

Fiscal Year 2014 Budget Estimates
Office of the Secretary of Defense (OSD)



April 2013

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**Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2014 Budget Estimates**

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

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

	FY 2012 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2013 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2014 <u>Estimate</u>
OSD	2,349,988	72,410	-327,036	2,095,362	72,453	-157,639	2,010,176

* The FY 2012 Actual column includes \$102,609 thousand for Overseas Contingency Operations (OCO) funding (PL 112-74).

* The FY 2013 Estimate column excludes \$87,805 thousand for OCO funding requested in the FY 2013 Defense-Wide OCO Budget Request.

* The FY 2014 Estimate column excludes FY 2014 Defense-Wide OCO Budget Request.

I. Description of Operations Financed:

I. Description of Operations Financed: The National Security Act of 1947 unified the United States Armed Forces under a single Secretary of Defense (SECDEF) with cabinet rank. The President exercises his authority as Commander-in-Chief through the SECDEF, who is responsible for setting policy and directing defense programs and planning within the Department of Defense (DoD). The Deputy Secretary of Defense (DEPSECDEF) is delegated full power and authority to act for the SECDEF. The Office of the Secretary of Defense (OSD) supports the SECDEF and DEPSECDEF by performing the duties and responsibilities for policy development, planning, resource management, fiscal, and program evaluation at DoD level.

The Office of the Secretary of Defense (OSD) contains the immediate offices of the Secretary, the DEPSECDEF, the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)), the Under Secretary of Defense Comptroller/Chief Financial Officer (OUSD(C)), the Under Secretary of Defense Intelligence (OUSD(I)), the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)), the Under Secretary of Defense Policy (OUSD(P)), the Deputy Chief Management Officer (DCMO), the Assistant Secretary of Defense (Legislative Affairs), the Assistant Secretary of Defense (Public Affairs), the Office of General Counsel, the Assistant to the Secretary of Defense

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I. Description of Operations Financed (cont.)

(Intelligence Oversight), the Director of Administration and Management (DA&M), the Director, Cost Assessment and Program Evaluation (D,CAPE), the Director, Net Assessment (ODNA), the Director, Operational Test and Evaluation (DOT&E), and the DoD Chief Information Officer (DoD CIO).

Narrative Explanation of Changes from FY 2013 to FY 2014:

The Office of the Secretary of Defense (OSD) Operation and Maintenance (O&M) FY 2014 budget estimate is based on Department of Defense (DoD) strategic and fiscal guidance, and complies with the Secretary of Defense (SECDEF) priorities for execution and continuation of efficiency initiatives that started in FY 2012. The FY 2014 budget request reflects an overall decrease of -\$85.2 million when compared to the FY 2013 current estimate. The overall decrease includes a price adjustment of +\$72,453 million and a decrease of -\$157.6 million resulting from programmatic increases and decreases that include internal funding realignments detailed in the Financial Summary (Part III).

\$ in Thousands

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
A. <u>Core Operating Program:</u>	382,167	380,303	388,252

The OSD Core Operating Program provides the necessary resources to support the operations of the Office of the Secretary of Defense (OSD) and the centrally funded support services within OSD. Funding in this subactivity group includes all civilian personnel compensation and benefits. OSD has made a significant effort to correct erroneous coding within its Object Class/OP-32 code structure. Funding for mass transit benefits and a minimal amount of Permanent Change of Station (PCS) is included in the FY 2012 and FY 2014 funding in OP-32 Line 101. FY 2013 funding includes Mass Transit but remains coded

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in OP-32 line 987, Other Intra-Governmental Purchases. PCS costs for FY 2013 reside in Other DoD Programs and Initiatives in OP-32 code 987. Costs/funding for Intergovernment Personnel Act (IPA) are included in the Core Operating Program for FY 2012 and FY 2014.

\$ in Thousands

	<u>Civilian Pay</u>	<u>Full-Time Equivalents (FTEs)</u>
<u>Estimated FY 2014 Civilian Pay and Benefits for Major OSD Principal Staff Assistants (PSAs):</u>		
OUSD(AT&L)	93,014	473
OUSD(Comptroller)	28,704	161
OUSD(Intelligence)	36,173	193
OUSD(P&R)	26,166	148
OUSD(Policy)	74,563	415
O, DCMO	19,427	97
D, CAPE	25,182	140
DoD CIO	23,980	124
Other DoD Offices	<u>61,043</u>	<u>348</u>
Total Estimated Civilian Pay and Benefits	388,252	2,099

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	\$ in Thousands		
	FY 2012 ^{1/} <u>Actuals</u>	FY 2013 <u>Estimate</u>	FY 2014 <u>Estimate</u>
B. <u>Other DoD Programs and Initiatives:</u>	232,354	205,540	237,904
^{1/} Includes one-time congressional increase of \$44,000 for SECDEF Grants (Sec 8079)			

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This Subactivity is comprised of:

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Assistant Secretary of Defense, Legislative Affairs (ASD(LA))	423	496	750
Assistant Secretary of Defense, Public Affairs (ASD(PA))	6,903	6,457	6,485
Office of General Counsel (OGC)	740	750	748
Assistant to the Secretary of Defense(Intelligence Oversight)	390	987	975
Director of Administration and Management (DA&M)	5,486	4,691	5,366
Office of the Director Net Assessment (ODNA)	12,235	9,970	10,253
Boards, Commissions and Task Forces (BCTF)	4,528	12,609	8,321
Test Resource Management Center (TRMC)	5,327	4,797	4,739
Capital Security Cost Sharing (CSCS) (State Department Bill)	127,168	153,971	188,142
Other DoD Programs and Initiatives (*includes Grants)	<u>*69,154</u>	<u>10,812</u>	<u>12,125</u>
Total Other DoD Programs and Initiatives	232,354	205,540	237,904

a. ASD (Legislative Affairs) serves as DoD liaison to the United States (U.S.) Congress. The OASD(LA) promotes the administration's defense budget and the policies and legislative priorities of the Secretary of Defense to the U.S. Congress.

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

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

d. Assistant to the Secretary of Defense (Intelligence Oversight) serves as the Secretary of Defense's personal, independent oversight mechanism for the Defense Intelligence Components. Through assessment inspections, training programs, and investigations as required, it ensures that defense intelligence activities are conducted in accordance with statute, Presidential order, and Departmental policy and regulation.

e. Director of Administration and Management (DA&M) has three broad responsibilities: to advise the Secretary and DoD senior leaders team on organizational and management matters of institutional importance; to oversee the Pentagon Reservation which is the Headquarters of the U.S. Defense establishment and a highly visible symbol of U.S. military power, as well as Defense leased facilities in the National Capital Region (NCR), providing administrative, logistical, facilities, and technological support at those facilities; and to secure and protect the people, facilities, and infrastructure of the Pentagon Reservation and DoD leased facilities. DA&M oversees DoD Committee Management, DoD Headquarters Management, and Office of the Secretary of Defense (OSD) Historical Program, DoD Freedom of Information Act Program (FOIA), DoD Privacy Program, DoD Civil Liberties Program, OSD Internal Management Control Program, and OSD Networks/CIO. DA&M performs management and oversight of the Pentagon Force Protection Agency (PFPA) and the Washington Headquarters Services (WHS), a DoD Field Activity which provides financial, personnel, and other administrative support to the NCR organizations.

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

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

h. Test Resource Management Center (TRMC) develops and maintains a strategic plan of the SECDEF needs for Test and Evaluation (T&E) facilities and resources.

i. Capital Security Cost Sharing (CSCS) finances the Department's share for the CSCS as authorized by section 604 of the Secure Embassy Construction and Counterterrorism Act of 1999. The Department of State (DoS) determines the cost share responsibility for each tenant agency.

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	<u>\$ in Thousands</u>		
	FY 2012	FY 2013	FY 2014
	<u>^{1/}Actuals</u>	<u>^{2/}Estimate</u>	<u>Estimate</u>
C. <u>Under Secretary of Defense (Acquisition, Technology, and Logistics):</u>	282,248	288,596	287,498

^{1/}Excludes \$18,643 thousand OCO funding (PL 112-74)

^{2/}Excludes \$13,000 thousand OCO funding requested in FY 2013 Defense-Wide Budget Request

The OUSD(AT&L) is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense for all matters relating to DoD Acquisition System. OUSD(AT&L) supervises DoD procurement of research and development; advanced technology; developmental test and evaluation; production; logistics; installation management; military construction; procurement; environmental security; and nuclear, chemical, and biological matters. Requested resources will provide for the offices of Performance Assessment and Root Cause Analysis (PARCA); the Director of Developmental Test & Evaluation (DT&E), and the Director of Systems Engineering (DSE).

a. Congressional Mandate:

1) Contingency Business Tools: DoD established a business system taskforce committed to leveraging existing resources and knowledge to quickly provide contingency forces with information technology and simple, user-friendly e-business tools in a contingency environment. This program addresses deficiencies documented in the 2007 Gansler Commission Report, and seeks to create the necessary tools for contracting officers deployed in support of contingency operations. This is a "toolkit" approach that evolves

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as the phase of a mission in the area of operation matures. Efforts include solving bandwidth and connectivity challenges in the context of four mission phases: 1) deployment: 2) build up: 3) sustainment: and 4) turnover/redeployment. This program pursues a holistic approach, based on research, identification of existing technologies, system functions, and e-business tools. Contingency Business Tools integrate financial, contracting, and logistics products to provide timely solutions to enduring contingency challenges.

2) Chief Financial Officers (CFO) Act Compliance: Program funds the development and implementation of new policies, processes, and procedures to comply with public law directing accounting for and valuing these resources, and addresses property accountability for DoD government's property, plant and equipment (GPP&E) audit preparation. The 2010 National Defense Authorization Act requires the Department to be audit ready by 2017 and DoD owns more than 80 percent of the GPP&E, operating materials and supplies, and inventory, which encompasses \$1.4 trillion in acquisitions and a net book value of \$827 billion.

3) Committee on Foreign Investment in the United States (CFIUS): Program funds an inter-agency committee that reviews the national security implications of foreign investments in U.S. companies or operations in agreement with the Exon-Florio Amendment of the Defense Production Act. As a CFIUS member, and often the co-lead agency, DoD is required by law to determine the risks of a transaction and whether to recommend approval only with risk mitigation measures or a block of the transaction. OUSD(AT&L) must consider potential effects of these transactions on U.S. technological leadership and supply chain reliability and integrity in areas affecting U.S. national security and

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critical infrastructure, and whether the acquirer is controlled by, or acting on behalf of a foreign government.

4) Electronic Business Center of Excellence (e-Business COE): The program defines requirements for transforming the Department's business processes related to acquisition, procurement, and implementation of e-Government.

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

6) Native American Lands Remediation: This program funds and documents DoD environmental impacts to Indian Lands, environmental mitigation projects on Indian Lands, training and technical assistance to tribes, and implementation of DoD Policy and consultation responsibilities to American Indians, Alaskan Natives, and Native Hawaiians.

7) BRAC 2015 Round Planning and Analyses: The Department will request authority from Congress to conduct a new round of Base Realignment and Closure (BRAC) in 2015 to align infrastructure with planned force structure changes. The BRAC process requires extensive up-front analysis including a 20-year force structure plan, a comprehensive inventory of installations, and a discussion of categories of excess infrastructure and infrastructure

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capacity. To support this effort, funds are required to develop recommendations and manage a new BRAC round.

b. Improve Acquisition & Logistics Processes:

1) Acquisition Programs Support Systems: This program improves the flow of mission-essential information, expedites acquisition decision making, and assures continuity of business/leadership operations through disaster recovery scenarios.

2) Contingency Contracting: This program is a key enabler of combat power. Contractors now provide essential services to all of our military services and, in contingency operations, constitute over half of the personnel on the battlefield. This level of reliance brings key challenges to our military force in planning, integrating, and managing contracted support in forward areas. This program facilitates improvements to contracting in support of deployed forces, humanitarian or peacekeeping operations, and disaster relief through policy, guidance, and oversight. It enables the Department to address key initiatives, develop critical tools and establish policy, processes, regulations and doctrine to maximize speed and efficiency of responses to improve contingency contracting across the Department of Defense (DoD).

3) Corrosion Prevention Program: This material degradation program, focuses on prevention and mitigation of corrosion, fatigue and wear of material equipment and infrastructure as defined in 10 U.S.C. 2228.

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

5) Defense Industrial Base (DIB) Cyber Security: The Department of Defense (DoD) must address cyber security and supply chain risks to DoD networks, weapons systems, and information stored and processed on both DoD and Defense Industrial Base (DIB) unclassified networks that support DoD programs. The proposed Acquisition Cyber Security Initiative links high level policies and innovative concepts to specific acquisition practices, systems engineering activities, and risk reduction activities. Through this initiative, the Department will pilot activities with the DIB to reduce risks in sharing and storing Critical Program Information (CIP); better understand and mitigate supply chain risk; improve program protection planning; as well as improve and streamline program protection engineering.

6) Defense Installation Spatial Data Infrastructure (DISDI): This program organizes people, policies, standards and protocols to optimize Component acquisition, management, and sustainment of geospatial imagery and mapping investments. The DISDI protocols will enable fusing previously disparate data, allowing decision makers to visualize the installations' complex array of natural and physical assets in an integrated manner.

7) Defense Procurement & Acquisition Policy (DPAP): This program implements changes throughout the DoD acquisition, technology, and logistics community; supports acquisition policy initiatives; supports the development, review, and coordination of DoD acquisition and contingency contracting policy and regulations; develops and maintains the Defense

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Acquisition Guidebook; facilitates the review and management of major acquisitions services; and furthers the development and staffing of acquisition policy initiatives. DPAP supports the Contingency Business Tools Program, providing support to expand the use of contingency contracting and financial management business tools for timely and correct execution of contracts, transparency, and the reduction of fraud, waste, and abuse.

8) Developmental Test and Evaluation (DT&E): Public Law 111-23, "Weapons System Acquisition Reform Act of 2009" (WSARA) requested the appointment of a Director, Developmental Test and Evaluation (DT&E), as well as the establishment of an DT&E office subordinate to the OUSD(AT&L). The Director, DT&E shall review and approve the developmental test and evaluation plan in the Test and Evaluation Strategy (TES) and the Test and Evaluation Master Plan (TEMP) for Major Defense Acquisition Programs (MDAPs) and programs on OSD DT&E Oversight List, and shall monitor and review the developmental test and evaluation activities of MDAPs.

9) Operational Energy Plans and Programs (OEP&P): Provides for operations and support to the Assistant Secretary of Defense for Operational Energy Plans and Programs (ASD,OEP&P). The ASD,OEP&P is the principal adviser to the SECDEF and the principal policy official within the senior management of DoD regarding operational energy plans and programs. The ASD,OEP&P is responsible for: (1) Providing leadership and facilitation of communications and management oversight for operational energy plans and programs within DoD as well; (2) establishing the DoD Operational Energy Strategy; (3) coordinating and overseeing Planning, Programming, Budgeting, and Execution (PPBE) activities for DoD, to include Army, Navy, Air Force, and the Marine Corps, related to implementation of the operational energy strategy; the consideration of operational energy demands in Defense planning, requirements, and acquisition processes, research,

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and development investments related to operational energy demand and supply technologies; and (4) monitoring and reviewing all operational energy initiatives within DoD.

10) Environmental, Safety, & Occupational Health (ESOH) in Acquisition: The Deputy Under Secretary for Installations and Environment (I&E) is the primary ESOH advisor to the Under Secretary of Defense (Acquisitions, Technology, and Logistics) for MDAPs and Major Automated Information Systems (MAIS). As an official Defense Acquisition Board Advisor, I&E is required to conduct oversight related to ESOH requirements in major DoD acquisitions as defined in the December 2008 DoD Instruction (DoDI) 5000.02, including developing ESOH acquisition policy and guidance; conducting reviews of over 175 MDAP and MAIS; and providing policy implementation assistance for program managers. Evolving regulatory issues such as the international chemical management regulation called "REACH" now require monitoring due to their potential impact to development and O&M life cycle costs of weapons systems. Additional ESOH expertise is needed to address these issues and ensure that ESOH considerations are integrated properly before major milestone reviews. Funding in this account will allow the Department to carry out newly assigned acquisition ESOH oversight functions in accordance with DoDI 5000.02. This is critical to ensuring system capabilities while ensuring ESOH risks and costs are minimized throughout system life cycles.

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

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

13) Human Capital Initiative (HCI): Is responsible for executing the DoD-wide acquisition workforce statutory requirement to strengthen the workforce and significantly improve its quality, capability and capacity. This program assesses the current AT&L workforce and identifies competency gaps to improve the future AT&L workforce. Funds support HCI efforts to manage departments-wide acquisition workforce planning, analysis, policy, and programs to include the Defense Acquisition Workforce Education, Training, and career Development Program (DODD 5000.52 and DODI 5000.66); update and implementation of the Defense Acquisition Strategic workforce Plan; the Acquisition Demonstration Program (AcqDemo Program Office), Defense Agency Career Management (4th Estate DACM - 18 Defense Agencies); and the Defense Acquisition Workforce Development Fund (DAWDF), and all supporting workforce initiatives.

14) Industrial Policy Program Support: Manufacturing and Industrial Base Policy Program Support (MIBP) is the Department's primary liaison with industry to ensure industry understands the Department's policy intent and helps align procurement efforts at all phases of the acquisition process. It acts as the Department's focal point for industrial and manufacturing base policy initiatives, studies, and reviews to determine effects of changes to, as well as the overall health to the industrial base to meet future needs. It funds efforts to sustain an environment that ensures the Industrial base on which the Department depends is reliable, cost-effective, and sufficient to meet DoD requirements and ensure in a time of budget drawdown that future capabilities will be

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available to ensure the above needs are met. Federal Government's "executive secretariat" of the Defense Production Act Committee (DPAC), tasked with conducting industrial base assessments and coordinating recommendations to the President on effective use of statutory authorities for preserving/creating domestic manufacturing capabilities deemed essential for the national defense. MIBP is organizing multiple inter-agency assessment teams and preparing strategic guidance on behalf of DPAC members for consideration by the President. Finally, MIBP is the new Department focal point and POC for the statutory Committee on Foreign Investment in the U.S. responsibility, with findings signed out by Deputy Secretary of Defense and the President of the United States of America.

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

16) Information Superiority Integration Support (ISIS): Funds functional and acquisition oversight of all critical war-fighting communications, command and control (C2), and cyberspace capabilities in DoD, and funds programs, projects and activities to support the DASD C3 & Cyber who is also the Principal Staff Assistant (PSA) for non-Intelligence Space. Key functions include the development and implementation of enterprise communications, C2, and Cyberspace architecture, technical framework, standards, and strategic approaches; performance of acquisition-related enterprise-wide portfolio management and net-centric systems engineering across space, air, ground, maritime, and cyberspace domains; performance of acquisition oversight and support to the Milestone Decision Authority (OUSD(AT&L)) on designated Major Defense Acquisition

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Programs and Major Automated Information System (MAIS) programs to develop and enforce policies and practices of DoDD 5000.01 and DoDI 5000.02 (metric development, issues, cost, schedule, performance assessments, and risk); development of analyses of alternatives and studies for selected capabilities; providing acquisition program advocacy, portfolio investment strategy, system synchronization plans and roadmaps to support acquisition programs and enterprise capabilities; planning, resourcing and executing activities which improve operational capabilities for the war-fighter; management of the MAIS designation and reporting processes; and leading Information System acquisition policy development and implementation. Funds likewise support acquisition functions for all non-Intelligence Space matters to include space control, space situational awareness, space access, satellite operations, meteorology, oceanography, and space weather and positioning, navigation, and timing.

17) Integrated Acquisition Environment (IAE) (GSA Bill): This funding pays the Department's share of mandatory GSA e-Government initiative costs.

18) The Joint Purchase Card Program Office: This office integrates policy and oversight of the purchase card program with other e-Business initiatives. This effort integrates the card into reengineered business processes. This responsibility was transferred from the Department of the Army to OUSD(AT&L).

19) Logistics Systems Modernization Support (LSMS): The DUSD Logistics and Materiel Readiness (L&MR) serves as the principal staff assistant and advisor to the OUSD(AT&L), Deputy Secretary of Defense (DEPSECDEF), and Secretary of Defense (SECDEF) on logistics and materiel readiness (in DoD) and is the principal logistics official within the senior management of DoD. The LSMS funding request directly supports essential L&MR activities necessary to effectively carry out these responsibilities. The increase in resources is

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designed to restore and support these activities to an acceptable level that will move the Department towards critical improvements in logistics systems and processes. The program will facilitate efforts to make effective supply chain management and logistics processes a reality in the Department - from sources of supply to operational customers and from early acquisition planning through sustainment and disposal.

20) Mission Capabilities (MC)/Systems Engineering (SE): Public Law 111-23, "Weapons System Acquisition Reform Act of 2009" (WSARA) directed the appointment of a Director, System Engineering (SE) and establishment of an SE office subordinate to the OUSD(AT&L). This program sets policy for SE practices and ensures implementation, including leading assessments of technical approaches and plans for systems and system-of-systems; independent expert program review support to program managers as requested; and systemic analysis of acquisition issues to identify causal factors contributing to program execution shortfalls. The SE develops technical risk assessments of Major Defense Acquisition Programs (MDAPs) to ensure future weapon systems are capable of operating at the joint and/or coalition environment.

21) Performance Assessment & Root Cause Analysis (PARCA): Public Law 111-23, "Weapons System Acquisition Reform Act of 2009" (WSARA) directed the SECDEF to designate a senior official to serve as the principal official for conducting and overseeing Performance Assessments and Root Cause Analysis (PARCA) for Major Defense Acquisition Programs (MDAPs).

22) DoD Siting Clearinghouse: Funds support development of a basic capability to perform assessments of proposed wind and solar projects in the private industry for their impact on DoD mission, development and evaluation of possible mitigation measures,

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development of tools to assist developers, and the development of more timely, transparent and consistent processes.

23) Research, Development, Test and Evaluation (RDT&E) Oversight: Funds centralize management and administrative expenses of RDT&E programs across the ASD (R&E) enterprise.

24) Small Business Program Support: Funds the Office of Small Business Programs of the Department of Defense implementation and management of the following statutory and regulatory requirements within the Department of Defense: small business, veteran-owned small business, service-disabled veteran-owned small business, Historically Underutilized Business Zone small business, small disadvantaged business, women-owned small business, Historically Black Colleges and Universities and Minority Institutions, DoD Pilot Mentor-Protégé Program, Indian Incentive Program, Small Business Innovation Research (SBIR), and Small Business Technology Transfer (STTR). These requirements are set forth in 15 U.S.C 631-657 and 25 U.S.C. 1544; Federal Acquisition Regulation (FAR) Part 19 and Part 26; Defense FAR Supplement (DFARS) Part 219, Part 226, Subpart 202.1; and DoD Instruction 5134.04.

25) Space & Intelligence Major Defense Acquisition Program (MDAP) Oversight: The office works closely with the DNI(Acquisition), OUSD (I); DoD CIO; D,CAPE, and the Services to provide management, technical and programmatic evaluation, and functional oversight for all DoD and Intelligence Community Space and Intelligence programs, to ensure investment and risk are balanced over specific capability focus areas, leverage capabilities across Services and organizations, and ensure avoidance of duplicative efforts.

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26) Strategic Sourcing: Office of Program Acquisition and Strategic Sourcing (PASS) is committed to reshaping the DoD acquisition enterprise to support customers make more efficient and effective business decisions about acquiring goods and services through the use of enterprises portfolio spend analyses. The Strategic Sourcing program conducts annual portfolio spend analyses and additional spend-related ad hoc studies and analyses that are utilized by, but not limited to, OUSD(AT&L), PDUSD(AT&L), OSBP(AT&L), DP(AT&L), DPAP(AT&L), and DoD Components to make business decisions that lead to greater efficiency and productivity in DoD spending for goods and services.

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

28) Countering Weapons of Mass Destruction (CWMD) Sustainment: Funds the program sustainment and the operational capability portion of CWMD. It also funds the administrative costs associated with analyses, oversight, and portfolio management. O&M will ensure the long-term success and stability of the CWMD System. CWMD program is an

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I. Description of Operations Financed (cont.)

integrated and interconnected CWMD capabilities-based system that defines and enables a comprehensive, global awareness and readiness for CWMD steady-state and surge postures.

29) Countering Weapons of Mass Destruction (CWMD) Expert Fellows Program: This program establishes a new, cost-effective, stable source of funding for Fellowship programs that allows the Department of Defense to compete annually for academic experts that provide direct benefit to AT&L. This enhancement will provide funding for fifteen (15) such Fellows within AT&L each year, beginning with AAAS fellows and Nunn-Lugar fellows. Annual placements for experts with S&T and academic expertise will provide an infusion of fresh ideas and will ensure that DoD is no longer under-represented in specific fellowships that provide direct and cost-effective benefits to the Department.

c. Promulgate Policy

1) Acquisition Knowledge Sharing System (AKSS): The AKSS, Defense Acquisition Guidebook (DAG) and Acquisition Community Connection (ACC) are the primary sources of up-to date material on AT&L mandatory policies and discretionary practices. These sources provide the Defense Acquisition Workforce Improvement Act (DAWIA) workforce with instant access to DoD experts, as well as online collaborative knowledge communities. Requested resources will assist the office in operating and supporting the AKSS, the DAG, the web-enabled Integrated Framework Chart (IFC), ACC system and the Acquire search and discovery system. Resources will also be used to convert the AKSS into a personalized portal system and develop "portlets" for use by Service and Agency portals; develop the Best Practices Clearinghouse (BPCh) system; develop and acquire upgrades for searching video; and develop various job performance support tools based on major business processes (such as the Standard Procurement System and major milestone plans).

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2) Transform Procurement Regulations: This is a continuing initiative to increase the efficiency and improve the quality and effectiveness of DoD procurement regulatory process and rule making capability. This initiative will move the development, implementation, publication, and communication of hundreds of policies, laws, and changes in the FAR and DFARS to a web-based capability.

3) Acquisition Visibility (formerly Defense Acquisition Management Information Retrieval): This program fundamentally alters the way in which Defense acquisition data is discovered, shared and trusted among the community of senior analysts, managers and officials responsible for management and oversight of Major Defense Acquisition Programs (MDAP), Major Automated Information Systems (MAIS), and special interest programs. It combines capabilities of different applications into a collection of services easily consumed by tools used in MDAP/MAIS management and institutionalizes governance of data elements used in acquisition decision making.

d. Regulatory Requirement:

1) Acquisition Workforce Demonstration: The Acquisition Demonstration Project Office is a subordinate office and aligned under the Human Capital Initiatives office, OUSD(AT&L). AcqDemo provides a personnel management system designed specifically for the Defense acquisition business environment workforce. The purpose of the project is to demonstrate that the effectiveness of DoD acquisition can be enhanced by allowing greater managerial control over personnel processes and functions and, at the same time, expand the opportunities available to employees through a more responsive and flexible personnel system. AcqDemo was designed to provide managers the authority, control, and flexibility needed to better manage the AT&L Workforce with the immediate goal of

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I. Description of Operations Financed (cont.)

enhancing the quality and professionalism of that workforce, and the ultimate goal of providing the best acquisition systems for DoD.

2) Defense Environmental International Cooperation: This program funds bilateral and multilateral initiatives with foreign defense departments and militaries in support of global basing/operations and the Secretary's Security Cooperation Guidance goals. Starting in FY 2013, major functions and corresponding funding are being identified as separate missions to raise visibility of those specific components. These components are identified under "Installation Climate Change Vulnerability Assessment" and "DoD Siting Clearinghouse," paragraphs b.15) and b.21), above.

3) International Cooperation Program: A Congressional mandate provided resources to support the IC organization with administrative and analytical tasks implemented by the President and the Secretary of Defense; cooperation across the life cycles of acquisition programs.

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

5) Readiness and Environmental Protection Initiative (REPI): The Military Departments identify expanding development and urban growth as an increasing challenge to range and installation viability and a growing impediment to mission readiness. The REPI is an effort to sustain military readiness while assisting in the protection of valuable habitat and open space. The initiative supports cooperative agreements with states and local communities, and other interested stakeholders to acquire key conservation

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easements thus preventing incompatible development around military bases and ranges. DoD promotes such partnerships through its Sustainable Ranges Initiative.

e. OSD Analysis and Support:

Provides the Secretary and the entire OSD staff and Joint Chiefs of Staff a source of funds to explore management and programmatic options before committing to a course of action. These funds provide assurance that future budget requests contain programs and policies that have been explored in some depth and represent an optimum solution to a particular problem.

1) OSD Studies Program: This program supports requirements for analytic support within the OUSD(AT&L) and conducts joint studies with other components of the OSD and the Joint Staff. The program improves the ability of executive decision makers in OSD and Joint Staff components to execute their missions in a complex global environment, by allowing access to specialized technical support. Foremost, among the areas supported are installation management, international cooperation and security policymaking, environmental protection policy, systems acquisition and architecture, communications and software assurance, and acquisition management.

2) Travel Program: Program funds the travel of over 40 Acquisition and Logistics program managers throughout AT&L. Support includes the funding of travel to international, country to country engagements driven by treaties, and ensures the U.S. participation in regional and global Acquisition and Logistics forums.

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	<u>\$ in Thousands</u>		
	FY 2012	FY 2013	FY 2014
	<u>^{1/}Actuals</u>	<u>^{2/}Estimate</u>	<u>Estimate</u>
D. <u>Under Secretary of Defense (Policy):</u>	53,057	65,282	66,058

^{1/}Excludes \$39,137 thousand OCO funding (PL 112-74)

^{2/}Excludes \$57,463 thousand OCO funding requested in FY 2013 Defense-Wide Budget Request

The Office of the Under Secretary of Defense for Policy (OUSD(P)) oversees matters relating to international security policy and political-military affairs. The Under Secretary is the principal staff assistant and advisor to the Secretary and the Deputy Secretary of Defense for all matters on the formulation of national security and defense policy; the integration and oversight of DoD policy and plans to achieve national security objectives; and represents the Secretary and Department of Defense in the interagency process, with Congress, and in public/media outreach. The OUSD(P) carries out numerous responsibilities by managing programs in Policy Planning and Integration, Global Threat Management, Regional Security Affairs, Warfighting Support, and Homeland Defense Support.

a) Policy Planning and Integration: OUSD(P) coordinates activities to aid in formulating strategies for DoD programs at national and international levels. This involves establishing and monitoring strategic direction, planning and force development as laid out in reporting documents such as the Quadrennial Defense Review (QDR) and Defense Planning and Programming Guidance (DPPG). OUSD(P) ensures decisions are not made in a vacuum by integrating policies and resources related to humanitarian efforts and their compliance with international laws. It also initiates crisis decision-making in an

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I. Description of Operations Financed (cont.)

interagency setting; creates forums to explore emerging national security issues; and examines the capabilities and limitations of national power through various instruments. Requested resources allow interagency integration and coordination to determine requirements for potential dual-use application of Defense assets.

b) Global Threat Management: Provides policy, guidance and oversight on existential threats, supranational threats and non-state actor threats. OUSD(P) fulfills this global mission by crafting and implementing initiatives to expand cultural understanding throughout the world in governed and ungoverned areas in an effort to pre-empt the expansion of terrorist cells. Tabletop exercises are utilized to enable Members of Congress, Administration Officials, and DoD personnel to form strategies in addressing catastrophic security events. Additionally, active research and involvement in the ever-changing cyber environment is required to protect security assets and prevent sophisticated threats in cyberspace from adversaries foreign and domestic.

c) Regional Security Affairs: Provides analysis of management of cultural situations in nation states and oversight to military joint ventures and cooperative DoD-Foreign government programs including educational, training, and developmental opportunities. Using a variety of resources, regional expertise is developed and maintained to support DoD leadership in forming and implementing strategies, and contributing to a coordinated, holistic government engagement in programs and policies. Regional expertise provides the ability to: monitor and solve security cooperation issues; effectively execute coalition management; monitor international security operations; and further develop cooperative relations with foreign countries.

d) Warfighting Support Activities: OUSD(P) provides resources to orchestrate the

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I. Description of Operations Financed (cont.)

development of special technologies and capabilities. It sustains these efforts by conducting in-depth analyses of the assignment of additional military and civilian personnel to long-term, non-intelligence positions in high-priority countries. It prepares the military for confronting threats in culturally diverse countries, supports policies and strategies that develop skills unique to counterinsurgency and stabilization efforts; reinforces and builds international support over shared security concerns, homeland security, counterterrorism and other critical nation alliances, and promotes humanitarian activities through military resources in a non-combat manner.

e) Homeland Defense Support Activities: Formulates policy and conducts DoD strategic planning for homeland defense and defense support of civil authorities, including installation preparedness; CBRNE preparedness and consequence management; and border security and National Security Special Events. Supports the U.S. Northern Command in homeland defense strategy, and enhances the U.S. Southern Command mission through engagement with the ministries of defense in the countries of the Western Hemisphere. It supervises intra-departmental and inter-agency coordination of the above issues. It conducts oversight of DoD processes to exercise force readiness through the National Exercise Program, manages defense continuity and conducts crisis management.

f) Defense Critical Infrastructure Program (DCIP): Oversees policy formulation and strategic planning for the Defense Critical Infrastructure Program, to include the Defense Industrial Base (DIB), which provides defense-related products and services that are essential to equip, mobilize, deploy and sustain military operations, enabling the Warfighter to minimize risk. It ensures the resiliency of networked infrastructure assets, whether owned or operated by DoD or private industry, that are critical to executing military missions. Activities include the identification, assessment,

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I. Description of Operations Financed (cont.)

monitoring, and risk management of cyber and physical infrastructure assets critical to the execution of the National Military Strategy.

g) Rewards Program: This program provides resources needed to publicize the program and pay rewards for information to disrupt international terrorist activities. Funding for this mission enables combatant commanders to pay rewards for information and nonlethal assistance beneficial to force protection and operations against international terrorism. Information and nonlethal assistance derived through the program has led to the prevention of planned attacks against U.S. and allied armed forces, disruption of a planned foreign presidential assassination, capture of high-value individuals, interdiction of improvised explosive devices, seizure of weapons and ammunition caches, and recovery of missing service members and sensitive equipment. Originally implemented in FY 2004 in Iraq and Afghanistan with great success, combatant commands sought to expand and replicate that success, beginning in FY 2007, by implementing the Program in other non-OCO countries. Today, combatant commands have programs operating in 14 countries and are planning or considering implementation in another 17 countries. Of these 31 countries, only a handful is appropriate to fund using OCO. This evolution of the program to non-OCO countries has caused a significant shift in where funds are spent. Whereas in FY 2006 DoD spent ten percent of the baseline in non-OCO countries and 90 percent in OCO countries. By FY 2011, the program's baseline was reversing that trend with close to 70 percent of the baseline in non-OCO countries and only 30 percent of the baseline in OCO countries. In response to this evolution, in FY 2012, DoD started transitioning funds for this Program from OCO to Base. This transition will continue through FY 2016. The DoD Rewards Program has proven to be a critical and effective tool, worldwide and not just in OCO countries, at protecting the force and disrupting international terrorism. The program expects to continue expanding into more non-OCO countries and requires Base funds to support this effort.

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h) Travel Program: Funding supports travel in support of the OUSD(P) mission.

i) US Mission to NATO: Provides regional stability interface with US allies, NATO resolution of regional conflicts, response to terrorism and unstable conditions in fragile and failed nation states that involves NATO involvement (e.g. Libya), weapons of mass destruction bilateral measures, and support of overseas facilities.

	<u>\$ in Thousands</u>		
	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
E. <u>Under Secretary of Defense (Comptroller) and Chief Financial Officer:</u>	27,198	24,966	39,585

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

a. Comptroller Initiatives:

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1. Support for producing and providing the SECDEF and senior leadership with authoritative, accurate, and timely financial statements and achieving auditable financial statements for the Department.
2. Support Department-wide business transformation efforts by improving financial management processes, systems, and financial reporting.
3. Maintenance for tools designed to display and track budgetary data and performance metrics such as the Comptroller's internal dashboard, the Overseas Contingency Operations support tool, and the legacy budget systems.
4. Improve the financial management workforce capabilities including development of certification program to improve professional and analytical skills and abilities and using technology to promote innovative professional development opportunities in support of the changing business needs of the Department and financial improvement and audit readiness.

b. Administrative Support: Funds services for the OUSD(C), including general office support, data administration, records management, workflow and correspondence tracking, travel, communications, and other administrative tasks.

c. Next Generation Resource Management System: Maintain information technology system used to formulate, justify, present, and defend the DoD budget.

d. Enterprise Funds Distribution System Support: Maintain the automated system for controlling and distributing funds including apportionment, reprogramming, rescissions, continuing resolution, etc. More detailed information on the mission and functions of the OUSD(C) can be found at the following website: <http://comptroller.defense.gov/>.

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	<u>\$ in Thousands</u>		
	FY 2012	FY 2013	FY 2014
	<u>¹/Actuals</u>	<u>²/Estimate</u>	<u>Estimate</u>
F. <u>Under Secretary of Defense (Personnel and Readiness)</u>:	950,115	821,782	693,296

¹/Excludes \$12,158 thousand OCO funding (PL 112-74)

²/Excludes \$17,342 thousand OCO funding requested in FY 2013 Defense-Wide Budget Request

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

a. Advancing Diversity and Equal Opportunity: Includes the Workforce Recruitment Program for College Students with Disabilities to increase the number of people with targeted disabilities in the federal civilian workforce to support a DoD goal of two percent DoD-wide, emphasizing the benefit for wounded service members. The Defense Equal Opportunity Management Institute develops curricula and trains military and civilian

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I. Description of Operations Financed (cont.)

personnel in cultural competencies/awareness for engaging in warfare and to provide a website and clearinghouse materials for deployed military equal opportunity advisors. Growing Diversity in the Senior Ranks will improve diversity in key occupational pipelines that feed into the military flag/general officer and civilian senior executive service positions by increasing diversity in DoD internship programs.

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

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

d. Combatant Commanders' Exercise Engagement and Training Transformation (CE2T2): Supports the joint training requirements of the Department of Defense to include over

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I. Description of Operations Financed (cont.)

120 annual exercises for nine Combatant Commands as well as Service joint training down to the tactical level. CE2T2 ensures the Combatant Commanders' ability to conduct joint, combined, and interagency exercises to meet Unified Command Plan responsibilities, enhance Joint Force Readiness, and support each Combatant Command's Theater Campaign Plan. Aside from Overseas Contingency Operations and Title 22 Security Assistance programs, CE2T2 provides the lion's share of Combatant Commands' funds for military-to-military engagement.

Because of their international political impact, Combatant Commanders' exercises are tools of national power, and the exercises directly advance U.S. national strategy. In addition to their primary purpose of training U.S. forces, the Combatant Commanders' exercises have corollary effects which build partner capacity and strengthen alliances. Furthermore, the exercises generate international interest and shape the geopolitical environment.

For Service joint training, the CE2T2 program provides training enablers for realistic and robust combat training with interagency participation in Service events, realistic opposing forces, feedback and lessons learned, and development of a more adaptive joint force.

The consolidated CE2T2 program was established as a result of direction from the 2007 Quadrennial Defense Review that leveraged the Department's 2002 Training Transformation program, realigned joint training programs, and applied resulting efficiencies against new mission areas and existing joint training shortfalls. Ongoing efforts maintain a ready and capable force, support the Department's priority to strengthen joint warfighting capabilities, support the primary missions of the U.S.

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Armed Forces, and advance U.S. national strategy. The CE2T2 funding resources the following critical training programs:

1) Joint National Training Capability (JNTC) uses a mix of live, virtual, and constructive (LVC) training resulting in the most realistic joint mission experience possible. The LVC environment links and combines existing exercises with live forces, augmented by appropriate modeling and simulation, to create a more realistic training experience for the joint force. Through the use of over 42 persistent, networked training sites, JNTC also enables Joint, Interagency, Intergovernmental, and Multinational (JIIM) context to a greater extent than otherwise available. Through a network of subject matter experts, JNTC provides a vital link between joint training activities and ongoing operations. This linkage is crucial to institutionalizing lessons learned (and lessons anticipated) from 10+ years of conflict. Overall, JNTC increases training effectiveness while mitigating gaps and seams between Service-centric training programs.

2) Joint Knowledge Development & Distribution Capability (JKDDC) develops and delivers online training to prepare individuals for joint and coalition operations. JKDDC is a DOD unique, authoritative, operationally relevant, and globally accessible training capability providing support to individual joint preparedness and exercises. JKDDC is an integral component of the Combatant Commands' individual joint training plans. In addition to preparing individuals for participation in collective training events, JKDDC offers a cost effective method for preparing CCMD and Service staffs for real-world operations.

3) J7 Support to Combatant Command (CCMD) Exercises Each year, CCMDs conduct over 120 exercise/engagement events, ranging from small-scale, unilateral to major, multi-

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lateral events. To maximize effectiveness of these events, the Joint Staff J7 annually supports a minimum of two exercises per CCMD. This support includes scenario development; observer/trainers; exercise management; and subject matter expertise in Interagency, Information Operations, Cyber Operations, Intelligence, Strategic Communications, Public Affairs, and other warfighting functional areas. J7 also provides this support to United States Forces Korea (USFK) and to select Federal organizations during one annual National Level Exercise (NLE).

4) The Joint Deployment Training Center (JDTC) delivers individual functional training for joint deployment, global force management, and situational awareness within the Global Command and Control System (GCCS)-Joint architecture. JDTC provides the Military Departments, the Combatant Commands, and other government agencies with basic-through-advanced competencies in the Joint Operation Planning and Execution System (JOPEs), Joint Capabilities Requirements Manager (JCRM), Common Operating Picture (COP), and Integrated Imagery and Intelligence (I3) systems. The architectures and training support all assigned military missions including Overseas Contingency Operations.

5) Combatant Command Headquarters provides the Combatant Commands with funding resources to facilitate their participation over 120 annual training, exercise, and engagement events to ensure overall CCMD readiness to conduct assigned missions. Additionally, the program supports the development, evaluation, and integration of a single, high quality training environment. In addition to serving as the operating budget for CCMD J7s, this program ensures readiness of CCMD and component staffs to execute key operational plans (OPLANs) in support of U.S. national strategy.

6) The Joint Exercise Transportation Program (JETP) is a key component of the Combatant Commanders Exercise Engagement program and funds transportation of personnel

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and equipment to worldwide exercises. It enables CCMDs to train battle staffs and participating forces in joint and combined operations, evaluate war plans, and execute engagement strategies. It also provides an opportunity to stress strategic transportation systems as well as Command, Control, Communications, Computer and Intelligence systems to evaluate their readiness across the full spectrum of operations.

7) Service Incremental Funding (SIF) funds Service participation in CCMD exercise and engagement events. Through a collaborative planning process, CCMDs identify forces required. SIF is then provided to allay the additional costs that would otherwise be borne by the Service. This allows CCMDs to achieve Theater Campaign Plan objectives without having a detrimental impact on Service training budgets.

8) The Joint Training Information Management System (JTIMS) provides the Joint Warfighter a web-based, collaborative toolset supporting execution of the Joint Training System. The system guides units through all four phases of the Joint Training System (Requirements, Plans, Execution, and Assessments) and is available on both NIPR and SIPR to support exercises of various classifications. JTIMS supports Joint Command and Control (C2) Homeland Defense (HD)/Civil Support Exercises; CCMD Exercises, Combating weapons of mass destruction (WMD) training; and Security Cooperation/Engagement events. Lastly, it enables key CJCS Title 10 responsibilities, Training Transformation (T2) guidance, and Warfighters' joint training responsibilities.

9) Joint Training System Specialist Program integrates Joint Training concepts into a cohesive program supporting training requirements across DOD and the Interagency. The purpose of this program is to assist Combatant Commanders and Combat Support Agency (CSA) Directors in the full implementation and execution of all phases

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of the CJCS Joint Training System (Requirements, Plans, Execution, and Assessments). Centralized funding of this program by the Joint Staff provides the Combatant Commanders and CSA Directors dedicated contractor support focused specifically on the development of and management assistance to their respective Joint and Agency Training Programs, resulting in increased readiness training levels and decreased costs.

10) Joint Assessment and Enabling Capability (JAEC) performs assessments to provide decision support for the joint training community. Assessment activity includes studies, performance metrics and evaluation strategies, portfolio management, and CE2T2 POM-related outreach with Services and Combatant Commands. JAEC also provides leadership and OSD-level advocacy for Training Community initiatives in DoD Modeling & Simulation (M&S).

11) The Immersive Training Program is a scalable, interactive, and rapidly reconfigurable training system replicating elements of the visual, audio, tactile, weather (temperature and humidity), olfactory effects, and conditions of a distributed battlefield across the gamut of operations. The program increases training realism by exposing U.S. forces to more realistic environments compared to more traditional simulation capabilities, including higher fidelity behavior modeling, more complex training scenarios, and the ability to capture ground-truth data for use in detailed training debriefs. The program also advances training curriculum to develop more adaptive leadership across the joint force. As a collaborative effort, this program coordinates and de-conflicts Service initiatives to avoid duplication of effort and helps bridge underfunded gaps between Service Immersive Training.

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

f. Defense Readiness Reporting System (DRRS): DRRS provides an adaptive, capabilities-based, near real time readiness information environment with tools, standards and policy for all of DoD. DRRS funding supports system enhancements to include: Mission Assurance Category I compliance, collaboration of DRRS with the Adaptive Planning & Execution System and placement of DRRS on the Joint Worldwide Intelligence Communications System network. Allows for quick analysis of force capability issues, effective program oversight, operator training, and data maintenance. Based on intelligent agents, dynamic databases, semantic middleware, and publish/subscribe concepts; and provides a logically uniform view into the multiple databases and information sources that will feed DRRS.

g. Lost Work Days System (LWD): Lost Work Days aims to increase operational readiness by providing data and analysis to eliminate preventable mishaps.

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

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i. Military Spouse Internship: Assists eligible spouses of active duty military in obtaining positions in federal agencies by paying the spouses' salary and benefits for the first year of employment.

j. Studies Program: The Department contracts for assistance in facilitating studies that improve the overall operation and efficiency of the OUSD(P&R) and the programs over which it exercises oversight. Major themes of these studies include the three main focus areas of recruiting, retention, and readiness along with the full continuum of subjects that impact these major themes. Population of interest is the Total Force.

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

	<u>\$ in Thousands</u>		
	FY 2012	FY 2013	FY 2014
	<u>¹/Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
G. <u>Under Secretary of Defense (Intelligence):</u>	165,050	150,498	153,239

¹/Excludes \$32,671 thousand OCO funding (PL 112-74)

The USD(I) advises the Secretary and Deputy Secretary of Defense regarding intelligence, counterintelligence, security, sensitive activities, and other intelligence-related matters. The OUSD(I) exercises the SECDEF's authority, direction, and control over the Defense Agencies and DoD Field Activities that are Defense intelligence, counterintelligence, or security components; and exercises planning, policy, and

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strategic oversight over all DoD intelligence, counterintelligence, and security policy, plans and programs. The USD(I) is dual-hatted as the Director of Defense Intelligence within the Office of the Director of National Intelligence (ODNI). In this capacity, he reports to the DNI on Defense Intelligence matters.

a. Intelligence Mission. Three Deputy Under Secretaries (DUSD) and two direct report offices support the intelligence mission:

The ***DUSD Warfighter Support (WS)*** ensures that intelligence support across the Department meets critical and timely warfighter needs and requirements through policy development, planning, and operational oversight. DUSD (WS) aligns policies and programs with current operational requirements and Special Operations Intelligence Integration (SOII).

Intelligence, Surveillance and Reconnaissance (ISR) Task Force (TF) Directorate: Responsible for improving the near-term efficiency and effectiveness of Joint and Coalition ISR capabilities by spearheading the expedited delivery of ISR systems, technologies, policies, and processes in support of warfighter operations in the CENTCOM theater of operations. Provides oversight and advocacy of investment and sustainment resources needed to accelerate the deployment of ISR capability with supporting infrastructure for collection, communications, and processing, exploitation and dissemination. Works closely with the Joint Staff, CCMDs, Services, CSAs, and the OSD staff to identify and operationally integrate initiatives designed to address unmet ISR demands and develop options to meet gaps and shortfalls. Works to coordinate approved ISR initiatives input into the DoD PPBE process.

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I. Description of Operations Financed (cont.)

ISR Operations and Global Intelligence Posture Directorate: Responsible for improving the near-term efficiency and effectiveness of ISR capabilities by spearheading the expedited delivery of ISR systems, technologies, policies, and processes in support of warfighter operations across the CCMDs. Provides oversight and advocacy of investment and sustainment resources needed to accelerate the deployment of ISR capability with supporting infrastructure for collection, communications and processing, exploitation and dissemination. Works closely with the Joint Staff, CCMDs, Services, Combat Support Agencies (CSAs), JFCC-ISR, and the Office of the Secretary of Defense (OSD) staff to identify and operationally integrate initiatives designed to address unmet ISR demands and develop options to meet gaps and shortfalls. Coordinates policy/operational aspects of the Sensitive Reconnaissance Operations program (all airborne/maritime surveillance and reconnaissance operations requiring Secretary of Defense or Presidential approval in support of national and warfighter requirements).

Geospatial-Intelligence (GEOINT) and Signal Intelligence (SIGINT) Support Directorate: Provides oversight, direction, and guidance for the defense SIGINT, GEOINT, and measurement and signature intelligence (MASINT) enterprise supporting warfighter needs. Ensures combat support agency (CSA) SIGINT, GEOINT, and MASINT activity linkage to and synchronization with USDI and operational forces' priorities. Ensures SIGINT and GEOINT enterprise activities are meeting warfighter needs. Partners with Intelligence Community to synchronize National and Defense collection prioritization processes. Oversees integration of SIGINT/GEOINT/MASINT with broader intelligence processes. Drives policy to support and enable effective application of technical collection. Proposes guidance for SIGINT/GEOINT/MASINT Enterprise to the USD(I) for decision.

Plans and Combatant Command Support Directorate: Leads transformation efforts and develops/coordinates policy on all intelligence disciplines/Joint Intelligence Operations

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I. Description of Operations Financed (cont.)

Centers. Provides policy, guidance and oversight of the Defense Intelligence Enterprise to ensure support to the warfighter and to operations. Reviews and advocates for appropriate warfighter intelligence requirements and capabilities. Provides guidance and oversight to sustain the intelligence planning effort to synchronize and integrate National and Defense Intelligence Enterprise support of selected combatant command top priority contingency and campaign plans and lead the integration of intelligence planning into the overall Adaptive Planning initiative. Serves as representative to Joint Improvised Explosive Device Defeat Organization and provides advice for all Counter-IED programs. Provides policy, strategy, guidance, resource advocacy, and oversight for Reserve Component intelligence elements across the Defense Intelligence Enterprise; supports and manages reserve intelligence capabilities as appropriate and provides oversight of the Joint Reserve Intelligence Program.

Special Operations Intelligence Integration Directorate: Serves as the OUSD(I) focal point for integration between Special Operations Forces (SOF), including Special Access Programs and intelligence activities; and serves as the intelligence structure and resource advocate enhancing intelligence integration with SOF operations. Provides USD(I) with a holistic common operational picture ensuring SOF, intelligence, and related capabilities are known, sufficient, and operationally aligned. Includes key tasks such as strengthening the integration of Title 10/Title 50 activities; strengthening OUSD(I) links to ongoing SOF operations; improving engagement with OUSD(I) as it develops policy governing intelligence support to SOF operations; and coordinating with USSOCOM for SOF-Intelligence integration requirements in support of operations. Serves as staff lead across OUSD(I) for SOF-Intelligence integration in support of operations and ensures the Department has intelligence support for SOF capabilities to sustain counterterrorism, irregular warfare, counterproliferation, and other SOF missions as appropriate. Provides support to combatant commands to include planning and review of SOF-related Execution Orders and Deployment Orders. Oversees and manages the integration of intelligence

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I. Description of Operations Financed (cont.)

support to SOF operations and Congressionally-directed reporting of SOF-Intelligence activities.

Special Technical and Cyber Operations Directorate: Focal point for special technical and cyber operations, with emphasis on operations support to Services and COCOMs. Represents the USD(I) in Special Technical Operations staffing processes with Joint Staff. Strengthens interagency and foreign intelligence partnerships for cyber operations. Accounts for cyber plans, operations and orders across the Joint Force. Serves as lead for all ODNI, GAO, or Congressionally-directed actions on cyberspace operations. Promotes Intelligence/Operations integration for cyberspace operations in conjunction with interagency and international partners. Serves as cross-cutting technical liaison for convergent electronic warfare and cyberspace operations development.

The ***DUSD Intelligence Strategy, Programs and Resources (ISP&R)*** develops DoD's investment strategy for ISR and Environmental system capabilities, as well as new concepts and innovative technologies to enhance the Defense Intelligence Enterprise. The office executes this investment strategy through management of the Military Intelligence Program (MIP) as well as the Battlespace Awareness Portfolio, balancing investment and risk over specific capability focus areas. It also provides oversight support to USD(I) for ISR acquisition programs. The office synchronizes MIP investment with those investments in the National Intelligence Program (NIP) that support military planning and operations.

Battlespace Awareness and Program Assessment Directorate: Serves as the principal staff advisor and functional manager for the Department's Battlespace Awareness (BA)

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I. Description of Operations Financed (cont.)

Portfolio, one of nine capability portfolios in the Department of Defense (DoD). Provides resource oversight, program guidance and investment strategies for all DoD ISR and Environmental System Capabilities. Responsible for the Congressionally-directed ISR Roadmap/Strategic Plan, the OUSD(I) submission to SECDEF's Defense Planning and Programming Guidance, the annual submission of the portfolio's balanced resource recommendation to OSD/Cost Assessment and Program Evaluation (CAPE), and the annual Consolidated Intelligence Guidance (in conjunction with ODNI). Provides DoD seniors, including the SECDEF's Large Group and Deputy's Management Action Group (DMAG), with integrated and balanced portfolio resource recommendations. Serves as OUSD(I) focal point for the NIP-MIP Integration Group, SECDEF Large Group, MAG, 3-Star Programmers Group, and Quadrennial Defense Review. Serves as Executive Secretariat for the DoD ISR Council and ISR Deputy's Council, and provides primary OUSD(I) interface with OSD/CAPE and ODNI/Systems and Resource Analyses (SRA) to ensure ISR and Environmental System capability linkages and dependencies across the Department and with the NIP.

Cyber Capabilities Directorate: Focal point for DoD cyber capabilities in the national and military intelligence programs, supporting all other directorates. Integrates cyberspace issues into Departmental processes and ensures the Department has the appropriate intelligence capabilities for the cyberspace domain. Supports partnerships with industry, academia, and labs on cyberspace technology needs.

Emerging Capabilities and Technology Investments Directorate: Provides USD(I) with innovative capability solutions supporting warfighting needs through the application of emerging technologies, methodologies or opportunities while leveraging partnerships and alliances with government, industry and academia. Identifies, assesses, and oversees development and implementation of advanced concepts and cutting-edge capabilities for the Department. Addresses critical intelligence needs, operational shortfalls, and

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I. Description of Operations Financed (cont.)

interagency requirements by conducting research, analysis, and coordination of initiatives among Service and Defense Agencies to minimize overlapping programs, maximize cross-functional applications, and capitalize on existing technology investments.

Intelligence Strategy and National Intelligence Program Integration Directorate: Develops, coordinates and implements the Defense Intelligence Strategy in support of USD(I)'s strategic direction for the Defense Intelligence Enterprise. Synchronizes DoD and IC strategies with USD(I) guidance for planning actions in the IC and within DoD. Develops and implements projects, processes, and procedures to integrate defense intelligence and national intelligence efforts across a wide spectrum of national security objectives. Represents the USD(I) and senior leadership at Defense and National Intelligence and international venues.

Intelligence Systems and Architectures Directorate: Provides OSD functional oversight for DoD ISR and environmental programs, to include planning and direction, collection, processing, exploitation, analysis, prediction and production and BA data dissemination and relay, including dedicated communications networks. Provides oversight and technical expertise, including requirements evaluations, technology assessments, acquisition oversight, and budget accuracy of DoD ISR Programs and jointly funded National programs. Oversees execution of investment strategies approved by ISP&R principal staff and USD(I) senior leadership through evaluations of National and DoD ISR initiatives. Creates and manages DoD governance processes providing integrated architectures for Battlespace Awareness systems, traditionally known as ISR tasking, processing, exploitation, dissemination (TPED) and collection systems. Provides special emphasis to ensure all Battlespace awareness architectures address all ISR capabilities requirements from the collector/sensor through the delivery to the end-user. Develops USD(I) implementation direction and analytic-based proposals to include supporting

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I. Description of Operations Financed (cont.)

studies for budget processes and delivering accurate assessments in support of the development and execution of the MIP. Supports NIP oversight on behalf of the USD(I), evaluating NIP contributions and the ability of National systems to meet warfighter needs. Identifies, manages, and coordinates ISR systems and programs through the OSD and DNI requirements process. Establishes enterprise management and governance for Defense Intelligence Information Enterprise and serves as the primary interface with the Intelligence Community, National Security Council, Homeland Security Council, ODNI, and other departments on Defense Intelligence Information Sharing policies, relationships and architectures for and with the Combatant Commands, coalition partners, allies, other federal government entities, state/local/tribal entities, international organizations, and the private sector. Oversees development of international intelligence information sharing architectures. Oversees the US BICES program. Provides leadership and staff support to the Defense Intelligence Information Enterprise Governance Council and its subordinate Boards and Steering groups. Coordinates defense intelligence interactions with broader DoD and IC governance boards.

Military Intelligence Program Resources Directorate: Develops investment strategies addressing warfighter near-term and long-term ISR, cyber, and other intelligence-related needs. Manages and advocates for the MIP on behalf of USD(I) throughout the PPBE process in the Department and works closely with ODNI to ensure appropriate linkages and dependencies between the MIP and the NIP. Outputs include the MIP Congressional Justification Books, Resource Management Decision proposals issue papers, reprogramming actions, quarterly execution reports to Congress, regular performance management reports to USD Comptroller and Office of Management and Budget (OMB), and appeals to Congressional marks on resources. Serves as primary OUSD(I) interface with ODNI, OMB, CAPE, USD(C), the Components, and Joint Staff for resource matters and Congressional appeals.

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I. Description of Operations Financed (cont.)

The *DUSD Intelligence and Security (I&S)* is responsible for developing policy and planning, and conducting strategic oversight for the DoD in the areas of HUMINT, Counterintelligence (CI), security, clandestine operations & sensitive activities, national programs & policy support, technical operations, international sharing & partner engagement, and defense analysis. Oversees and coordinates closely with the Defense CI & HUMINT Center at DIA. Supports management of resources and investments to meet evolving warfighter needs; expands defense HUMINT global reach; enhances CI and credibility assessment capabilities; transforms defense security; and synchronizes special access programs and other sensitive activities to provide enhanced operational integration and collaboration.

Defense Analysis Directorate: Represents the USD(I) through policy development and oversight, outreach, and capability development. Oversees the analytical performance of the Defense Intelligence Enterprise to ensure it is meeting the priority requirements of DoD warfighter, policy, and acquisition communities. Ensures the Defense Intelligence Enterprise produces timely and relevant intelligence analysis in support of DoD missions and customers. Directs, guides, and assesses the development and execution of policies, plans, programs and capabilities that maximize the effectiveness and efficiency of the Analytic Enterprise and leverages the capacity of the Intelligence Community to support DoD. Establishes standards of performance, quality assurance and integration; drives the development and implementation of advanced concepts, responsive strategies, and cutting-edge analytic capabilities for the DoD.

Defense HUMINT Directorate: Staff advisor for DoD HUMINT. Oversees the full spectrum of DoD HUMINT plans, programs, and operations. Develops and coordinates DoD policy governing HUMINT operations, interrogations, Senior Defense Official/Defense

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I. Description of Operations Financed (cont.)

Attaché System, tradecraft standards, coordination requirements, collection methodology, training, technology architecture, coalition engagement, enabling capabilities, cyberspace activities, HUMINT as it relates to personnel recovery, and Enterprise management. Assesses the performance of the DoD HUMINT Enterprise and recommends resource allocation/reallocation where appropriate. Represents OUSD(I) within the IC on matters pertaining to DoD HUMINT. Supports Defense guidance and strategies allowing HUMINT to be flexible and responsive to address emerging global threats while providing timely, objective, and cogent military intelligence in support of warfighters, planners, and policymakers.

Clandestine Operations and Sensitive Activities Directorate: Staff advisor for the oversight, coordination, assessment, and reporting of DoD intelligence and intelligence-related sensitive activities (SA). Staff advisor for policy, planning, and oversight of the Defense Cover Program and designated special access programs. Maintains global visibility of SA to facilitate senior-level decision making. Conducts analysis of DoD SA and ensures coordination and deconfliction. Coordinates staff actions related to SA. Develops policies, strategies, technologies and programs to facilitate agility, speed, effectiveness and persistence supporting the conduct of SA and associated cover support. Oversees and manages SA and Congressionally-directed reporting. Establishes and maintains agreements related to DoD and interagency SA. Provides functional oversight of selected compartmented and special-access programs and ensures coordination and deconfliction of activities among stakeholders.

Counterintelligence (CI) and Law Enforcement Support Directorate: Staff advisor for DoD CI and Credibility Assessment (CA) matters. Develops and staffs DoD CI and CA policies; conducts CI and CA policy oversight assessments; represents the USD(I) and OSD at IC, national, international and DoD CI and CA fora; and conducts outreach activities

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I. Description of Operations Financed (cont.)

to DoD Components with organic CI elements. Provides support on CI budget matters for CI and CA resources as well as CI and CA staff support to OSD, the Joint Staff and other customers. Primary OUSD(I) focal point for interaction with the DoD and national law enforcement communities.

Intelligence Sharing and Partner Engagement Directorate: Coordinates all intelligence sharing and foreign engagement for OUSD(I). ISPE formulates and coordinates policy on all intelligence sharing with a focus towards foreign allies, partners, and stakeholders. Serves as the primary interface with the IC, National Security Council, Homeland Security Council, ODNI, and other departments on Defense Intelligence Sharing policies, relationships, and initiatives for/with the Combatant Commands, Defense Agencies, the Services, coalition partners, allies, other federal government entities, state/local/tribal entities, international organizations, the Defense Industrial Base, and the private sector. Manages Defense Intelligence sharing efforts with customers within the national security, intelligence and law enforcement communities. ISPE also provides input to country strategies developed with the ODNI and serves as the representative to the National Disclosure Policy (NDP) Committee and Foreign Relations Coordination Committee and votes on all requests for exception to NDP. Serves as the OUSD(I) representative to the IC Information Sharing Steering Committee and the IC Information Sharing Executive. Coordinates defense intelligence interactions with broader DOD and IC governance boards.

National Programs and Policy Support Directorate: Responsible for policy development, oversight, planning, and coordination of activities involving DoD interactions with sensitive interagency programs and operations. Serves as the lead OSD staff element and principal advisor to the USD(I) for management of policy, administrative, and security requirements related to National Security Council programs

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I. Description of Operations Financed (cont.)

and other activities coordinated with the National Security Staff. Manages policy, oversight, enabling, and operational coordination requirements for a SECDEF program that coordinates the provision of Defense Sensitive Support among and between DoD and other federal departments and agencies. Develops, integrates and oversees implementation and guidance of Military Deception (MILDEC) and Operations Security (OPSEC) DoD policy, programs, education. Provides the analytic capability for the congruent development, application and assessment of Military Deception (MILDEC) and Operations Security (OPSEC) in support of missions and operations. Works closely with the Office of the Under Secretary of Defense for Policy, the Joint Staff, the Combatant Commands, the Services, the Defense Combat Support Agencies and the Director of National Intelligence (DNI) staff to ensure shared responsibility and close synchronization with intelligence, operations, and associated planning elements.

Technical Operations Directorate: Staff advisor for DoD clandestine technical operations and capabilities. Responsible for policy, planning and oversight of the DoD Foreign Materiel Program, DoD Special Communications Enterprise, defense measurement and signature intelligence (MASINT) activities, and designated special access programs. Coordinates, assesses and enables DoD clandestine technical activities; represents OUSD(I) and OSD at DoD, IC, national and international technical fora; and conducts outreach activities with DoD components and other elements of the U.S. Government. Ensures coordination and synchronization of technical capabilities, operations and activities among stakeholders, to include the IC and DoD components. Foreign materiel exploitation activities include analysis, testing, evaluations, and documentation of the scientific and technical characteristics of an item of foreign materiel. Includes the assessment of capabilities and vulnerabilities, and the operational performance against U.S. systems and countermeasures.

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I. Description of Operations Financed (cont.)

Security Directorate: Staff advisor for DoD security enterprise policy, planning, and oversight. Manages security enterprise governance structures and oversees strategic planning for the management of the Defense Security Enterprise. Executive Agent for the U.S. National Industrial Security Program Operating Manual providing direction and requirements to cleared contractors for the protection of classified information. Develops, coordinates, and oversees the implementation of DoD policy, programs, and guidance for personnel, physical, information, industrial, operations, SCI and SAP security, as well as critical program information protection. Ensures existing security policies balance the need to protect information and resources with the need to share across DoD and interagency missions. Oversees and conducts assessments of DoD Components' security programs through the Defense Security Oversight Assistance Program. DoD Functional Community Manager for security, responsible for professionalization and management of the security career field. Represents OUSD(I) and OSD on all matters pertaining to USD(I)-chartered security programs at DoD, IC, interagency, and international fora.

Direct Report Offices (DRO) consists of the Chief of Staff Office and the Human Capital Management Office.

The Chief of Staff Office serves as the focal point for coordination of organization-wide management and administrative matters; Defense Intelligence Mission Assurance; Intelligence Policy; and Intelligence Special Access Programs management. Responsible for supporting security, management, administration, and oversight of USD(I) compartmented activities and Special Access Programs (SAP). Congressional activities in support of the USD(I), the ASD (Legislative Affairs) and the OSD (Comptroller) facilitate

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I. Description of Operations Financed (cont.)

OUSD(I) interaction with Defense and Intelligence oversight committees, and Members of Congress and their staffs in order to provide information on the MIP and OUSD(I) legislative priorities consistent with DoD objectives. Responsible for managing OUSD(I) Continuity of Operations/Continuity of Government requirements and full integration with OSD; and serves as the DoD lead for the Defense Intelligence Mission Assurance activities ensuring Combat Support Agencies are fully integrated into DoD and IC efforts. Responsible for the development and coordination of DoD intelligence, CI, and security policy to reflect the USD(I)'s direction and priorities; and provides a framework for effective intelligence operations worldwide. Synchronizes DoD policy with IC policy to foster intelligence integration in support of national intelligence requirements and the warfighter. Identifies and fills policy gaps to provide critical guidance in emerging and evolving intelligence mission areas. Ensures Joint Staff Intelligence Doctrine is accurate and correctly reflects intelligence policy guidance.

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

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I. Description of Operations Financed (cont.)

b. International Intelligence Technology and Architectures. Develops, coordinates, oversees, and manages USD(I)'s technology and architectural analysis and support to allied and coalition intelligence sharing and exchange requirements. Conducts research, analysis, and coordination to advance and integrate DoD, NATO, and coalition intelligence sharing, exploitation, and dissemination. Identifies and minimizes overlapping programs, maximizes cross-functional applications, and leverages existing investments in intelligence fusion and discovery capabilities such as the U.S. Army Distributed Common Ground/Surface System - Army (DCGS-A) and the Defense Intelligence Information Enterprise (DI2E). Provides program management of Battlefield Information Collection and Exploitation System (BICES) in support of U.S. and Coalition forces. Provides architectural support to Combatant Commands to determine international intelligence solutions for bi-lateral and multi-lateral information sharing. Integrates international solutions for US BICES capabilities within the global Special Operations Forces fusion centers and tactical commands. Develops the enduring international intelligence sharing architecture across the Unified Command Structure. Ensures integration of international intelligence capabilities with the DI2E.

c. Defense Civilian Intelligence Personnel System (DCIPS). Critical to the ability of the Defense Intelligence Enterprise to effectively recruit, develop and retain a world-class intelligence workforce. Enables each Component to manage their unique mission while providing a common and consistent personnel framework that enhances performance linked to mission and focuses on collaboration and communication. Designs, implements and oversees the Enterprise-wide policies and provides consistent and timely communications, program evaluation and evolution, and real-time training.

\$ in Thousands

FY 2012

FY 2013

FY 2014

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<u>I. Description of Operations Financed (cont.)</u>	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
<u>H. Director, Cost Assessment and Program Evaluation (CAPE):</u>	28,928	34,498	34,110

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

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

- 1) Cost Estimating Analysis and Economic Research
- 2) Strategic, C4, and ISR Programs
- 3) Irregular Warfare Analysis
- 4) Conventional Forces Analytical Support
- 5) Defense Program Projection Support (DPP)
- 6) Force Structure, Weapons Systems, and Warfighting Analysis
- 7) Mobility Capability Analysis
- 8) Scenario Analysis and Simulation and Analysis Center (SAC)
- 9) Defense Contract and Resource Center (DCARC)

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b. Defense Resource Management Study Program (DRMS): This program provides support toward the reform of defense resource management processes of foreign countries that are establishing democratic control in the areas of defense and national security. The DRMS program ended in FY 2012.

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

d. Future Years Defense Program (FYDP) Improvement: This program is a transfer from OUSD (Comptroller), effective 2013. Maintain the FYDP information system used to collect, transform, disseminate, build reports, and provide analytical displays for PPBE deliverables. Improve the efficiency and effectiveness of PPBE processes and systems. Support PPBE decision making by the Secretary of Defense and senior DoD leadership. Beginning in FY 2013, transfers planned resources to Director, CAPE, from OUSD (Comptroller) for FY 2013 and beyond.

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

\$ in Thousands

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I. Description of Operations Financed (cont.)

	<u>FY 2012 Actuals</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
I. <u>DoD Chief Information Officer:</u>	91,153	91,651	79,192

The DoD Chief Information Officer supports all aspects of the Defense Information Enterprise - its strategic, business, infrastructure, and capital planning; resource (e.g., people, funds, and technology) management; and its design, development, configuration, acquisition, operation and protection. Emphasis is placed on providing plans, policies, processes, governance structures, analytic assessments, Enterprise-wide architecture, and IA/IT technical expertise to achieve a joint information environment, capable of effectively and efficiently supporting the Department's strategic goals and objectives. Funds provide DoD CIO oversight responsibilities for the development and integration of Command, Control, Communications, Computing Network, and Information Infrastructure (C4&II) policies and capabilities that support the full range of Defense operations from tactical through strategic levels. Provides for C4&II policy and strategy development and analysis activities (e.g. bandwidth assessments, spectrum analysis, satellite communication, integrated joint C2 capability plans, and commercial wireless policy documents), and domestic and international policy engagement. Funds the analysis and oversight of implementation strategies for Information Technology (IT)-based systems, services, standards, specifications and protocols to enhance the efficiency and effectiveness of C4&II capabilities and ensure compliance with the Department's joint information environment objectives. Enables management and oversight functions for Department and Component-level strategies for C4&II capability programs across DoD to enable technical analyses and evaluations of cost, schedule, performance, dependencies and requirements, and to provide leadership with solid capability strategies and economic alternatives. Funds technical and capability oversight, architecture development, and systems engineering analysis of C4&II related programs, sustainment and modernization

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I. Description of Operations Financed (cont.)

plans, technical evaluation and assessments of acquisition strategies and requirements, analyses of alternatives, and C4&II systems integration and synchronization. Funds are used for various advocacy and oversight activities in support of National Leadership Command Capabilities, specifically the availability and provisioning for fully capable and collaborative nuclear and national C2 networks, systems, and devices. National and Presidential communications and information services will be improved by development of network status visualization tools, secure voice and crypto modernization, and systems engineering and architecture development for future systems. These funds also support the oversight and preparation of the OMB and Congressional justification materials for the DoD Information Technology budget, including the Department's cyber security budget

a. Information Systems Security Program (ISSP): Supports policy development, program oversight, development of strategies, the integration of all DoD Information Assurance (IA) efforts such as Computer Network Defense (CND), and capabilities for the restoration of information systems. Supports: IA and CND architecture development and oversight; IA and CND operations process integration, impact assessment and mitigation planning; Oversight and development of IA education, training and awareness -- including IA Scholarship Program - defense information systems security programs, and capabilities that support mission assurance, transformation planning, and implementation processes.

b. e-Gov Initiatives and Government-Wide Councils: This program implements OMB IT Management requirements supporting the President's agenda for transparency, information sharing, and OMB's guidance on alignment of architectures, advancement of new technologies, Federal-wide management initiatives, and implementation of Federal-wide services. The funding will provide for the Department's annual share for support to the Federal government-wide councils (Chief Financial Officers Council, Chief Information Officers Council, Chief Human Capital Officers Council, Chief Acquisition Officers Council, and the President's Management Council).

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I. Description of Operations Financed (cont.)

c. Cyber Security Initiative: Supports the President's inter-agency Comprehensive National Cyber Security Initiative. Funding includes support for Supply Chain Risk Management (SCRM) activities. The SCRM activities are comprised of two types: SCRM piloting activities within DoD, and continued expansion of SCRM threat assessment capability. DoD is piloting SCRM key practices within DoD acquisition programs through SCRM piloting centers of excellence, which place SCRM Subject Matter Experts (SMEs) within DoD acquisition programs to test SCRM key practices and leverage threat information from the SCRM threat assessment capability. The goal is to mitigate risks to DoD's IT information systems from the global supply chain of hardware and software-based components. In addition funds support cyber professional education and training activities at the service academies, senior service and defense colleges, service training schools, and for distributive/web-based training and mentoring.

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

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I. Description of Operations Financed (cont.)

	<u>\$ in Thousands</u>		
	<u>FY 2012</u> <u>Actuals</u>	<u>FY 2013</u> <u>Estimate</u>	<u>FY 2014</u> <u>Estimate</u>
J. <u>Deputy Chief Management Officer:</u>	35,109	32,198	31,042

The **Office of Deputy Chief Management Officer (O,DCMO)** was established through Section 904 of the Fiscal Year 2009 National Defense Authorization Act (NDAA) to lead and enable end-to end integration and improvement of the business operation. On behalf of the Deputy Secretary of Defense, the O,DCMO works across the Department to synchronize and coordinate cross-functional business activities and break down organizational stovepipes.

The DCMO also serves as DoD Performance Improvement Officer ensuring that both operational and institutional processes are delivering needed capability. The DCMO strives to ensure delivery of efficient, effective and agile business operations that support and enable the Warfighter.

O,DCMO creates this optimized enterprise-wide business environment by synchronizing and integrating the Department's business activities and management structures. Specifically, the DCMO is responsible for DoD business strategic planning, performance management, and oversight; successful implementation and oversight of defense business systems; effective business portfolio and investment management; providing rapid and agile solutions to the Warfighter; delivering the Business Enterprise Architecture, standards, and technology innovation; end-to-end business process optimization, integration and alignment; and utilization of business intelligence for effective decision making.

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I. Description of Operations Financed (cont.)

Overall, the O,DCMO provides DoD Components and stakeholders the guidance, tools, and resources needed to create a performance-oriented culture guided by an overarching business strategy that identifies cross-functional processes, tracks critical performance measures, manages investments to ensure Warfighter requirements are quickly and accurately met, and properly leverages information technology. This integrated management framework enhances DoD's ability to achieve important business outcomes in the Business Mission Area (BMA) and operational outcomes throughout the rest of the Department.

More detailed information on the mission and functions of the Office of the DCMO can be found at the following website: <https://dcmo.defense.gov>.

II. Force Structure Summary:

N/A

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
1. Core Operating Program	382,167	380,351				380,351	388,252
Core Operating Program	382,167	380,351				380,351	388,252
2. Other DoD Programs and Initiatives	232,354	205,540				205,540	237,904
Other DoD Programs and Initiatives	232,354	205,540				205,540	237,904
3. OUSD (AT&L) Congressional Mandate	33,581	35,911				35,911	33,642
BRAC Support	0	0				0	8,000
CFO Act Compliance	2,057	12,845				12,845	3,176
Committee on Foreign Investment in the US (CFIUS)	0	2,579				2,579	2,598
Contingency Business Tools	11,423	11,928				11,928	11,999
E-Business COE	2,396	2,923				2,923	2,877
Legacy Resource Management Program	5,671	5,404				5,404	4,941
Native American Land Remediation	12,034	232				232	51
4. OUSD (AT&L) Improve Acquisition & Logistics Processes	158,611	154,242				154,242	155,779
Acquisition Program Support Systems	9,385	8,885				8,885	8,998
Contingency Contracting	3,059	2,884				2,884	2,907
Corrosion Prevention	6,943	5,825				5,825	5,752

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
Program							
CWMD Expert Fellows Program	574	0				0	1,912
CWMD Sustainment	0	0				0	2,825
Defense Industrial Base Cyber Security	2,602	3,072				3,072	3,065
Defense Installation Spatial Data Infra (DISDI)	2,486	3,925				3,925	724
Defense Management Initiatives	4,799	1,734				1,734	1,738
Defense Procurement & Acquisition Policy (DPAP)	0	2,409				2,409	2,405
Developmental Test and Engineering (DT&E)	2,001	2,159				2,159	2,185
DoD Siting Clearinghouse	2,538	1,876				1,876	3,015
Emerging Contaminants	1,128	939				939	672
Employee Safety	1,738	609				609	689
Occupational Health (ESOH) in Acquisition							
Human Capital Initiative (HCI)	1,464	705				705	720
I&E Business	2,600	459				459	2,723
Enterprise Integration (Formerly Facilities Program Requirement)							

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
Industrial Policy Program Support	5,272	5,067				5,067	4,971
Information Superiority Integration Support (ISIS)	0	6,868				6,868	6,819
Installation Climate Change Vulnerability Assessment	627	1,121				1,121	963
Integrated Acquisition Environment (GSA Bill)	27,787	29,601				29,601	29,052
Joint Purchase Card Office	6,575	7,332				7,332	7,497
Logistics Systems Modernization (LSM)	23,644	22,904				22,904	23,284
Mission Capabilities/Systems Engineering	6,692	6,545				6,545	6,646
Operational Energy Plans and Programs (OEP&P) Office	7,282	9,465				9,465	6,599
Performance Assessment & Root Cause Analysis (PARCA) Office	11,238	10,933				10,933	10,950
RDT&E Oversight	4,175	5,640				5,640	3,836
Small Business Program Support	1,209	4,768				4,768	6,777
Space and Intelligence	7,775	7,270				7,270	6,833

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. <u>BA Subactivities</u>							
MDAP Oversight							
Strategic Sourcing	1,714	1,247				1,247	1,222
Synchronization Pre- deployment and Operational Tracker Enterprise Suite (SPOT-ES)	13,304	0				0	0
6. OUSD (AT&L) Promulgate Policy	25,868	22,875				22,875	23,455
Acquisition Visibility	16,886	18,396				18,396	18,906
AT&L Knowledge Sharing Systems	7,454	3,752				3,752	3,836
Transform Procurement Regulations	1,528	727				727	713
7. OUSD (AT&L) Regulatory Requirement	48,245	58,259				58,259	55,962
Acquisition Workforce Demonstration	0	4,008				4,008	2,274
Environmental International Cooperation	2,024	2,092				2,092	2,037
International Cooperation Program Support	361	1,257				1,257	1,089
Low Observable, CLO	307	304				304	125
Readiness & Env. Protection Initiative (REPI)	45,553	50,598				50,598	50,437

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
8. OUSD (AT&L) Other	15,943	17,309				17,309	18,660
OSD Studies Fund	12,308	13,126				13,126	14,546
OUSD(AT&L) Travel	3,635	4,183				4,183	4,114
9. OUSD (AT&L) OCO	18,643	0				0	0
OCO OUSD (AT&L)	18,643	0				0	0
10. OUSD (Policy)	92,195	65,282				65,282	66,058
Defense Critical Infrastructure Protection	7,978	8,289				8,289	8,640
Global Threat Management	4,868	5,766				5,766	7,087
Homeland Defense Support Activities	6,727	6,013				6,013	6,375
Mission Support	5,639	0				0	0
OCO OUSD(Policy)	39,138	0				0	0
OUSD(P) Travel	0	5,566				5,566	5,613
Policy Planning and Integration	6,341	10,617				10,617	8,750
Regional Security Affairs	4,997	4,632				4,632	5,958
Rewards Program	4,257	7,932				7,932	8,466
US Mission to NATO	5,796	5,670				5,670	6,100
Warfighting Support Activities	6,454	10,797				10,797	9,069
11. OUSD (Comptroller)	27,198	24,966				24,966	39,585
Comptroller Initiatives	18,236	16,251				16,251	30,709
Enterprise Funds	2,422	3,097				3,097	3,150

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
Distribution System Support							
FYDP Improvement	2,754	0				0	0
Next Generation Resource Management System	2,979	4,131				4,131	4,202
OUSD(C) Administrative Support	807	1,487				1,487	1,524
12. OUSD (P&R)	962,272	821,782				821,782	693,296
Advancing Diversity & EO	9,660	9,707				9,707	8,700
ASD (Health Affairs) Operations	3,380	855				855	858
ASD (Reserve Affairs) Operations	2,017	1,920				1,920	1,610
Combatant Commanders Exercise Engagement & Training Transformation	807,853	693,882				693,882	644,521
Defense Readiness Reporting System (DRRS)	3,880	7,842				7,842	7,387
Defense Safety Oversight Council (DSOC)	12,542	10,682				10,682	9,296
Lost Work Day System	3,030	2,824				2,824	2,785
Military Naturalization Support	6,459	6,688				6,688	6,774

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	FY 2013						FY 2014 Estimate
	FY 2012 Actual	Budget Request	Congressional Action			Current Estimate	
			Amount	Percent	Appropriated		
A. BA Subactivities							
Military Spouse Internship	16,679	0				0	0
OCO OUSD (P&R)	12,157	0				0	0
OUSD (P&R)	995	1,779				1,779	3,267
Administrative Support OUSD (P&R) Travel	817	1,063				1,063	1,049
Studies Program/CASS	2,790	2,600				2,600	2,346
Training	5,111	4,772				4,772	4,703
Transformation Wounded Warrior Care	74,902	77,168				77,168	0
13. OUSD (Intel)	197,721	150,498				150,498	153,239
Defense Civilian Intelligence Personnel System (365)	3,134	2,006				2,006	2,100
Defense Military Deception Program Office	0	5,044				5,044	5,820
Intelligence Mission (365)	82,744	74,930				74,930	75,773
International Intelligence Technology and Architecture (365)	79,172	68,518				68,518	69,546
OCO OUSD (Intel)	32,671	0				0	0
14. Director, CAPE	28,928	34,498				34,498	34,110
CAPE Travel	382	418				418	450
Defense Resource Management Study	1,094	0				0	0

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	FY 2012 <u>Actual</u>	Budget <u>Request</u>	FY 2013			Current <u>Estimate</u>	FY 2014 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
(DRMS)							
FYDP Improvement	0	3,688			3,688	3,748	
Industrial Base Studies	2,931	2,232			2,232	2,268	
Long-Range Planning	24,521	28,160			28,160	27,644	
15. DoD Chief Information Officer	91,153	91,651			91,651	79,192	
CIO Mission	12,621	11,617			11,617	32,375	
Cyber Security Initiative	17,525	24,580			24,580	11,394	
Defense Industrial Base, Cyber Security Initiative	2,812	2,969			2,969	3,410	
DoD CIO Travel	700	1,097			1,097	1,097	
Egov, Councils Information Superiority	15,768	17,810			17,810	17,738	
Integration Support (ISIS)	3,641	0			0	0	
Information Systems Security Program (ISSP)	15,480	13,253			13,253	13,178	
Mission & Analysis Fund	22,606	20,325			20,325	0	
16. Deputy Chief Management Officer	35,109	32,198			32,198	31,042	
DCMO Integration and Policy	35,109	32,198			32,198	31,042	

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	FY 2013						FY 2014 <u>Estimate</u>
	FY 2012 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Total	2,349,988	2,095,362				2,095,362	2,010,176

- * The FY 2012 Actual column includes \$102,609 thousand for Overseas Contingency Operations (OCO) funding (PL 112-74).
- * The FY 2013 Estimate column excludes \$87,805 thousand for OCO funding requested in the FY 2013 Defense-Wide OCO Budget Request.
- * The FY 2014 Estimate column excludes FY 2014 Defense-Wide OCO Budget Request.

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B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2013/FY 2013</u>	<u>FY 2013/FY 2014</u>
Baseline Funding	2,095,362	2,095,362
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	2,095,362	
Fact-of-Life Changes (2013 to 2013 Only)		
Subtotal Baseline Funding	2,095,362	
Supplemental	87,805	
Reprogrammings		
Price Changes		72,453
Functional Transfers		-78,617
Program Changes		-79,022
Current Estimate	2,183,167	2,010,176
Less: Wartime Supplemental	-87,805	
Normalized Current Estimate	2,095,362	

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	Amount	Totals
C. Reconciliation of Increases and Decreases		
FY 2013 President's Budget Request (Amended, if applicable)		2,095,362
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2013 Appropriated Amount		2,095,362
2. War-Related and Disaster Supplemental Appropriations		87,805
a. OCO Supplemental Funding		
1) FY 2013 Supplemental Budget Request	87,805	
3. Fact-of-Life Changes		
FY 2013 Baseline Funding		2,183,167
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2013 Estimate		2,183,167
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-87,805
FY 2013 Normalized Current Estimate		2,095,362
6. Price Change		72,453
7. Functional Transfers		-78,617
a. Transfers In		
b. Transfers Out		
1) OUSD (P&R) - Transition Assistance Program	-51,700	
This is a realignment of funding to DoD Transition Assistance Policy from the Wounded Warrior Care Program. The funding is transferred to the Defense Human Resources Activity (DHRA) under the Transfer to Veterans Program Office (TVPO) program. Funding supports improvement of policies, standardization, implementation, and evaluation of the DoD Transition Assistance Policy Program in accordance with Veterans		

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C. Reconciliation of Increases and Decreases	Amount	Totals
Opportunity to Work Act (P.L. 112-56) and Veterans Employment Initiative. It resources DoD professional management services, pre-separation counselors and information technology support. (FY 2013 Baseline \$51,700; +0 FTEs)		
2) OUSD (P&R) - Wounded Warrior Care Program Transfer of funding for the Wounded Warrior Care Program from the Under Secretary of Defense (Personnel and Readiness) to the TRICARE Management Activity (TMA) beginning in FY 2014. (FY 2013 Baseline \$27,600K; +0 FTEs)	-26,917	
8. Program Increases		99,845
a. Annualization of New FY 2013 Program		
b. One-Time FY 2014 Increases		
c. Program Growth in FY 2014		
1) CAPE - Travel	24	
The increase in travel supports in-person meetings, direct review of programs, particularly with regards to execution of independent cost estimates. The Director and CAPE staff rely on these field visits for critical program discussions and to gather important insights and data. First-hand accounts of programs and the personnel charged with managing them helps to ensure accurate assessments when making recommendations to the Secretary of Defense for program changes. (FY 2013 Baseline \$418 thousand; +0 FTEs)		
2) Core Operating Program - Compensation and Benefits	6,874	
The net increase of \$6,874 thousand is due to three factors. +\$2,235 thousand is due to the realignment		

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C. Reconciliation of Increases and Decreases	Amount	Totals
<p>of the cost of mass transit benefits from Other Intra-Governmental Purchases, OP-32 Line 987, to Civilian Compensation and Benefits, OP-32 Line 101. +\$9,740 thousand is due to the realignment of costs associated with non-consulting Intergovernmental Personnel Act (IPA) to Civilian Compensation and Benefits, OP-32 Line 101 to comply with OMB Circular A-11 by budgeting where the expense is incurred; these costs were realigned from OP-32 Line 932 (-\$3,766 thousand), OP-32 Line 934 (-\$271 thousand), OP-32 Line 987 (-\$5,015 thousand), and OP-32 Line 989 (-\$688 thousand). Part of the net increase was a decrease of -\$5,101 thousand due to the shaping and sizing of the civilian workforce to support the reduced force structure and military end strength. (FY 2013 Baseline \$380,351 thousand; -25 FTEs)</p>		
<p>3) DOD CIO - CIO Mission Funding increase represents a combination of efficiency reductions and realignment of funds as a result of the disestablishment of the ASD(NII). The Mission and Analysis Fund (program functions and associated funding) will transfer to CIO Mission. This realignment is a zero-sum change within the DoD CIO O&M portfolio. Also includes increase in funding of \$1.2M for the cost of support for contractor FTEs associated with the standup, data gathering/compilation, and operations centralized SAP IT oversight, and the establishment of a centralized SAP IT governance office. (FY 2013 Baseline \$11,617 thousand; +0 FTEs)</p>	20,537	

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C. Reconciliation of Increases and Decreases	Amount	Totals
4) DoD CIO - Defense Industrial Base, Cyber Security Initiative Growth supports expansion to a broader group of companies and to support the objectives of the Opt-In Pilot, which leverages DoD Cyber Crime Center (DC3) intrusion forensic capability to analyze threat data and provide threat reporting to the DIB Companies. The DIB CS/IA program must be expanded to a broader group of companies to avoid affording preferential treatment to the few in the Opt-In pilot. (FY 2013 Baseline \$2,969 thousand; +0 FTEs)	385	
5) Other DoD Programs and Initiatives - Capital Security Cost Sharing (DoS Bill) Resources represent the Department's share of the Department of State (DoS) managed program authorized under Section 604 of the Secure Embassy Construction and Counterterrorism Act of 1999, as amended by the FY 2005 Consolidated Appropriations Act (P.L. 108-447). The Secretary of State determines the allowable cost share for each tenant agency. The programmatic increase is in support of new overseas facilities, maintenance, and repair as provided by the Department of State. (FY 2013 Baseline \$153,971 thousand; +0 FTEs)	31,246	
6) OUSD(AT&L) - Program Initiatives Increase reflects evolving acquisition, environmental, and policy issues for senior OSD leadership. Increases are required to review effectiveness of policy initiatives. Also supports decisions regarding strategic policy options and	1,362	

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C. Reconciliation of Increases and Decreases	Amount	Totals
plans for implementation as force posture and international political developments progress. (FY 2013 Baseline \$103,541 thousand; +0 FTEs)		
7) OUSD(AT&L) - BRAC Funds transferred to OUSD (AT&L) for technical support to develop recommendations and manage Base Realignment and Closure (BRAC) round in 2015. (FY 2013 Baseline \$0; +0 FTEs)	8,000	
8) OUSD(AT&L) - Countering Weapons of Mass Destruction (CWMD) Expert Fellows Program Funds labor costs of employees with Doctoral degrees, who provide expertise in the sought after field of containment and operational capability associated with analyses, oversight, and portfolio management of the Countering Weapons of Mass Destruction (CWMD) program. Net increase includes a reduction to OP-32 line other contract (989) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$0; +0 FTEs)	1,912	
9) OUSD(AT&L) - Countering Weapons of Mass Destruction (CWMD) Sustainment To support and sustain the R&D project Global CWMD Awareness System (GCAS) prototype being developed in FY 2013. GCAS is an acquisition program that began in FY 2012 that is expected in FY 2013 to deliver an operational prototype. The GCAS program will deliver tailored IT solutions in the form of "capability releases" to meet the requirements of USSTRATCOM, USSOCOM, and USCENTCOM in the CWMD mission,	2,825	

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C. Reconciliation of Increases and Decreases	Amount	Totals
specifically addressing a gap in CWMD situational awareness. The O&M funding will sustain the IT capability packages deployed to the three above-mentioned Combatant Commands. (FY 2013 Baseline \$0; +0 FTEs)		
10) OUSD(AT&L) - DoD Siting Clearinghouse Funding increase is required to complete establishment of the new Energy Siting Clearinghouse and associated tool development to meet additional requirements of the FY 2011 NDAA. Increase represents expanding renewable energy infrastructure efforts that impact DoD's use of air, land and seaspace for operations, readiness, training and testing missions as specified in the FY 2011 NDAA. Rapid expansion of alternative energy projects (i.e., commercial wind farms) have created increased demand on DoD for review of their compatibility with military activities. Net increase includes a reduction to OP-32 line Management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$1,876 thousand; +0 FTEs)	1,103	
11) OUSD(AT&L) - I&E Business Enterprise Integration This increase funds both Installations & Environment (I&E) and DoD-wide information needs for installation management, energy management, environmental management, safety and occupational health and increased support for audit readiness, as directed by DoD. This increase is an internal realignment to	2,255	

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C. Reconciliation of Increases and Decreases	Amount	Totals
properly align funds with their respective functions. (FY 2013 Baseline \$459 thousand; +0 FTEs)		
12) OUSD(AT&L) - OSD Studies Fund	1,171	
Increase reflects the costs for additional studies on Better Buying Power, Total Force Mix, Regenerating Capabilities, and Rebalancing Strategic Deployment for senior OSD leadership. The studies will support Internal Senior Leadership decisions regarding strategic policy options and plans for implementation as force posture and international political developments progress. (FY 2013 Baseline \$13,126 thousand; +0 FTEs)		
13) OUSD(AT&L) - Small Business Program Support	1,918	
Increase reflects an OSBP initiative for implementing a DoD Small Business Market Research Center of Excellence. This will significantly improve the Department's ability to achieve small business performance goals by conducting more effective market research in support of DoD acquisitions. (FY 2013 Baseline \$4,768 thousand; +0 FTEs)		
14) OUSD(C) - Administrative Support	296	
Increase is based on the realignment of funding from the OUSD(C) Travel Program(\$287K)and the realignment of funding for communications (conference call support \$9K) from the Comptroller Initiatives Program to OUSD(C) Administrative Support. This net zero realignment within OUSD(C) aligns mission and execution of costs and improves end-to-end budget formulation processes. (FY 2013 Baseline \$1,205 thousand; +0 FTEs)		

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C. Reconciliation of Increases and Decreases	Amount	Totals
15) OUSD(C) - Comptroller Initiatives	14,149	
<p>An Increase of \$14 million reflects funding transferred from DFAS to OUSD Comptroller for proper execution of audit readiness acceleration activities in order to achieve audit readiness for the Statement of Budgetary Resources by 2014. OUSD Comptroller will provide support, guidance, and oversight to the Services and the agencies in achieving audit readiness and support financial workforce management initiatives including program support, updates and maintenance of the learning management system, funding seats in the Defense Civilian Emerging Leader Program, and accelerated development of web-based training courses. Additional increase of \$149K supports contractor cost for course development oversight for the financial workforce management program. (FY 2013 Baseline \$16,251 thousand; +0 FTEs)</p>		
16) OUSD(I) - Defense Civilian Intelligence Personnel System	57	
<p>Increase supports program management and oversight. (FY 2013 Baseline \$2,006 thousand; +0 FTEs)</p>		
17) OUSD(I) - Defense Military Deception Program Office	680	
<p>Increase provides for proper OSD oversight for Doctrine, Organization, Materiel, Training, Leadership, Personnel, Facilities (DOTML-F) Military Deception (MILDEC) considerations, instantiation and governance of MILDEC, and related information environment education capabilities across the Department. Also enables MILDEC decision support factors within DoD acquisitions, technology, and</p>		

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C. Reconciliation of Increases and Decreases	Amount	Totals
logistic practices and programs. (FY 2013 Baseline \$5,044 thousand; +0 FTEs)		
18) OUSD(P&R) - Admin Support This increase provides funding for the stand-up of a Department of Defense (DoD) Veteran Affairs Office to improve coordination of Veterans' programs throughout DoD. (FY 2013 Baseline \$1,779 thousand; +0 FTEs)	1,454	
19) OUSD(P) - Defense Critical Infrastructure Protection Increase reflects additional study support for evaluating new infrastructure threats. (FY 2013 Baseline \$8,289 thousand; +0 FTEs)	193	
20) OUSD(P) - Global Threat Management Increase represents funds for contract support, as a result of the drawdown in Afghanistan. As the war drawdown efforts, peace time efforts in reducing global threats will be increased. Net increase includes a reduction to OP-32 line other intra-governmental purchases (987) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$5,766 thousand; +0 FTEs)	1,211	
21) OUSD(P) - Homeland Defense Support Activities Increase represents funds for increase in existing contract costs. (FY 2013 Baseline \$6,013 thousand; +0 FTEs)	248	
22) OUSD(P) - Regional Security Affairs Increase represents funds for contracts. As the war efforts drawdown, efforts to build regional security will be increased to prevent post-drawdown conflicts. Net increase includes a reduction to OP-32 line other	1,239	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
intragovernmental purchases (987) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$4,632 thousand; +0 FTEs)		
23) OUSD(P) - Rewards Program	383	
The program continues to expand into other countries. The DoD Rewards Program has proven to be a critical, effective and enduring tool worldwide, protecting the force and disrupting international terrorism. (FY 2013 Baseline \$7,932 thousand; +0 FTEs)		
24) OUSD(P) - US Mission to NATO	323	
This programmatic increase supports requirements for normal contract increases. (FY 2013 Baseline \$5,670 thousand; +0 FTEs)		
9. Program Decreases		-178,867
a. Annualization of FY 2013 Program Decreases		
b. One-Time FY 2013 Increases		
c. Program Decreases in FY 2014		
1) CAPE - FYDP Improvement	-10	
Adjustment to the Future Years Defense Program (FYDP) Improvement to better align with budget execution. (FY 2013 Baseline \$3,688 thousand; +0 FTEs)		
2) CAPE - Industrial Base Studies	-6	
Program reduced to better align with budget execution. (FY 2013 Baseline \$2,232 thousand; +0 FTEs)		
3) CAPE - Long Range Planning	-1,052	
Decrease reflects a better alignment with budget execution, which has changed as a result of the decrease in service support contracts, and		

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C. Reconciliation of Increases and Decreases	Amount	Totals
efficiencies gained from focusing resources on service contracts that provide the greatest value, resulting in decreased service support contracting cost. (FY 2013 Baseline \$28,160 thousand; +0 FTEs)		
4) DCMO - Integration and Policy Decrease reflects efficiencies realized in the design and development process of the Business Enterprise Architecture using improved modeling techniques. (FY 2013 Baseline \$32,198 thousand; +0 FTEs)	-1,768	
5) DoD CIO - Cyber Security Initiative OSD Decrease is based on the end of the start-up funding used to support DoD Supply Chain Risk Management (SCRM) pilot implementation activities in OSD and the Defense Agencies, which expanded risk management activities for the Military Departments (MILDEPs). Support for the National Initiative for Cybersecurity; Education (NICE) Program will continue, providing new curriculum and allowing; many existing programs to develop Cyber modules of instruction. (FY 2013 Baseline \$24,580 thousand; +0 FTEs)	-13,653	
6) DoD CIO - Egov, Councils Reduction reflects efficiencies gained from reduced contract support based on advancement of new technologies, Federal-wide management initiatives, and implementation of Federal-wide services. (FY 2013 Baseline \$17,810 thousand; +0 FTEs)	-410	
7) DoD CIO - Information Systems Security Program (ISSP) Decrease reflects efficiencies gained from reduction of contract support to policy development, program	-327	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
oversight and integration of all DoD Information Assurance (IA) efforts such as Computer Network Defense (CND) and the restoration of information systems. (FY 2013 Baseline \$13,253 thousand; +0 FTEs)		
8) DoD CIO - Mission & Analysis Fund As a result of the ASD(NII) disestablishment and efficiencies gained, funding is being realigned to the DoD CIO Mission in support of the reorganization and stand-up of the strengthened DoD CIO. This realignment is a zero-sum change within the DoD CIO O&M portfolio. There is no increase to the OSD budget as a result of this realignment. (FY 2013 Baseline \$20,325 thousand; +0 FTEs)	-20,711	
9) DoD CIO - Travel Efficiencies are gained from greater use of Video Teleconferencing (VTC) and consolidation of mission travel requirements. (FY 2013 Baseline \$1,097 thousand; +0 FTEs)	-21	
10) Other DoD Programs and Initiatives The net decrease of \$5,071 thousand is due to three factors. - \$2,235 thousand is due to the realignment of the cost of mass transit benefits from Other Intra-Governmental Purchases, OP-32 Line 987, to Civilian Compensation and Benefits, OP-32 Line 101. - \$1,015 thousand is due to the realignment of costs associated with non-consulting IntraPersonnel Act to Civilian Compensation and Benefits, OP-32 Line 101; these costs were realigned from OP-32 Line 987 for Director of Operational Test and Evaluation and	-5,071	

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C. Reconciliation of Increases and Decreases	Amount	Totals
Boards, Commissions and Task Forces. -\$1,821 thousand reflects efficiencies gained by reducing operational expenses for Office of Director, Administration and Management (O,DA&M), ASD(Public Affairs), ASD (Legislative Affairs, Defense Test Resource Management Center and the Boards, Commisisions, and Task Forces (BCTFs). (FY 2013 Baseline \$205,540 thousand; +0 FTEs)		
11) OUSD (AT&L) - Integrated Acquisition Environment (GSA Bill) Funds were decreased to match the most current GSA Department bill. (FY 2013 Baseline \$29,601 thousand; +0 FTEs)	-1,111	
12) OUSD (AT&L)-Legacy Resource Management Program Net decrease includes a reduction to OP-32 line Management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$5,404 thousand; +0 FTEs)	-566	
13) OUSD(AT&L) - Acqusition Workforce Demonstration The Acquisition Workforce Demonstration office decrease is due to a reduction in current mission requirements. (FY 2013 Baseline \$4,008 thousand; +0 FTEs)	-1,810	
14) OUSD(AT&L) - CFO Act Compliance Decrease reflects the program acceleration of system maintenance and performance upgrades in FY 2013 to meet Audit Readiness preparations originally planned to be performed in FY 2014.Also includes Funds	-10,893	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
transfer from OUSD(AT&L) to Defense Contract Management Agency, Defense Threat Reduction Agency, Defense Logistics Agency and OUSD Comptroller for proper execution of audit readiness activities, including agency/service provider and real property system review and remediation activities. (FY 2013 Baseline \$12,845 thousand; +0 FTEs)		
15) OUSD(AT&L) - Defense Installation Spatial Data Infra (DISDI) Decrease reflects realignment of \$2.255 million to the I&E Business Enterprise Integration Program where the funds belong. The funds were inadvertently placed in DISDI's budget line in the FY 2013. An additional \$980 thousand was transferred to Comptroller for audit readiness efforts. In addition, a small reduction is due to efficiencies realized by implementing net-centric, geospatial information sharing by integrating geospatial efforts across the Department. The goal is to reduce redundant IT investments and increase the availability of quality geospatial data to any DoD mission in the basing or battle space. (FY 2013 Baseline \$3,925 thousand; +0 FTEs)	-3,276	
16) OUSD(AT&L) - DOEP&P Office The Assistant Secretary of Defense for Operational Energy Plans and Programs (ASD(OEPP)) realigned funds among the OASD(OEPP) accounts from O&M to RDTE to ensure proper alignment and execution of resources needed to support Operational Energy improvement priorities.	-3,046	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
(FY 2013 Baseline \$9,465 thousand; +0 FTEs)		
17) OUSD(AT&L) - Program Efficiencies	-2,556	
Reduction is the result of multiple efficiency initiatives being applied across the organization. There are 24 program reductions to travel and contracts throughout AT&L contributing to this reduction. Includes a reduction to OP-32 line management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$83,985 thousand; +0 FTEs)		
18) OUSD(AT&L) - Readiness & Env. Protection Initiative (REPI)	-1,122	
Decrease is addresses DoD efficiency initiatives, while maintaining REPI's capabilities to meet critical, near-term but time limited opportunities to preserve a significant portion of DoD installation and range capabilities resulting from the current precipitous drop in real estate values nationally and the increasing numbers of willing sellers in the existing economic downturn. Net decrease includes a reduction to OP-32 line Management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$50,598 thousand; +0 FTEs)		
19) OUSD(AT&L)- Space and Intelligence MDAP Oversight	-575	
Decrease reflects the consolidation of MDAP Oversight related studies with enterprise level space systems		

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
architecture studies for the USD(AT&L). (FY 2013 Baseline \$7,270 thousand; +0 FTEs)		
20) OUSD(AT&L)-RDT&E Oversight	-1,911	
Net decrease includes a reduction to OP-32 line Management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$5,640 thousand; +0 FTEs)		
21) OUSD(C) - Travel	-301	
Decrease is based on the realignment of travel to the OUSD(C) Administrative Support Program. This will better align missions and execution of costs, and will improve automated end-to-end budget formulation processes. FY 2013 travel was estimated at \$282K. A \$5K difference reflects price growth. There is no increase to the OUSD(C) budget as a result of this realignment. (FY 2013 Baseline \$282 Thousands; +0 FTEs)		
22) OUSD(I) - Intelligence Mission (365)	-580	
Adjustments to advisory and assistance services tied to the adjudication of background investigations. Net decrease includes a reduction to OP-32 line Management and professional support services (932) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$74,930 thousand; +0 FTEs)		
23) OUSD(I) - International Intelligence Technology and Architectures	-274	

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C. Reconciliation of Increases and Decreases	Amount	Totals
Decrease in costs associated with classroom and mobile courses being transitioned to on-line training for U.S. Battlefield Information Collection and Exploitation System(BICES). (FY 2013 Baseline \$68,518 thousand; +0 FTEs)		
24) OUSD(P&R) - Advancing Diversity & EO This program reduction represents a decrease in the number of student interns hired under the Workforce Recruitment Program, cost-saving efficiency measures in strategic outreach efforts, and reduced support for the OSD-sponsored Science, Technology, Engineering and Math (STEM) Program. (FY 2013 Baseline \$9,707 thousand; +0 FTEs)	-1,191	
25) OUSD(P&R) - ASD (Health Affairs) Operations Efficiencies realized through contract support reductions. (FY 2013 Baseline \$855 thousand; +0 FTEs)	-13	
26) OUSD(P&R) - ASD (Reserve Affairs) Operations Efficiencies achieved by reducing contract support through implementing cost cutting initiatives. (FY 2013 Baseline \$1,920 thousand; +0 FTEs)	-346	
27) OUSD(P&R) - Combatant Commanders Exercise Engagement & Training Transformation (CE2T2) Decrease is based on expected decline in the number of Forces that will participate in CE2T2 exercises across the Combatant Commands leading to programmatic funding decreases for various programs and operations within CE2T2 - including transportation and cargo operations of the the Joint Exercise Transportation Program (JETP). (FY 2013 Baseline \$693,882 thousand; +0 FTEs)	-99,403	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
28) OUSD(P&R) - Defense Readiness Reporting System (DRRS) Defense Readiness Reporting System efficiencies will be achieved thru contract support reductions. (FY 2013 Baseline \$7,842 thousand; +0 FTEs)	-582	
29) OUSD(P&R) - Defense Safety Oversight Council (DSOC) Efficiencies will be achieved utilizing more proficient methods for managing the installations' and sites' Voluntary Protection Program (VPP) progress applications, resulting in decrease to engineering and technical services contract support. (FY 2013 Baseline \$10,682 thousand; +0 FTEs)	-1,589	
30) OUSD(P&R) - Lost Work Day System (LWD) Efficiencies will be achieved utilizing more proficient methods for managing the accident and injury data and reports, resulting in decrease to engineering and technical services contract support. (FY 2013 Baseline \$2,824 thousand; +0 FTEs)	-93	
31) OUSD(P&R) - Military Naturalization Support Efficiencies will be achieved through contract support reductions. (FY 2013 Baseline \$6,688 thousand; +0 FTEs)	-41	
32) OUSD(P&R) - Studies Program/CASS Efficiencies will be achieved through contract support reductions by either funding fewer studies or a reduced level of effort across serveral studies, depending upon requests received in the competitive allocation process. (FY 2013 Baseline \$2,600 thousand; +0 FTEs)	-303	
33) OUSD(P&R) - Training Transformation	-160	

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C. Reconciliation of Increases and Decreases	Amount	Totals
Efficiencies will be achieved through contract support reductions. (FY 2013 Baseline \$4,772 thousand; +0 FTEs)		
34) OUSD(P&R) - Travel	-34	
Efficiencies will be achieved through the increased use of tele-conferencing. (FY 2013 Baseline \$1,063 thousand; +0 FTEs)		
35) OUSD(P) - Policy Planning and Integration	-2,070	
Program reflects efficiencies realized through reductions to contract support. Net decrease includes a reduction to OP-32 line Other Intra-governmental Purchases (987) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$10,617 thousand; +0 FTEs)		
36) OUSD(P) - Warfighting Support Activities	-1,933	
This programmatic decrease results from the department's efforts to support the drawdown of forces in Afghanistan while ensuring an effective and efficient outcome. Net decrease includes a reduction to OP-32 line Other Intra-governmental Purchases (987) resulting from the move of Intergovernmental Personnel Act (IPA) funding to Compensation and Benefits in the Core Operating Program. (FY 2013 Baseline \$10,797 thousand; +0 FTEs)		
37) USD(P) - Travel	-59	
Efficiencies will be achieved through the increased use of tele-conferencing. (FY 2013 Baseline \$5,566 thousand; +0 FTEs)		
FY 2014 Budget Request		2,010,176

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IV. Performance Criteria and Evaluation Summary:

A. Under Secretary of Defense, Acquisition, Technology, and Logistics (OUSD(AT&L)):

The Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L) is the principal staff assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all matters concerning acquisition, technology, and logistics. AT&L's primary responsibilities include: 1) Supervising (DoD) acquisition, 2) Establishing policies for acquisition (including procurement of goods and services, research and development, developmental testing, and contract administration) for all elements of the Department of Defense, 3) Establishing policies for logistics, maintenance, and sustainment support for all elements of the DoD, and 4) Establishing policies of the Department of Defense for maintenance of the defense industrial base of the United States. The following Performance Evaluation Metrics are samples from three of the top four programs under AT&L: Readiness and Environmental Protection Initiative (REPI), Logistics Systems Modernization (LSM) Support and Acquisition Visibility Program. These three programs account for 35% of AT&L's total Operations and Maintenance (O&M) in FY 2014.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Regulatory Environment

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
Readiness and Environmental Protection Initiative			
Metric #1: Percent funding to highest tier priority installations (Target is 70%)	66%	70%	70%
Metric #2: Percent of validated projects funded (Target is 80%)	50%	80%	80%
Metric #3: Percent partner cost-share (Target is 50%)	50%	50%	50%

The risk of incompatible land use threatens mission capabilities essential for realistic training and testing for current and future force. Investments for the Readiness and Environmental Protection Initiative (REPI) address Component requirements to enter into agreements with private conservation organizations and/or state and local governments to acquire off-base property interests, usually conservation easements. These agreements protect mission capability by cost-sharing the long-term protection of high-value habitat and limiting incompatible land uses around DoD ranges and installations. REPI projects meet critical, near-term but time limited opportunities, to preserve DoD installation and range capabilities resulting from the current precipitous drop in real estate values nationally, and the increasing numbers of willing sellers in the existing economic downturn. REPI leverages the capabilities, resources and priorities of the private sector and state and local governments to obtain land and/or easements that will prevent development or other land uses that impact military operations. REPI partnerships

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IV. Performance Criteria and Evaluation Summary:

support sound planning, ecological integrity and interagency coordination, and help avoid more expensive costs, such as the need for training workarounds or segmentation and future Military Construction (MILCON) to modify or relocate training assets to less-restricted locations.

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

	Actual ¹	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Supply Chain and Inventory Management			
Metric #1: DLA Perfect Order Fulfillment (POF) for Stocked Items (Percentages)	87.2	85.1	85.1
Metric #2: Customer Wait Time - Army (Days)	12.3	15.0	15.0
Metric #3 Customer Wait Time - Air Force (Days)	5.6	7.5	7.5
Metric #4 Customer Wait Time - Navy (Days)	12.9	15.0	15.0

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IV. Performance Criteria and Evaluation Summary:

Supply Chain and Inventory Management:

Supply Chain Management: Responsiveness and reliability are desired attributes of the DoD Supply Chain in support of maximizing materiel readiness for warfighters. Customer Wait Time (CWT) is the measure that best reflects the responsiveness of the supply chain. Perfect Order Fulfillment reflects the reliability of the supply chain in providing items from Defense Logistics Agency's inventory items to warfighters. These items are either held in inventory in the Defense Distribution Depots or directly delivered from commercial vendors to customers of the DoD Supply Chain. These measures are tracked and updated in the Defense Performance Measurement Systems.

Inventory Management Initiative: The Comprehensive Inventory Management Improvement Plan (CIMIP) was developed to guide and direct DoD's collective efforts to improve inventory management and support to warfighters. This plan details specific objectives to ensure that inventory accurately reflects the needs of warfighters. It established actions to improved management of the Department's inventory. The overall objective of the plan is to prudently reduce current and future excess inventory. In that vein, by the end of FY2016, the Department will reduce total on-order excess inventory to 4.0%. The Department will also maintain potential reutilization stock a "not to exceed" goal of 10% for excess on-hand inventory. These measures are also tracked and updated in the Defense Performance Measurement System.

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IV. Performance Criteria and Evaluation Summary:

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

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
Third Party Certification of Armed Private Security Companies (PSC)			
Metric #1: Percentage of Covered Contracts for Private Security Functions which incorporate, and require compliance with, ANSI/ASIS PSC.1-2012, American National Standard, Management System for Quality of Private Security Operations-Requirements with Guidance.	0%	100%	100%
Metric #2: Percentage of Covered Contracts for Private Security Functions with independent third party certification of conformity with the PSC quality management standard IAW ANSI/ASIS PSC.2-2012, Conformity Assessment and Auditing Management Systems for Quality of Private Security Company Operations	0%	0%	25%

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IV. Performance Criteria and Evaluation Summary:

Third Party Certification of Armed Private Security Companies (PSC):

The objective is to develop policies and procedures for third-party certification of contractor compliance with the industry standard. NDAA 2011 requires DoD incorporate business and operational standards in all contracts for private security functions and encourages the use of independent third party certification to those standards in consideration of contract award and as a supplementary tool to DoD contract oversight. Standards for PSC operations and certification to those standards were recently approved by the American national Standards Institute. This was followed by DoD instructions to the DFARS requiring compliance with the PSC operations standard. DoD must identify and recognize independent certification bodies to assess conformity of PSCs with the industry standard. DoD must engage existing organizations that offer certification to higher quality management standards, or are capable of doing so, and determine willingness and costs to conduct such certification in accordance with ANSI/ASIS PSC.2-2012. This must be followed with a process to implement such recommendations for certification. These recommendations may include certification as a pre-condition of contract award and/or post-award certification as an allowable cost under the contract. The percentage of PSCs that can be independently certified is dependent upon establishing capacity of certification bodies.

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IV. Performance Criteria and Evaluation Summary:

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

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
Transportation Policy Initiatives			
Metric #1: Defense Transportation Coordination Initiative (DTCI): On-time Delivery	97%	97%	98%
Metric #2: Personal Property Regionalization Total Cost Savings	\$9.03M	\$17.15M	\$17.15M

Transportation Policy Initiatives:

Defense Transportation Coordination Initiative (DTCI): DTCI is a third party logistics contract for the movement of the Department's freight within the Continental United States. The contract is in its fourth year of operation with reported savings of over \$120M. The Contractor is meeting or exceeding all of the Key Performance Indicators (KPIs), including On-Time Delivery at 97%. As part of the SECDEF efficiencies, a Joint Service Team is reviewing additional third party logistics opportunities in other transportation functional areas that would yield similar savings.

Personal Property Regionalization: The Department plans to reduce the number of personal property shipping offices from 151 to 17 offices worldwide by 2016. This initiative will help leverage the Department's buying power and standardize business practices across the

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IV. Performance Criteria and Evaluation Summary:

Department. Regionalizing personal property offices is a Logistics efficiency initiative with estimated cost savings of \$92.10 million from FY 2012 to FY 2016. This includes estimated savings of \$9.03 million in FY 2012; \$17.15 million in FY 2013 and FY 2014.

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

Measure/Description	Actual	Projected	Projected
Acquisition Visibility (AV)	FY 2012	FY 2013	FY 2014
Metric #1: Number of Authorized Users with Access to AV Services	4,340	5,060	5,780
Metric #2: Number of Data Items under WSLM Governance	338	372	406
Metric #3: Number of Reports Submitted using AV Services	(see chart)	(see chart)	(see chart)

Year	SAR	MAR	DAES	MQR
FY12	102		400	
FY13	94	40	468	
FY14	94	40	348	120

Acquisition Visibility (AV) represents AT&L transformational activity to fundamentally alter the way in which Defense acquisition data is discovered, shared and trusted among the community of senior analysts, managers and officials responsible for management and oversight of Major Defense Acquisition Programs (MDAP), Major Automated Information Systems (MAIS), and special interest programs. The AV environment introduces an

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IV. Performance Criteria and Evaluation Summary:

architectural approach to combine capabilities of different applications into a collection of services easily consumed by tools used in MDAP/MAIS management such as DAMIR and Kaleidoscope. A critical component of AV is the institutional governance of acquisition data to regulate definitions, technical standards, and authoritative sources for the data elements represented by this capability and used in acquisition decision making. AV governance is accomplished under DOD's Weapon System Lifecycle Management (WSLM) body through monthly Core Business Management Group (CBMG) and quarterly Senior Steering Group (SSG) meetings.

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

The Office of the Under Secretary of Defense (Comptroller) OUSD(C)/Chief Financial Officer (CFO) is the Principal Staff Assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all Department of Defense financial matters. This office oversees, and sets policy for budget and fiscal matters, including financial management, accounting policy and systems, management control systems, budget formulation, execution, and contract audit administration. The following Performance Evaluation Metrics are a sample from three of the largest programs under OUSD(C): Comptroller Initiatives, Enterprise Funds Distribution Support System (EFDSS), and Next Generation Resource Management Systems (NGMRMS). These three programs account over 95% of Comptroller's total Operations and Maintenance in FY 2014.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title- Comptroller Initiatives

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Financial Improvement and Audit Readiness			
Metric #1: Percent of General Fund Statement of Budgetary Resources (SBR) Validated Audit Ready	14%	20%	100%
Metric #2: Percent of Appropriations Received Validated Audit Ready	80%	100%	n/a
Metric #3: Percent of Funds Balance with Treasury Validated Audit Ready	9%	30%	100%
Metric #4: Percent of Mission Critical Asset Existence and Completeness Validated Audit Ready	41%	42%	55%

Statement of Budgetary Resources (SBR) Audit includes all processes, internal controls, systems and supporting documentation that must be audit-ready before the General Fund SBR can be audited. Audit readiness activities executed in line with these established priorities allow for the successful completion of dependencies necessary for remediation of subsequent line items. Significant processes in this wave include Military Pay, Civilian Pay, Reimbursable Budget Authority, Reimbursable Work Orders, Contracts (Major), Contracts (Minor), Supply Requisition (MILSTRIP), and Financial Reporting, in addition to

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IV. Performance Criteria and Evaluation Summary:

Net Outlays (Funds at Treasury). The benefits of focusing improvement efforts on budgetary information and the SBR include:

- Improving the visibility of budgetary transactions resulting in more effective use of resources.
- Providing for operational efficiencies through more readily available and accurate cost and financial information.
- Improving fiscal stewardship (ensures that funds appropriated, expended and recorded are reported accurately, reliably and timely).
- Improving budget processes and controls (reduces Anti-deficiency Act violations).
- Linking fund execution to the President's Budget (more consistency with the financial environment).

An audit of Appropriations Received focuses on one section of the SBR, the Budget Authority section. The Department's immediate focus is on General Fund activities, which receive the preponderance of appropriated funds. The Army, Navy, and Air Force have all completed validations of their Appropriations Received audit readiness assertions. Appropriations Received for the Defense Agencies will be validated Defense-wide rather than individually. The Defense-wide Appropriations Received audit readiness assertion will be validated in FY 2013, making DoD goal of 100%. This goal will be removed from FY 2014 projected goals.

Mission Critical Asset Existence and Completeness Audit focuses primarily on the Existence and Completeness (E&C) financial statement assertions, but also includes the Rights assertion and portions of the Presentation and Disclosure assertion. That is, Components must ensure that all assets recorded in their accountable property systems of record exist (Existence), all of the Components' assets are recorded in their system (Completeness), and Components have the right to report all assets (Rights). The asset

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IV. Performance Criteria and Evaluation Summary:

categories included in this wave are Military Equipment (ME), Real Property (RP), Inventory, Operating Materials and Supplies (OM&S) and General Equipment (GE). A Component's audit readiness assertion is validated audit ready, and the metric result increased, when an Independent Public Accounting (IPA) firm or other qualified, independent reviewer to perform an examination to confirm management's assertion it is the audit ready.

Major Program Title- Comptroller Initiatives

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Implement the DoD FM Certification Program			
Metric: DoD FM personnel (military and civilian) participating in the FM Certification Program	0%*	10%	46%

The Department has initiated a multi-year effort to develop a competency-based Financial Management (FM) Certification Program that will be applicable to the FM workforce. The FY 2012 NDAA provides the legal authority to implement the FM Certification Program. The Program is designed to ensure DoD meets the FM workforce and lifecycle management needs. All FM positions are being coded as Level 1, Level 2 or Level 3. Level 1 is the basic or foundational level, and Level 3 is the most advanced. All 05XX civilian Occupation Series positions and all military positions with a Finance or Comptroller military occupational specialty are being coded with an FM Certification Level 1, 2, or 3. Enterprise-wide, financial management competencies applicable to each financial management occupation have been established. Each certification level requires a minimum number of training course hours and FM experience. Training is targeted to specific FM

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IV. Performance Criteria and Evaluation Summary:

technical competencies, DoD leadership competencies, and specific topics such as audit readiness, fiscal law and ethics.

*A DoD FM Certification Program Pilot began July 2012 and is ongoing. There are currently 652 participants in the pilot from 19 different organizations, 12 different Components. The pilot includes both military and civilian personnel and will continue until implementation. The pilot represents approximately 1% of the total DoD FM population. The FM Certification Program policy will be established in a Directive-Type Memorandum and promulgated in a DoDI. Pending approval, phased implementation of the FM Program will begin in the spring of 2013.

Major Program Title - Enterprise Funds Distribution Support System (EFDSS)

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Enterprise Funds Distribution Support System			
Metric #1: Deployment of Basic Account Symbols / Appropriations in support of the Audit Readiness Efforts for Appropriations Received underway by FIAR	43%	62%	100%

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

- a. Improving quality, visibility and transparency of information
- b. Increasing exchange and reconciliation of budget execution information via automated methods

During FY 2013, remaining Family Housing appropriations are scheduled to be implemented. FY 2013 and FY 2014 efforts will include implementation or closure of remaining non-conventional appropriations.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title- Next Generation Resource Management Systems (NGRMS)

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Next Generation Resource Management Systems			
Metric #1: Number of agencies operating exhibit automation system tool	33%	33%	34%
Metric #2: Man-hours saved using new resource management decision tool	3%	10%	10%
Metric #3: Number of exhibits automated	12%	14%	18%

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

A key accomplishment for FY 2012 was the deployment of the exhibit automation system to 33 Defense Agencies, on both the classified and unclassified networks. Also in FY 2012, the number of exhibits was increased to 12 automated exhibits, and the addition of the

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Chemical Demilitarization OP-5 exhibit. In FY 2013 and FY 2014, additional accounts such as the Defense Health Program and Overseas Contingency Operations will be added to the system, and additional exhibits will continue to be automated. Finally, the ability to integrate subordinate exhibits, with the narrative input, into a consolidated exhibit at the headquarters level will be analyzed for development. This will further streamline the budget build process and reduce data re-entry, saving time and reducing errors.

C. Deputy Chief Management Officer (DCMO):

The Deputy Chief Management Officer (DCMO) is the Principal Staff Assistant (PSA) and advisor to the Secretary and Deputy Secretary of Defense for matters relating to management and improvement of integrated DoD business operations. This includes providing leadership in terms of acquisition oversight and investment review of Defense business systems. Inherent in these management responsibilities, DCMO leads and integrates DoD Enterprise-wide performance improvement and business operations to enable and support the Warfighter.

With the disestablishment of the Department of Defense (DoD) Business Transformation Agency (BTA), an Agency under the purview and cognizance of the Office of the DCMO (ODCMO), DCMO was directed by the Secretary of Defense (SECDEF) to transition appropriate oversight and integration functionality heretofore performed by the BTA into the ODCMO.

In FY 2013, the ODCMO has realized this transformational reshaping and realignment of select functionality. This growth in scope within the ODCMO policy and oversight core mission areas accommodate greater visibility in orchestrating and synchronizing effective and efficient business operations across all Departmental Components. This growth and

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redefinition in ODCMO mission requirements has also prompted the separation of the office into a stand-alone reporting budgetary entity within OSD. It has also accommodated review and expansion of ODCMO performance based budget metrics as described in this document.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title- Disciplined MAIS Program Oversight

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Disciplined MAIS Program Oversight	62.5%	75%	90%

Disciplined MAIS Program Oversight: Number of cost, schedule and performance baselines that exist for Major Automated Information System (MAIS) Defense Business Systems (DBS). DCMO is the MDA for 16 programs.

Major Program Title- Agile Investment Review

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Agile Investment Review	N/A	100%	100%

Agile Investment Review: This is a new DCMO Metric based on the Section 2222 of Title 10, USC. DCMO is responsible for establishing single IRB process for Business Mission Area programs. 100% of the Defense Business Systems (DBS) submitted to the Defense Business Council (DBC)/Investment Review Board (IRB) are arranged into portfolios, reviewed for BEA/BPR compliance, strategic alignment, utility and cost and as appropriate funds certification provided by portfolio. DCMO must maintain 100% compliance IAW with statutory requirements.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title- Expanded Procure-to-Pay

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Expanded Procure-to-Pay	N/A	75%	95%

This is a revised metric. The Expanded Procure-to-Pay (P2P) Match metric evaluates the number of contract actions that can be successfully identified across the complete P2P process, i.e., from requirements through obligation to entitlement and disbursement in the systems of record. The metric indicates how successful the Department of Defense (DoD) P2P business systems are in supporting needs of a Combatant Command operating in a contingency environment. The metric will measure the percentage of system traceability for all DoD funds obligated in theater, electronically capturing DoD approved and funded requirements, obligations, entitlements and disbursements.

For FY 2013, the metric goal is 75%.

In FY 2014, the goal is 95% as we continue to improve data quality in-theater, which will enhance the understanding of the full P2P process in contingency business environments. The team will capture lessons learned from ongoing contingency operations and share those lessons learned with other Combatant Commands.

D. Under Secretary of Defense Intelligence OUSD(I):

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IV. Performance Criteria and Evaluation Summary:

The Under Secretary of Defense for Intelligence (OUSDI) is the principal staff assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all matters concerning intelligence, counterintelligence, security, sensitive activities, and other intelligence-related matters. OUSD(I) exercises planning, policy, and strategic oversight over all DoD intelligence assets. The following Evaluation Metrics are samples from the Intelligence Mission and International Intelligence Technology and Architectures programs, the largest programs under OUSDI. These two programs account for 95% of OUSDI's total Operations and Maintenance in FY 2014.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
Sensitive Activities (SA)			
Cover oversight reviews	4	4	4
Clandestine Quarterly (CQ) activity reports	4	4	4
Sensitive Execute Orders (EXORD) coordination	6	6	6
Compartmented Approvals	8	8	8
Cover plan/annex reviews	120	120	120

In accordance with DoD Directive 5143.01, OUSD(I) is responsible for oversight of the Defense Cover Program. The Clandestine Operations and Sensitive Activities Directorate conducts a strategic oversight review of a Defense Cover Component each quarter to assess effectiveness and compliance with policy. This formal review program began in 2Qtr FY

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IV. Performance Criteria and Evaluation Summary:

2011. An annex to the Annual Defense Appropriations Act directs DoD to provide quarterly reports on certain clandestine activities. The directorate compiles and reviews inputs from DoD Components and distributes the Clandestine Quarterly (CQ) activity report to six Congressional Committees and senior Executive Branch officials. The directorate collaborates with the Joint Staff and the Office of the Under Secretary for Policy to prepare and coordinate sensitive and compartmented EXORDs for signature by the Secretary of Defense. Approvals for and notifications of sensitive deployments for clandestine special operations are coordinated by the directorate for signature by the OUSD(I) and Secretary of Defense. The directorate coordinates OSD-level approvals to conduct certain compartmented activities, conducts periodic reviews of these activities, and prepares/coordinates reports to the OUSD(I), Secretary of Defense, and Congressional oversight committees. The directorate reviews cover plans and annexes in accordance with DoD Directive 5105.63.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
Reform the Department of Defense (DoD) Personnel Security Clearance Process			
DoD will adjudicate the fastest 90% of initial top secret and secret personnel security clearances within 20 days	90%/7 days	90%/20 days	90%/20 days
By October 2012, 90% of DoD adjudicators will be certified	89% certified	90% certified	90% certified
90% of Single Scope Background Investigations and Top Secret Periodic Investigations will meet 2009 adjudication documentation standards	Assessment not yet completed	95% will meet 2009 adjudication standards	95% will meet 2009 adjudication standards

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

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
Compliance, Currency, and Relevance of DoD Counterintelligence and Credibility Assessment Policies			
Review 100% of existing policy documents which are five years old and either revise, cancel or extend the issuance	100%	100%	100%
Complete development of new policy documents. (Three new policy documents in FY 2012, two new policy documents in FY 2013, and one new policy document in FY 2014.)	100%	100%	100%

OUSD(I) is responsible for identifying and developing new policy documents, reviewing and updating 23 current policy documents, and maintaining four National level agreements.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
Establish All-Source Intelligence Analysis Policy (Defense Analysis)			
Complete review of USD(I) issuances to identify All-Source Intelligence Analysis roles and responsibilities and align and incorporate in DRAFT DoDI "All-Source Intelligence Analysis."	100%	N/A	N/A
By September 2013, establish and conduct quarterly reviews of All-Source Intelligence Analysis policy. Including policy gaps gleaned through DAC Oversight assessments/reviews. Identify issuances to develop and/or modify existing. Complete draft issuance submission within a target time period of no more than six months.	N/A	100%	100%

DA is responsible for identifying and developing new policy to structure and guide All-Source Intelligence Analysis. In FY 2012, two issuances, DODI "All-Source Intelligence Analysis" and DTM "Interim Policy Guidelines for Evaluating All-Source Intelligence Analysis" were drafted to address foundational programmatic guidelines. The DTM is in process for signature; the All-Source Analysis document is under review in light of the All-Source Analysis Implementation Plan designed to strengthen all-source analysis.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
All-Source Intelligence Analysis Oversight (Defense Analysis)			
Beginning in FY 2013, DA will execute an Oversight Program with assessments/reviews to selected Enterprise Components responsible for All-Source Intelligence Analysis with priority on the Services (Production Centers and MIP funded within Service), the Defense Intelligence Agency (DIA)- Defense Intelligence Analysis Program (DIAP) and the Directorate for Analysis (DI), and the Combatant Commands.	N/A	4	6

DA is responsible for executing strategic and policy oversight assessment and reviews of the executors of DoD All-Source Intelligence Analysis. DA also coordinates with the Office of the Director of National Intelligence regarding development, implementation, and compliance to National directives and related issuances.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
Policy Oversight (Counterintelligence) For FY 2012, completed four DoD components and 12 ad hoc policy oversight initiatives; For FY 2013, complete eight DoD components and five ad hoc policy oversight initiatives; for FY 2014, complete nine DoD components and five ad hoc policy oversight initiatives.	100%	100%	100%
For FY 2012, completed follow-up for compliance with 16 DoD components that were identified as non-compliant; For FY 2013 and FY 2014, follow-up on 100% of those DoD components that were identified as non-compliant.	100%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: International Intelligence Technology and Architectures (IITA)

Measure Description	Actual	Projected	
	FY 2012	FY 2013	FY 2014
US Battlefield Information Collection and Exploitation System (US BICES)			
Number of multilateral/bilateral intelligence information sharing connections with partner nations or Communities of Interest (COI) (e.g., Operation Unified Protector)	45	66	81
Number of US releasable intelligence products to coalition partners or COIs	81,000 (as of 6/22/12)	250,000+	400,000+
Number of coalition releasable intelligence products to US	15,000 (as of 6/22/12)	60,000	100,000
Number of US organizations producing intelligence products to US BICES	36 (as of 6/22/12)	40	45
Number of US and coalition partner personnel trained through classroom and mobile courses	680 (as of 6/22/12)	1700	2050
Number of US Government personnel within the US BICES program management office	5 (as of 7/2/12)	6	6

The Intelligence Systems and Architectures Directorate develops information sharing technologies and Combatant Command coalition information sharing architectures, through

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the US BICES program mechanisms, to increase the amount of intelligence information shared with coalition allies and partner nations both bi-laterally and multi-nationally. US BICES capability expansion across the COCOMs, Services, and Agencies is key to implementing USD(I) effort to establish an enduring coalition intelligence sharing enterprise supporting both conventional forces and special operations forces worldwide. US BICES expanded to access over 85,000 US, NATO, and Non-NATO users during FY 2012. Commander, US SOCOM designated US BICES as the intelligence system for global coalition special operations. Coalition Data Centers (CDC) established at each COCOM in FY 2011 allowed increased multilateral/bilateral intelligence information sharing connections with partner nations or communities of interest (COIs). The expanded number of communication connections funded by O&M will result in an increased number of people connected. Number of US releasable intelligence products to coalition partners or COIs will increase based on the FY 2012/2013/2014 funded CDCs and the resulting increased capability to process products. Number of coalition releasable intelligence products to US will increase due to the establishment of the CDCs which provide increased capabilities to process products both being released to coalition partners and products received from coalition partners. As the CDCs become operational, the number of US intelligence organizations requesting connectivity to US BICES will increase thereby increasing the number of products released to US BICES from these organizations. The number of US and coalition partner personnel trained through classroom and mobile courses will increase as the US BICES on-line training becomes available. This training will be available through US BICES connectivity and is approved for US and non US.

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IV. Performance Criteria and Evaluation Summary:

E. DoD Chief Information Officer (DoD CIO):

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

Major Program Title: Information Enterprise

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
Train the Total Defense Workforce with the right competencies. Protect DoD critical infrastructure.			
Metric #1: Percent of information assurance positions and contract requirements filled with personnel meeting certification requirements.	85%	85%	85%
Metric #2: Cumulative percent reduction in the number of DoD Data Centers. (772 in FY 2010 to 428 in FY 2015, 45% reduction)	116 closed	117 closures	Re-baseline

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Investments for Information Enterprise are to develop strategies and policies governing the DoD Information Enterprise; consisting of the DoD information resources, assets, and processes required to achieve an information advantage and share information across DoD and with mission partners. Establish enterprise-wide architectures, standards, policies and guidance to support effective implementation of the DoD enabling infrastructure, enterprise services, and effective information management. Provide functional oversight for the development and sustainment of the IT and cyber workforce. Support governance through engagement with the key DoD decision processes. Engage with international partners and mission partners to ensure DoD enterprise information strategies meet information sharing requirements for all mission areas.

Major Program Title: C4 Information Infrastructure Capabilities

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
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.			
Metric #1: Percent of DoD's NC3 crypto-modernization plan completed.	32%	44%	56%

Investments for C4 Information Infrastructure Capabilities are to assess success of critical Department information technology programs and initiatives and engage where

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IV. Performance Criteria and Evaluation Summary:

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

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Cyber Security

Measure/Description	Actual FY 2012	Projected FY 2013	Projected FY 2014
Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.			
Metric #1: Percentage of inspected military cyberspace organizations attaining a passing score on a comprehensive cyber security inspection that assesses compliance with technical, operational, and physical security standards, resulting in improved hardening and cyber defense.	88.7%	90%	90%
Metric #2: Percent of applicable IT and NSS that are certification and accreditation compliant.	91.1%	95%	95%
Metric #3: Cumulative percentage of DoD NIPRNet accounts with PKI cryptographic logon capability.	95.0%	95%	95%

Investments for cyber security are to manage security architectures, programming, and risk to provide a more defensible information environment and enable safe sharing of

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IV. Performance Criteria and Evaluation Summary:

information across the enterprise and with mission partners. Ensure DoD has an effective, properly funded cyber security program.

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

The Under Secretary of Defense for Personnel and Readiness (OUSD (P&R)) is the principal staff assistant and advisor to the Secretary of Defense and Deputy Secretary Defense for all matters concerning personnel and readiness. OUSD (P&R) funds the operation and support of programs like Commanders Exercise Engagement & Training Transformation (CE2T2), Defense Readiness Reporting System (DRRS), Defense Safety Oversight Council, Wounded Warrior, Training Transformation, and others. In FY 2014 the top three programs are; CE2T2, Defense Oversight Council, and Advancing Diversity & EO. CE2T2 accounts for 94% of P&R's program.

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IV. Performance Criteria and Evaluation Summary:

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

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
CE2T2			
Metric #1: Percent of validated CCMD (Combatant Command) Joint Exercise Transportation Requirements executed with support of JETP (Joint Exercise Training Program)	74.60%	85%	85%
Metric #2: Percent of CCMD (Combatant Command) JMETS (Joint Mission-Essential Tasks) with assigned training performance assessments (TPAs)	86%	100%	100%
Metric #3: Percent of JNTC (Joint National Training Center) JTCP (Joint Training Coordination Program) supportable enabler requests filled	100%	75%	75%

The CE2T2 program has aggressively supported DoD component joint training needs. It has provided the resources and expertise to address training gaps that have improved the joint, integrated training of DoD components at the tactical through strategic levels of operations; actively supported Combatant Command (COCOM) theater campaign plans, through regional and country-specific engagements and exercises; assisted the DoD components with the fielding of robust opposing force capabilities, after action and ground truth instrumentation/ capabilities and improved realistic training; and built the Joint Training and Exercise Network or JTEN. The JTEN now has 51 current persistent nodes with links to other training networks ... well over 250 potential training sites connected

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IV. Performance Criteria and Evaluation Summary:

worldwide. This capability has yielded significant cost avoidance/savings by networking training capabilities rather than having to physically deploy them to support exercises around the world.

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

	Actual	Projected	Projected
Measure/Description	FY 2012	FY 2013	FY 2014
Metric #1: Number and rates of military fatalities and injuries, civilian lost time injuries and occupational illness, and aviation class A mishaps.	10% (reduction from the average rate over previous 5 FYs)	10% (reduction from the average rate over previous 5 FYs)	50% (reduction)

The Defense Safety Oversight Council provides governance on DoD-wide efforts to reduce preventable mishaps. It reviews accidents and incidents trends, ongoing safety initiatives, private sector and other governmental agency best practices, and make recommendations to the Secretary of Defense for safety improvement policies, programs, and investments.

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<u>V. Personnel Summary</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	Change FY 2012/ FY 2013	Change FY 2013/ FY 2014
<u>Active Military End Strength (E/S) (Total)</u>	550	404	404	-146	0
Officer	440	382	382	-58	0
Enlisted	110	22	22	-88	0
<u>Reserve Drill Strength (E/S) (Total)</u>	27	27	27	0	0
Officer	22	22	22	0	0
Enlisted	5	5	5	0	0
<u>Reservists on Full Time Active Duty (E/S)</u>	12	12	12	0	0
Officer	11	11	11	0	0
Enlisted	1	1	1	0	0
<u>Civilian End Strength (Total)</u>	2,031	2,240	2,174	209	-66
U.S. Direct Hire	2,031	2,240	2,174	209	-66
Total Direct Hire	2,031	2,240	2,174	209	-66
Memo: Reimbursable Civilians Included	0	26	14	26	-12
<u>Active Military Average Strength (A/S)</u>	550	404	396	-146	-8
(Total)					
Officer	440	382	382	-58	0
Enlisted	110	22	14	-88	-8
<u>Reserve Drill Strength (A/S) (Total)</u>	27	27	27	0	0
Officer	22	22	22	0	0
Enlisted	5	5	5	0	0
<u>Reservists on Full Time Active Duty (A/S)</u>	12	12	12	0	0
(Total)					
Officer	11	11	11	0	0
Enlisted	1	1	1	0	0
<u>Civilian FTEs (Total)</u>	2,076	2,150	2,113	74	-37
U.S. Direct Hire	2,076	2,150	2,113	74	-37

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V. <u>Personnel Summary</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	Change FY 2012/ FY 2013	Change FY 2013/ FY 2014
Total Direct Hire	2,076	2,150	2,113	74	-37
Memo: Reimbursable Civilians Included	26	26	14	0	-12
Average Annual Civilian Salary (\$ in thousands)	186.4	178.0	185.0	-8.4	7.0
 <u>Contractor FTEs (Total)</u>	 <u>2,264</u>	 <u>2,514</u>	 <u>1,964</u>	 <u>250</u>	 <u>-550</u>

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

<u>OP 32 Line</u>	<u>FY 2012</u> <u>Actual</u>	<u>Change</u> <u>FY 2012/FY 2013</u>		<u>FY 2013</u> <u>Estimate</u>	<u>Change</u> <u>FY 2013/FY 2014</u>		<u>FY 2014</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	381,343	919	-4,688	377,574	3,304	6,874	387,752
103 Wage Board	94	0	-94	0	0	0	0
107 Voluntary Sep Incentives	730	0	-230	500	0	0	500
199 Total Civ Compensation	382,167	919	-5,012	378,074	3,304	6,874	388,252
308 Travel of Persons	112,630	2,252	-8,247	106,635	2,026	-13,153	95,508
399 Total Travel	112,630	2,252	-8,247	106,635	2,026	-13,153	95,508
680 Building Maint Fund Purch	6,332	1,021	-1,108	6,245	-219	-1,906	4,120
699 Total DWCF Purchases	6,332	1,021	-1,108	6,245	-219	-1,906	4,120
703 JCS Exercises	179,108	12,538	-21,598	170,048	4,591	-45,321	129,318
708 MSC Chartered Cargo	28,032	673	-456	28,249	3,136	-7,549	23,836
719 SDDC Cargo Ops-Port hndlg	75,689	23,691	-10,708	88,672	34,582	-63,972	59,282
771 Commercial Transport	2,133	43	-401	1,775	34	37,589	39,398
799 Total Transportation	284,962	36,945	-33,163	288,744	42,343	-79,253	251,834
912 Rental Payments to GSA (SLUC)	5,481	110	-2,962	2,629	50	-1,421	1,258
913 Purchased Utilities (Non-Fund)	2,384	48	20	2,452	47	1,336	3,835
914 Purchased Communications (Non-Fund)	8,763	175	466	9,404	179	-5,132	4,451
915 Rents (Non-GSA)	129,556	2,591	22,408	154,555	2,937	32,257	189,749
917 Postal Services (U.S.P.S)	302	6	5	313	6	47	366
920 Supplies & Materials (Non-Fund)	8,088	162	-1,873	6,377	121	1,507	8,005
921 Printing & Reproduction	2,157	43	133	2,333	44	-2,135	242
922 Equipment Maintenance By Contract	93,126	1,863	-30,245	64,744	1,230	11,642	77,616
923 Facilities Sust, Rest, & Mod by Contract	1,713	34	79	1,826	35	-866	995
925 Equipment Purchases (Non-Fund)	6,198	124	-2,065	4,257	81	2,044	6,382
932 Mgt Prof Support Svcs	405,452	8,109	-44,141	369,420	7,019	-39,461	336,978
933 Studies, Analysis & Eval	113,126	2,263	-30,602	84,787	1,611	-3,026	83,372
934 Engineering & Tech Svcs	198,199	3,964	-12,186	189,977	3,610	-9,369	184,218

**Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2014 Budget Estimates**

<u>OP 32 Line</u>	FY 2012 <u>Actual</u>	Change FY 2012/FY 2013		FY 2013 <u>Estimate</u>	Change FY 2013/FY 2014		FY 2014 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
958 Other Costs (Investments and Loans)	258	0	-258	0	0	0	0
959 Other Costs (Insurance Claims/Indmnties)	590	12	-602	0	0	0	0
987 Other Intra-Govt Purch	317,959	6,359	-45,894	278,424	5,290	-880	282,834
988 Grants	44,015	880	-39,837	5,058	96	251	5,405
989 Other Services	202,265	4,045	-79,694	126,616	2,406	-52,493	76,529
990 IT Contract Support Services	24,265	485	-12,258	12,492	237	-4,502	8,227
999 Total Other Purchases	1,563,897	31,273	-279,506	1,315,664	24,999	-70,201	1,270,462
Total	2,349,988	72,410	-327,036	2,095,362	72,453	-157,639	2,010,176

- * The FY 2012 Actual column includes \$102,609 thousand for Overseas Contingency Operations (OCO) funding (PL 112-74).
- * The FY 2013 Estimate column excludes \$87,805 thousand for OCO funding requested in the FY 2013 Defense-Wide OCO Budget Request.
- * The FY 2014 Estimate column excludes FY 2014 Defense-Wide OCO Budget Request.