achieved by reducing the demand for traditional energy, while increasing the supply of renewable energy. Statutory requirements mandate a three percent annual reduction in facilities energy intensity, as measured in BTUs per gross square foot. The Department also has a requirement to increase production or procurement of renewable energy equal to 12 percent of its electrical energy usage by fiscal year 2025.

The Department is pursuing a facility energy investment strategy that has four elements: (1) reduce the demand for traditional energy through conservation and energy efficiency, (2) expand the supply of renewable and other distributed (on-site) generation sources, (3) enhance the energy security of our bases directly, as well as indirectly through the first two elements, and (4) leverage advanced technology. Financing for these investments will come from the DoD's military construction budget, the Energy Conservation Investment Program, Energy Savings Performance Contracts, and mechanisms such as Enhanced Use Leases and Power Purchase Agreements. A large fraction of DoD's investments will be used to retrofit existing buildings with energy efficiency systems and ensure energy efficient designs in new construction. More detailed information on the Department's Energy Agency Priority Goal can be found on www.performance.gov.

Agency Priority Goal 3: Improve Audit Readiness

By FY 2015, improve audit readiness by focusing on validating mission critical assets, General Funds, Funds Balance with Treasury, and General Fund, Schedule of Budgetary Activity (SBA) (USD(C)).

Auditable annual financial statements are an important tool in reassuring the public that the Department is a good steward of its resources. Validating the existence and accountability of "mission critical assets," such as real property, military equipment, and inventory will play a critical role in identifying and reducing excess resources. Although the Department will strive to achieve this APG for FY 2017, seven challenges still exist in achieving the Department's overall goals of full audit readiness for all DoD financial statements by September 30, 2017. More detailed information on the Department's Agency Priority Goal on audit readiness can be found on www.performance.gov.

Agency Priority Goal 4: Improve Acquisition Processing

By 2015, DoD will improve its acquisitions processing by focusing on Major Defense Acquisition Program (MDAP) cycle times, acquisition cost growth, MDAP breaches, and competitively awarding contracts (USD(AT&L)).

By September 30, 2015, DoD will improve its acquisition process by ensuring that the median cycle time for MDAPs will not increase by more than 2 percent from the previous year; the average rate of acquisition cost growth for MDAPs will not exceed 3 percent from the previous year; the annual number of MDAP breaches, defined as significant or critical cost overruns for

Overview – FY 2015 Defense Budget

reasons other than approved changes in quantity, will be zero; and DoD will increase the amount of contract obligations that are competitively awarded from 58 percent in FY 2014 to 59 percent in FY 2015.

The Department has a continuing responsibility to procure weapon systems and critical goods and services needed by our Armed Forces to successfully execute our national security mission. For the competition goal, the Department has directed improvement plans from every competition advocate and is in the process of strengthening the supplier base to give the Government more supply options.

The DoD has a portfolio of 81 ongoing MDAPs. To prevent cost breaches and cycle time growth, the strategy has been to focus on the front end of the acquisition process through policy and procedural guidance that assures rigorous assessments of alternatives and requirements and independent reviews to certify maturity of technologies. More detailed information on the Department's APG on improving acquisition can be found at <http://www.performance.gov/>.

Alignment to Government-Wide Performance Priorities

The Department collaborates across the government to meet the challenge of creating more effective and efficient operations while delivering high value in return for the American taxpayer's investment. The Department collaborated with other agencies to assist in the development of FY 2014 Cross-Agency Priority Goals (CAP Goals) and will continue to work with Congress and other agencies to meet today's performance challenges and improve DoD performance management.

FY 2014 – FY 2015 Cross-Agency Priority Goals

The Department contributes to a number of CAP Goals in areas where increased cross-agency coordination on outcome-focused areas is likely to improve progress. Although the CAP goals are not yet finalized, eight DoD initiatives were provided in August 2013 as input to the Second Term President's Management Agenda (PMA). These activities were reviewed in a Presidential Cabinet meeting in September 2013 and are being used to develop cross-government initiatives.

The Department plans to use these proposed cross-government initiatives and objectives to provide input for the final development of the FY 2014-15 CAP Goals. The CAP Action Plan describes how DoD's goals and objectives contribute to the CAP Goal and identifies the implementation plan, risk mitigation strategies, goal leaders, and contributing programs. The Department's final contributions to the FY 2014-15 CAP Goals and progress, where applicable, will be available online at www.performance.gov.

Evaluation & Challenges

Reporting and Evaluation

Effective performance management in DoD requires a clear process for implementing the APP and tracking and reporting performance results. Principal Staff Assistants are assigned performance goals to manage the implementation of the APP and to track and report performance outcomes quarterly over the course of the fiscal year. The performance goals outlined in this APP are the basis for DoD-wide organizational performance; they represent the priorities that are aligned to the strategic goals and objectives in DoD's Strategic Plan and to direction provided by the President, Congress, and Secretary of Defense. Through the DoD Organizational Assessment (OA) process, the organizational performance results inform SES and SL/ST performance evaluations. Exhibit A is distributed annually, informing leaders within the Department of the performance goals identified for the fiscal year.

Overview – FY 2015 Defense Budget

At the beginning of the fiscal year, goal leaders provide Action Plans and verification and validation forms on each performance goal listed in the APP. This plan provides a summary of the challenges the goal addresses, implementation plans, mitigation and risk strategies, and contributing programs. This information ensures the accuracy and reliability of performance data reported in order to inform senior leader decision making.

Management Challenges

There are a number of challenges that may impact DoD's ability to meet its planned targets. Evolving national security priorities and a new fiscal environment have led to unprecedented constraints on the Department's ability to meet its goals, which will inevitably affect performance outcomes in the coming year.

In particular, sequestration has already impacted the Department in a number of ways. To achieve reductions of \$487 billion over 10 years to be consistent with the BCA of 2011, DoD must re-double its efforts on cost reductions in the coming years. In response, the SCMR was conducted in the summer of 2013 to understand the impact of sequestration on the Department. The SCMR developed a series of options to address budgetary cuts. Plans are underway at all levels of DoD to reduce the cost of doing business while maintaining readiness within constrained resources. The Department's performance plan will reflect these plans once they are finalized in the 2014 QDR.

Acquisition reform also remains a concern. The DoD IG and the GAO have listed acquisition processes and contract management as major management challenges. The DoD leadership has demonstrated a sustained commitment to acquisition reform through its BBP 2.0 initiative. The Department tracks its efforts to improve acquisition processes through *Strategic Objective 5.3-2E*. The DoD continues to measure cost growth for MDAPs and meet Small Business obligations and other requirements (see Exhibit A) in FY 2014 and FY 2015.

Similarly, health care is the one of the largest cost drivers in the Defense Department, and rising costs remain an important issue for the entire nation. It is critical to provide timely and quality care to our Service members and their families. Recognizing this need, the Department's *Strategic Objective 4.1-2M* is focused on providing top-quality care to wounded warriors while reducing overall health care costs. The Department will start to measure ten additional performance goals related to health care reform, including costs per member and shared services' cost savings (see Exhibit A).

Finally, audit readiness continues to be a pressing issue as the Department executes Financial Improvement Audit Readiness (FIAR) plans to achieve full auditability by FY 2017. The DoD can respond to this challenge by focusing on a more disciplined use of resources and strengthening financial management. Accordingly, improving audit readiness is a FY 2014 – FY 2015 APG. The Department's strategy calls for continued emphasis on improving the percentage of DoD's General Funds, SBA for material components to 100 percent by Q4 FY 2015 and continued progress for both the percent of General Funds, Funds Balance with Treasury validated as audit-ready and the percentage of DoD mission critical assets validated for existence and completeness. Additional information about DoD's major management challenges, such as those identified by the DoD IG, can be found at www.comptroller.defense.gov in Addendum A of the Agency Financial Report (AFR). GAO also identifies certain DoD activities on its High Risk List at www.gao.gov.

Conclusion

The Department is committed to improving its performance management efforts and using performance results to drive future strategy and budget decisions. The FY 2014 APP update serves as the guiding document to measure progress on DoD-wide priorities and identify planned actions to achieve DoD's strategic goals in the QDR.

Evolving national security interests and the changing fiscal environment will drive changes to our strategic priorities and thus the plan to measure those priorities. The 2014 QDR will be published in February 2014, and FY 2014 updated performance goals will be developed to evaluate progress on new strategic goals and objectives. The Department's APP and APR will continue to play a key role in measuring the success of DoD's strategic goals and objectives.

EXHIBIT A – FY 2014 DOD ANNUAL PERFORMANCE PLAN

DoD Strategic Goal #1: PREVENT AND DETER CONFLICT.			
DoD Forces and Infrastructure Category 1F1: Expeditionary Forces			
DoD Strategic Objective 1.1-1F1: <i>Ensure that we can quickly confront and defeat aggression from any adversary – anytime, anywhere.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	Goals are under development.		
DoD Strategic Objective 1.2-1F1 <i>Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	1.2.1-1F1: Average number of trained or deployed civilian expeditionary ministerial-level advisors (USD(P))	1.2.1-1F1: By FY 2014, the DoD will maintain an annual average of 100 civilian expeditionary advisors to provide ministerial-level training and advice to partner nations.	FY10 Actual: 17 FY11 Actual: 45 FY12 Actual: 60 FY13 Actual: Not available FY14: 100 FY15: 100
Contributing DoD Components: <i>Army, Navy, Marine Corps, Air Force, DSCA, and OSD</i>			
FY14	1.2.2-1F1: Average number of countries with active Defense Institution Reform Initiative (DIRI) programs (USD(P))	1.2.2-1F1: By FY 2015, the DoD will expand its Defense Institution Reform Initiative (DIRI) program to include 30 countries.	FY10 Actual: Non-applicable FY11 Actual: 17 FY12 Actual: 22 FY13 Actual: Not available FY14: 28 FY15: 30
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
FY14	3.3.1-1F2C: percentage of general purpose force (GPF) deployed to support COCOM security force assistance requirements that have received focused SFA training. USD(P&R)	3.3.1-1F2C: Annually, 95 percent of GPF units/teams deployed to support COCOM SFA requirements will have received focused SFA training.	FY10–11 Actual: Non-applicable FY12: Not available FY13 Actual: 92.4% FY14: 95% FY15: 95%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
DoD Strategic Objective 1.3-1F1 <i>Rebalance our global posture and presence to emphasize the Asia-Pacific region and maintain focus on the Middle East.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
	Goals are in development. (USD(P))		
DoD Strategic Objective 1.4-1F1 <i>Build innovative partnerships and strengthen key alliances and partnerships elsewhere in the world.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
	Goals are in development. (USD(P))		
DoD Forces and Infrastructure Category 1F3: Military Space Forces			
DoD Strategic Objective 1.5-1F3: <i>Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	1.5.1-1F3: Cumulative number of large- surface DoD combatant ships that are Ballistic Missile Defense (BMD)-capable and ready for tasking (USD(P))	1.5.1-1F3: By FY 2042, 85 large-surface DoD combatant ships will be BMD-capable and ready for tasking.	FY10 Actual: 20 FY11 Actual: 24 FY12 Actual: 25 FY13 Actual: 28 FY14: 28
Contributing DoD Components: <i>Navy and MDA</i>			

Overview – FY 2015 Defense Budget

Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	1.5.2-1F3: Cumulative number of Standard Missile - Model 3 (SM-3) Interceptors (all variants) delivered (USD(AT&L))	1.5.2-1F3: By FY 2017, the DoD will have delivered 350 SM-3 Interceptors (all variants) to counter aerial threats.	FY10 Actual: 88 FY11 Actual: 108 FY12 Actual: 129 FY13 Actual: 128 FY14: 176
Contributing DoD Components: <i>MDA</i>			
DoD Forces and Infrastructure Category 1X2: Intelligence Operations			
DoD Strategic Objective 1.6-1X2: <i>Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.</i>			
FY14	1.6.1-1X2: Cumulative number of MQ-1(Predator) and MQ-9 (Reaper) intelligence, surveillance, and reconnaissance (ISR) orbits (USD(I))	1.6.1-1X2: By FY 2014, the DoD will achieve and maintain 65 MQ-1(Predator) and MQ-9 (Reaper) orbits of ISR.	FY10 Actual: 45 FY11 Actual: 59 FY12 Actual: 57 FY13 Actual: 62 FY14: 65
Contributing DoD Components: <i>Air Force</i>			
FY14	1.6.2-1X2: percent of known in-transit DoD contingents receiving Force Protection Detachment (FPD) support (USD(I))	1.6.2-1X2: By FY2016, DoD FPDs will provide Counterintelligence (CI) support to 100% of all known in-transit DoD contingents in DoD priority locations.	FY10-13 Actual: Non-applicable FY14: 80%
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			

DoD STRATEGIC GOAL #3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.

DoD Forces and Infrastructure Category 1F2: Homeland Defense

DoD Strategic Objective 3.1-1F2A

Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.

Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	3.1.1-1F2A: Number of formal DoD-led meetings with international partners to reaffirm U.S. commitments to extended deterrence (USD(P))	3.1.1-1F2A: Annually, the DoD will lead at least six formal meetings with international partners to reaffirm U.S. commitments to extended deterrence.	FY10 Actual: Non-applicable FY11 Actual: 11 FY12 Actual: 17 FY13 Actual: 12 FY14: 6
Contributing DoD Components: <i>OSD</i>			
FY14	3.1.2-1F2A: Passing percentage rate for Defense Nuclear Surety Inspections (USD(P))	3.1.2-1F2A: The DoD will maintain a passing rate of 100 percent for all regular Defense Nuclear Surety Inspections.	FY10 Actual: 73% FY11 Actual: 85.7% FY12 Actual: 100% FY13 Actual: 91.7% FY14: 100%
Contributing DoD Components: <i>Navy, Air Force, TJS, and DTRA</i>			
DoD Forces and Infrastructure Category 1F2: Homeland Defense			
DoD Strategic Objective 3.2-1F2B <i>Improve the responsiveness and flexibility of consequence management response forces.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	3.2.1-1F2B: Cumulative number of Homeland Response Forces (HRFs) trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours (USD(P))	3.2.1-1F2B: The DoD will have and maintain ten National Guard HRFs trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours to a very significant or catastrophic event.	FY10 Actual: Non-applicable FY11 Actual: 2 FY12 Actual: 10 FY13 Actual: 10 FY14: 10
Contributing DoD Components: <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>			

Overview – FY 2015 Defense Budget

Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	3.2.2-1F2B: Cumulative number of Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages (CERFPs) trained, equipped, evaluated, and validated at a response time of 6-12 hours (USD(P))	3.2.2-1F2B: The DoD will have and maintain 17 National Guard CERFPs trained, equipped, evaluated, and validated at a response time of 6-12 hours in order to backfill existing CERFPs that will convert to HRFs.	FY10 Actual: Non-applicable FY11 Actual: 17 FY12 Actual: 17 FY13 Actual: 17 FY14: 17
FY14	3.2.3-1FB: Number of Defense CBRN Response Forces (DCRFs) trained, equipped, evaluated, and certified at a response time of 24-48 hours (USD(P))	3.2.3-1FB: The DoD will have and maintain one DCRF trained, equipped, evaluated, and certified at a response time of 24 – 48 hours.	FY10 Actual: Non-applicable FY11 Actual: Non-applicable FY12 Actual: 1 FY13 Actual: 1 FY14: 1
Contributing DoD Components: <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>			
FY14	3.2.4-1F2B: Number of Command and Control (C2) CBRN Response Elements (C2CREs) trained, equipped and evaluated, as well as certified or validated as applicable at a response time of 96 hours (USD(P))	3.2.4-1F2B: The DoD will have and maintain two C2CREs trained, equipped and evaluated as well as certified or validated as applicable at a response time of 96 hours.	FY10-11 Actual: Non-applicable FY12 Actual: 2 FY13 Actual: 2 FY14: 2
Contributing DoD Components: <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>			
DoD Forces and Infrastructure Category 1F2: Homeland Defense			
DoD Strategic Objective 3.3-1F2C <i>Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
N/A	None	None	None
Contributing DoD Components: <i>DTRA</i>			
Forces and Infrastructure Category 1X1B: Operational Command & Control Systems			
DoD Strategic Objective 3.4-1X1 <i>Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	3.4.1-1X1: percent of DoD's nuclear command, control, and communications (NC3) cryptographic modernization plan completed (DoD CIO)	3.4.1-1X1: By FY 2016, the DoD will have completed 100 percent of its NC3 cryptographic modernization action plan.	FY10 Actual: Not available FY11 Actual: 12% FY12 Actual: 32% FY13 Actual: 44% FY14: 56%
Contributing DoD Components: <i>Army, Navy, Air Force, NSA, and DISA</i>			
FY14	3.4.2-1X1: percent of inspected DoD NIPRNet sites that attain a passing score on a Command Cyber Readiness Inspection (CCRI) (DoD CIO)	3.4.2-1X1: By FY 2015, inspected DoD NIPRNet sites will attain a passing score on a Command Cyber Readiness Inspection.	FY10 Actual: Non-applicable FY12 Actual: Sensitive FY13 Actual: Sensitive FY14: TBD
Contributing DoD Components: <i>All</i>			
DoD Forces and Infrastructure Category 2D: Science and Technology			
DoD Strategic Objective 3.5-2D: <i>Maintain a strong technical foundation within the Department's Science and Technology (S&T) Program.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	3.5.1-2D: percent of completing demonstration programs transitioning each year (USD(AT&L))	3.5.1-2D: Beginning in FY 2014, the DoD will transition 40 percent of completing demonstration programs per year.	FY10 Actual: 61.5% FY11 Actual: 83% FY12 Actual: 83% FY13 Actual: 77% FY14: 40%
Contributing DoD Components: <i>Army, Navy, Air Force, DLA, DARPA, CBDDP, and OSD</i>			

Overview – FY 2015 Defense Budget

DoD STRATEGIC GOAL #4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.			
DoD Forces and Infrastructure Category 2M: Defense Health Program			
DoD Strategic Objective 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.			
* = Agency Priority Goal			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase (USD(P&R))	4.1.1-2M: Beginning in FY2007, the DoD will maintain an average Defense Health Program (DHP) medical cost per equivalent life increase at or below the average healthcare premium increase in the civilian sector.	FY10 Actual: -1% FY11 Actual: 1.4% FY12 Actual: -6.4% FY13 Actual: -2.6% FY14: <= 0%
Contributing DoD Components: Army, Navy, Air Force, and Marine Corps			
FY14	4.1.2-2M: percentage of Armed Forces who meet Individual Medical Readiness (IMR) requirements (USD(P&R))	4.1.2-2M: By FY 2015, 85 percent of the Armed Forces will have an IMR that indicates readiness for deployment.	FY10 Actual: 74% FY11 Actual: 78% FY12 Actual: 84% FY13 Actual: 85% FY14: 83%
Contributing DoD Components: Army, Navy, Air Force, and Marine Corps			
FY14	**4.1.3-2M: percent of Service members who meet DoD Core IDES Process Time and Satisfaction goals (USD(P&R))	4.1.3-2M: By end of FY2014, 80% of Service members meet DoD Core IDES Process Time and Satisfaction goals.	FY10-13 Actual: Non-applicable FY14: 80%
Contributing DoD Components: Army, Navy, Air Force, and Marine Corps			
FY14	**4.1.4-2M: percent of wounded, ill and injured (WII) Service members who are enrolled in a Service recovery coordination program and have an established and active recovery plan administered by a DoD trained Recovery Care Coordinator and shared with the VA to aid in successful transition. (USD(P&R))	4.1.4-2M: For FY2014, continue to maintain 100% of wounded, ill and injured Service members enrolled in a Service recovery coordination program and have an established and active recovery care plan administered by a DoD trained Recovery Care Coordinator and shared with the VA to aid in successful transition.	FY10 Actual: Non-applicable FY12 Actual: 68% FY13 Actual: 100% FY14: 100%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
FY14	**4.1.5-2M: percent of wounded, ill and injured (WII) Service members who are assigned to a DoD trained Recovery Care Coordinator (RCC) within 30 days of being enrolled in a Wounded Warrior Program (USD(P&R))	4.1.5-2M: For FY2014, 100% of WII Service members will be assigned to a DoD trained Recovery Care Coordinator (RCC) at a ratio not to exceed one RCC per 40 WII Service members.	FY10 Actual: Non-applicable FY12 Actual: 70% FY13 Actual: 100% FY14: 100%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
DoD Forces and Infrastructure Category 2P: Central Personnel Administration			
DoD Strategic Objective 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.2.1-2P: percent variance in Active component end strength (USD(P&R))	4.2.1-2P: For each fiscal year, the DoD Active component end strength will not vary by more than three percent from the SECDEF/NDAA- prescribed end strength for that fiscal year.	FY10 Actual: 0.4% FY11 Actual: -0.5% FY12 Actual: -1.6% FY13 Actual: -1.4% FY14: +/-3%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			

Overview – FY 2015 Defense Budget

Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.2.2-2P: percent variance in Reserve component end strength (USD(P&R))	4.2.2-2P: For each fiscal year, the DoD Reserve component end strength will not vary by more than three percent from the SECDEF/NDAA- prescribed end strength for that fiscal year.	FY10 Actual: 0.6% FY11 Actual: 0.2% FY12 Actual: -0.8% FY13 Actual: -0.86% FY14: +/-3%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
FY14	4.2.7-2P: percent of Reserve Component (RC) Service members involuntarily mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5 (USD(P&R))	4.2.4-2P: Ensure a minimum of 80% of the RC Service members undergoing involuntary mobilization will have a dwell ratio of 1:5 or greater.	FY10 Actual: Not available FY11 Actual: 71.8% FY12 Actual: 72.7% FY13 Actual: 84% FY14: 80%
Contributing DoD Components: Army, Navy, and Air Force			
FY14	4.2.5-2P: percentage of purchases from the private sector, under which services are performed for or on behalf of the Department, that include the requirement to report direct labor hours and associated costs via the Army-based Enterprise-wide Contractor Manpower Reporting Application (ECMRA). (USD(P&R))	4.2.5-2P: By FY2018, 95% of each DoD component's purchases for services will include language requiring the reporting of direct labor hours and associated costs in ECMRA for the purpose of preparing the Inventory of Contracts for Services submission, subsequent review, and informing the Programming, Planning, Budgeting process and Total Force shaping decisions.	FY10 - FY13 Actual: Not available FY14: 30%
Contributing DoD Components: Army, Navy, Marine Corps, Air Force, Defense Agencies, Field Activities, and COCOMs.			
FY14	4.2.8-2P: Number of days for all external civilian hiring actions (end-to-end timeline) (USD(P&R))	4.2.8-2P: Beginning in FY 2013, the Department will improve and maintain its timeline for all external (direct hire authority, expedited hire authority, and delegated examining) civilian hiring actions to 80 days or less.	FY10 Actual: 116 FY11 Actual: 104 FY12 Actual: 83 FY13 Actual: 94 FY14: 80
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
DoD Forces and Infrastructure Category 2R: Central Personnel Benefits			
DoD Strategic Objective 4.3-2R: Better prepare and support families during the stress of multiple deployments.			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.3.1-2R: percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.1-2R: The DoD will maintain at least 90 percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition.	FY10 Actual: Not available FY11 Actual: 80% FY12 Actual: 81.5% FY13 Actual: 79% FY14: 69%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
FY14	4.3.2-2R: percent of the worldwide inventory for government-owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.2-2R: The DoD will maintain at least 90 percent of the worldwide government-owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition.	FY10 Actual: Not available FY11 Actual: 85% FY12 Actual: 85% FY13 Actual: 86% FY14: 87%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
FY14	4.3.3-2R: Cumulative percent of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1 or Q2) standards (USD(P&R))	4.3.3-2R: By the close of FY 2018, 100 percent of DoDEA schools will meet the OSD acceptable standard of good or fair (Q1 or Q2) standards.	FY11 Actual: Not available FY12 Actual: 38% FY13 Actual: 42% FY14: 45%
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			
FY14	4.3.4-2R: Cumulative number of military spouses who have obtained employment through the Military Spouse Employment Partnership (MSEP) (USD(P&R))	4.3.4-2R: By FY 2017, a cumulative total of 100,000 military spouses will have obtained employment through the Military Spouse Employment Partnership (MSEP).	FY10-12 Actual: Non-applicable FY13 Actual: 27,552 FY14: 40,000
Contributing DoD Components: Army, Navy, Marine Corps, and Air Force			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 2T: Central Training			
DoD Strategic Objective 4.4-2T: <i>Train the Total Defense Workforce with the right competencies.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.4.1-2T: percent of acquisition positions filled with personnel meeting Levels II and III certification requirements (USD(AT&L))	4.4.1-2T: The DoD will increase the percent of positions filled with personnel meeting Levels II and III certification requirements from the previous fiscal year.	FY10 Actual: Not available FY12 Actual: 70.1% FY13 Actual: 76.3% FY14: 76.40.3% FY15: 70.4%
FY14	4.4.2-2T: percentage of students entering the Defense Language Institute Foreign Language Center (DLIFLC) basic course that achieve the 2/2/1+ Defense Language Proficiency Test (DLPT) standard in reading, listening, and speaking modalities as measured on the Interagency Language Roundtable performance scale (USD(P&R))	By FY2017, 66% of students entering the Defense Language Institute Foreign Language Center basic course will achieve a 2/2/1+ score on the DLPT in the reading, listening, and speaking modalities.	FY10-13 Actual: Not available FY14: 62%
FY14	4.4.3-2T: percent of Military Departmental information assurance positions and contract requirements filled with personnel meeting certification requirements (DoD CIO)	4.4.3-2T: By FY 2016, 95 percent of Military Departmental information assurance positions and contract requirements will be filled with personnel meeting certification requirements.	FY10-11 Actual: Not available FY12 Actual: 78% FY13 Actual: 80% FY14: 85%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			
DoD Forces and Infrastructure Category 2T: Central Training			
DoD Strategic Objective 4.4-2T: <i>Train the Total Defense Workforce with the right competencies.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	4.4.4-2T: percent of student enrollments to funded training seats at the HUMINT Training Joint Center of Excellence (HT-JCOE) for Military Source Operations (MSO), interrogation, and HUMINT-enabling training activities (USD(I))	4.4.4-2T: By FY 2016, 100 percent of Military Source Operations (MSO), interrogation, and HUMINT-enabling activities training seats at the HUMINT Training Joint Center of Excellence (HT-JCOE) will be filled with validated enrollees.	FY10-12 Actual: Non-applicable FY13 Actual: 69% FY14: 90%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force, and DIA</i>			
FY14	4.4.5-2T: percentage of Defense Intelligence Enterprise government authorized positions filled by individuals possessing the required language and proficiency (USD(I))	4.4.5-2T: By FY 2016, greater than or equal to 70 percent of filled Defense Intelligence Enterprise government authorized positions will be filled by individuals possessing the required language and proficiency.	FY10-12 Actual: Non-applicable FY13 Actual: 47% FY14: 52%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force, DIA, NSA and NGA</i>			
FY14	4.4.6-2TE: Number of companies participating in DoD's Defense Industrial Base (DIB) Cyber Security and Information Assurance (CS/IA) programs (DoD CIO)	4.4.6-2T: DoD will have companies participating in Defense Industrial Base (DIB) Cyber Security and Information Assurance (CS/IA) programs	FY10 – FY13: Not applicable FY14: TBD
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force, and DIA</i>			
FY14	4.4.7-2T: percent of 2210 series personnel identified with cyberspace workforce codes (DoD CIO)	4.4.7-2T: By 2015, DoD will achieve 95 percent of its goal of personnel identified with cyberspace workforce codes	FY10 – FY13: Not applicable FY14: 10%
Contributing DoD Components: <i>Army, Navy, Marine Corps, and Air Force</i>			

Overview – FY 2015 Defense Budget

DoD STRATEGIC GOAL #5: REFORM AND FIND FURTHER EFFICIENCIES IN THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.			
DoD Forces and Infrastructure Category 2A: Force Installations			
DoD Strategic Objective 5.1-2A: <i>Reduce energy demand and increase use of renewable energy at DoD installations.</i> * Agency Priority Goal			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	5.1.1-2A: Average facilities sustainment rate (USD (AT&L))	5.1.1-2A: In FY 2014, the DoD will fund facilities sustainment at a minimum of 80 percent of the Facilities Sustainment Model (FSM) requirement.	Fy10 Actual: 88% 9/ FY11 Actual: 83% 9/ FY Actual: 85% 9/ FY13: 86% FY14: 80%
FY14	**5.1.2-2A: Cumulative average percent reduction in building energy intensity (USD(AT&L))	5.1.2-2A: By FY 2015, DoD will reduce average building energy intensity by 30 percent from the FY 2003 baseline of 117,334 British Thermal Units (BTUs) per gross square foot.	FY10 Actual: 10.5% FY11 Actual: 13.3% FY12 Actual: 17.7% FY13 Actual: Not available FY14: 27%
Contributing DoD Components: <i>Army, Navy, Air Force, USMC, DCMA, DeCA, DFAS, DIA, DLA, MDA, NRO, NGA, NSA, and WHS</i>			
DoD Forces and Infrastructure Category 2C: Communications & Information Infrastructure			
DoD Strategic Objective 5.2-2C: <i>Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	5.2.1-2C: percent of applicable IT and National Security Systems (NSS) that hold a current certification and accreditation (i.e., a current authorization to operate (ATO), interim authorization to operate (IATO), or interim authorization to test (IATT)) as required in DoDI 8510.01. (DoD CIO)	5.2.1-2C: By FY 2015, 96 percent of applicable IT and National Security Systems (NSS) hold a current certification and accreditation (i.e., a current authorization to operate (ATO), interim authorization to operate (IATO), or interim authorization to test (IATT)) as required in DoDI 8510.01.	FY10 Actual: 90% FY11 Actual: 92% FY12 Actual: 91.1% FY13 Actual: 95% FY14: 95%
Contributing DoD Components: <i>All</i>			
FY14	5.2.2-2C: Cumulative percent reduction in the number of DoD data centers (DoD CIO)	5.2.2-2C: By FY 2015, the DoD will reduce its number of data centers by 45 percent (from 772 in FY 2010 to 428 in FY 2015) in order to increase data center storage utilization/capacity.	FY10 Actual: Non-applicable FY11 Actual: 7% FY12 Actual: 15% FY13 Actual: 90.6% FY14: 37%
Contributing DoD Components: <i>All</i>			
FY14	5.2.3-2C: Cumulative percent reduction in the number of DoD data centers (DoD CIO)	5.2.2-2C: By FY 2015, the DoD will migrate Service business systems to DISA Core Data Centers.	FY10 – FY13: Actual: Non-applicable FY14: TBD
Contributing DoD Components: <i>All</i>			
FY14	5.2.4-2C: Cumulative percentage of DoD Non-secure Internet Protocol Router Network (NIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.4-2C: By FY 2015, the DoD will have PKI-Enabled 95% of its Private Web Servers.	FY10 Actual: 88% FY11 Actual: 88% FY12 Actual: 95% FY13 Actual: 94% FY14: 90%
Contributing DoD Components: <i>All</i>			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 2C: Communications & Information Infrastructure			
DoD Strategic Objective 5.2-2C: <i>Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	5.2.4-2C: Cumulative percentage of DoD Secure Internet Protocol Router Network (SIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.4-2C: By FY 2014, 95 percent of DoD SIPRNet accounts will have PKI cryptographic logon capability.	FY10–11 Actual: Not available FY12 Actual: 16.5% FY13 Actual: Not available FY14: 95%
Contributing DoD Components: All			
FY14	5.2.5-2C: percent of inspected DoD NIPRNet sites attaining a passing score on a comprehensive cyber security inspection that assesses compliance with technical, operational and physical security standards (DoD CIO)	5.2.5-2C: By FY 2014, NIPRNet sites will improve hardening and cyber defense with a passing score of 70% or better	FY10–13 Actual: Not available FY14: TBD%
Contributing DoD Components: All			
FY14	5.2.6-2C: percentage of public facing services migrated into Organizational and/or DI5.6.1SA-provided DMZ. (DoD CIO)	5.2.6-2C: Under development	FY10 – FY13: Not applicable FY14: TBD
Contributing DoD Components: All			
FY14	5.2.7-2C: percentage of crypto modernization of the current and planned radio inventory across the service components (DoD CIO)	5.2.7-2C: By 2024, DoD will attain 100% crypto modernized radio inventory % COMSEC Modernization Rate	FY10 – FY13: Not applicable FY14: 20.83%
Contributing DoD Components: All			
FY14	5.2.8-2C: percent of DoD users on email systems that adhere to Enterprise Directory Service standards (DoD CIO)	5.2.8-2C: DoD will build Agile and Secure Information Capabilities by Identifying security posture of commercial mobile networking (DCIO C4IIC)	FY10 – FY13: Not applicable FY14: TBD
Contributing DoD Components: All			
DoD Forces and Infrastructure Category 2E: Acquisition Infrastructure			
DoD Strategic Objective 5.3-2E: <i>Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	*5.3.1-2E: <i>percentage of contract obligations that are competitively awarded (USD(AT&L))</i>	5.3.1-2E: The DoD will continue to increase, by one percent annually, the amount of contract obligations that are competitively awarded.	FY10 Actual: 61.7% FY11 Actual: 58.5% FY12 Actual: 57.5% FY13 Actual: 56.9% FY14: 58%
Contributing DoD Components: All			
FY14	*5.3.2-2E: Median percentage cycle time deviation from the previous year for active Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after (USD(AT&L))	5.3.2-2E: Beginning in FY 2014, the median percentage deviation will not increase by more than 2 percent from the previous year for active Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after.	FY10 Actual: 4.4% FY11 Actual: 4.5% FY12 Actual: 6.6% FY13 Actual: 5.37% FY14: < /=2%
Contributing DoD Components: Army, Navy, and Air Force			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 2E: Acquisition Infrastructure			
DoD Strategic Objective 5.3-2E: <i>Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	*5.3.4-2E: Number of Major Defense Acquisition Program (MDAP) breaches (equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost)) for reasons other than approved changes in quantity (USD(AT&L))	5.3.4-2E: The DoD will not have any MDAP breaches (significant cost overruns) for reasons other than approved changes in quantity.	FY10 Actual: Not available FY11 Actual: 4 FY12 Actual: 1 FY13 Actual: 0 FY14: 0
Contributing DoD Components: <i>Army, Navy, and Air Force</i>			
FY14	5.3.5-2E: percentage of Small Business prime contract obligation goal met annually (USD(AT&L))	5.3.5-2E: Beginning in FY 2012, the DoD will meet 100 percent of its Small Business prime contract obligation goal.	FY10-12 Actual: Not available FY13 Actual: 93% FY14: 100%
Contributing DoD Components: <i>All</i>			
FY14	5.3.6-2E: Number of Major Automated Information System (MAIS) "significant" breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months)) (ODCMO)	5.3.6-2E: The DoD will ensure that the number of both Defense Business Systems (DBS) MAIS and non-DBS MAIS "significant" breaches (equal to or greater than 15 percent of the APB total cost or with schedule slippages greater than six months) will not exceed one.	FY10 Actual: 1 FY11 Actual: 2 FY12 Actual: 3 FY13 Actual: 0 FY14: </=1
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			
FY14	5.3.7-2E: Number of Defense Major Automated Information System (MAIS) "critical" breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more)) (ODCMO)	5.3.7-2E: The DoD will ensure that both Defense Business System (DBS) MAIS and non-DBS MAIS "critical" breaches (equal to or greater than 25 percent of the APB total cost or with schedule slippages greater than one year) will not occur.	FY10 Actual: 2 FY11 Actual: 1 FY12 Actual: 3 FY13 Actual: 0 FY14: TBD
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			
FY14	5.3.8-2E4: Number of Defense business systems reduced by fiscal year as a function of total number of business systems within the portfolio (ODCMO)	5.3.8-2E: By FY 2015, set reduction targets by fiscal year will be based upon portfolio reviews	FY10 – FY13: Not available FY14: TBD
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			
FY14	5.3.9-2E4: Total adjudicated cost savings and cost avoidance by fiscal year provided by business process reengineering/continuous process improvement (ODCMO)	5.3.9-2E: By FY 2015 in categories of Better Buying Practices, BPR/CPI cost avoidance and cost savings	FY10 – FY13: Not available FY14: TBD
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			
FY14	5.3.10-2E: Total number of enterprise business systems transitioned to DISA CONUS CDCs by fiscal year as a function of the total number of systems (ODCMO)	5.3.10-2E: By FY 2015, systems will be transitioned to DISA CONUS CDCs	FY10- FY13: Not available FY14: TBD
Contributing DoD Components: <i>Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</i>			

Overview – FY 2015 Defense Budget

DoD Forces and Infrastructure Category 2L: Logistics			
DoD Strategic Objective 5.4-2L: <i>Provide more effective and efficient logistical support to forces abroad.</i>			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	5.4.1-2L: Army Customer Wait Time (USD(AT&L))	5.4.1-2L: The DoD will maintain the Army's average customer wait time at or below 15 days.	FY10 Actual: 16.6 FY11 Actual: 14.1 FY12 Actual: 13.7 FY13 Actual: 13.8 FY14: 15
Contributing DoD Components: Army			
FY14	5.4.2-2L: Navy Customer Wait Time (USD(AT&L))	5.4.2-2L: The DoD will maintain the Navy's average customer wait time at or below 15 days.	FY10 Actual: 12.7 FY11 Actual: 11.4 FY12 Actual: 12.6 FY13 Actual: 15.5 FY14: 15
Contributing DoD Components: Navy			
FY14	5.4.3-2L: Air Force Customer Wait Time (USD(AT&L))	5.4.3-2L: The DoD will maintain the Air Force's average customer wait time at or below 7.5 days.	FY10 Actual: 7.6 FY11 Actual: 5 FY12 Actual: 5.5 FY13 Actual: 5.6 FY14: 7.5
Contributing DoD Components: Air Force			
FY14	5.4.4-2L: percentage of excess on-hand secondary item inventory (USD(AT&L))	5.4.4-2L: By FY 2016, the DoD will reduce and maintain the percentage of excess on-hand secondary inventory to eight percent of total on- hand secondary inventory.	FY10 Actual: 10.7% FY11 Actual: 9.2% FY12 Actual: 9.9% FY13 Actual: 7.2% FY14: 10%
Contributing DoD Components: Army, Navy, Air Force, and DLA			
FY14	5.4.6-2L: percentage of excess on-order secondary item inventory (USD(AT&L))	5.4.5-2L: By FY 2016, the DoD will reduce and maintain the percentage of secondary item excess on-order inventory to four percent of total on order secondary item inventory.	FY10 Actual: 5.5% FY11 Actual: 4.8% FY12 Actual: 5.8% FY13 Actual: 7.6% FY14: 6%
Contributing DoD Components: Army, Navy, Air Force, and DLA			
DoD Forces and Infrastructure Category 2U/2V: Department Headquarters and other Infrastructure			
DoD Strategic Objective 5.5-2U/2V: <i>Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.</i>			
*Agency Priority Goal			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	*5.5.1-2U: percent of DoD's General Funds, Fund Balance with Treasury, validated as audit-ready (USD(C/CFO))	5.5.1-2U: By FY 2015, 99 percent of DoD's General Funds, Funds Balance with Treasury (FBwT) will be validated as audit ready.	FY10 Actual: 9% FY11 Actual: 9% FY12 Actual: 9% FY13 Actual: 9% FY14: 99%
Contributing DoD Components: All			
FY14	*5.5.2-2U: percent of DoD's general funds Statement of Budgetary Activity for material Components validated as audit-ready (USD(C/CFO))	5.5.2-2U: By FY 2015, 100 percent of DoD's General Fund, Schedule of Budgetary Activity (SBA) for material components will be validated as audit ready.	FY10 Actual: 14% FY11 Actual: 14% FY12 Actual: 14% FY13 Actual: 19% FY14: 82%
Contributing DoD Components: All			

Overview – FY 2015 Defense Budget

Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	*5.5.3-2U1: percent of DoD mission- critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated as audit-ready for existence and completeness (USD(C/CFO))	5.5.3-2U: By FY 2015, 81 percent of DoD's mission critical assets will be validated as audit-ready for existence and completeness.	FY10 Actual: 4% FY11 Actual: 4% FY12 Actual: 41% FY13 Actual: 50% FY14: 65%
Contributing DoD Components: All			
FY14	5.5.3-2U: percentage of Defense Travel non-compliant vouchers corrected/reconciled (USD(P&R))	5.5.3-2U: For FY2014, at least 95% of the yearly non-compliant vouchers identified will be corrected/reconciled	FY10 - FY13 Actual: Not available FY14: 95%
Contributing DoD Components: TBD			
FY14	5.5.4-2U: percentage of Defense Travel dollars recovered (USD(P&R))	5.5.4-2U: For FY2014, at least 95% of the yearly percentage of dollars identified will be recovered	FY10 - FY13 Actual: Not available FY14: 95%
Contributing DoD Components: TBD			
DoD Forces and Infrastructure Category 2T5: Transition Training			
DoD Strategic Objective 5.6-2T5: Provide more effective and efficient Force Readiness Operations Support			
Year	Performance Goals	Long Term Performance Goals	Annual Performance Goal
FY14	*5.6.1-2T5: percent of eligible Service members who separated and attended (a) pre-separation counseling; (b) Department of Labor Employment workshop; and (c) Veterans Affairs Benefits briefings prior to their separation, as required by 10 USC CH58, 1142 & 1144 and Public Law 112-56 (VOW Act) (USD (P&R))	*5.6.1-2T5: 85% of eligible Service members who separated and attended (a) pre-separation counseling, (b) Department of Labor Employment workshop, and (c) Veterans Affairs Benefits briefings prior to their separation, as required by 10 USC CH 58, 1142 & 1144 and Public Law 112-56 (VOW Act)	FY10 – FY13: Actual: Not available FY14: 85%
Contributing DoD Components: All			
FY14	*5.6.2-2T5: percent of eligible Service members who separated and met Career Readiness Standards prior to their separation(USD (P&R))	5.6.2-2T5: 85% of eligible Service members who separated met Career Readiness Standards prior to their separation	FY10 – FY13: Actual: Not available FY14: 85%
Contributing DoD Components: All			