

**Fiscal Year (FY) 2018 Budget Estimates  
Submission**

**Defense Security Services (DSS)**



**May 2017**

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**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)  
Budget Activity (BA) 4: Administrative and Service-Wide Activities**

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
DSS	580,184	10,884	-22,357	568,711	11,226	103,728	683,665

**I. Description of Operations Financed:** The Defense Security Service (DSS) mission through partnership with industry and innovation, safeguard our Nation's interests as the premier provider of industrial security risk management and security professional development services. The world is rapidly changing and the DSS is changing too. Where the agency once concentrated on schedule-driven National Industrial Security Program Operating Manual (NISPO) compliance, DSS is now transitioning to an intelligence-led, asset-focused, and threat-driven approach to security oversight. As Functional Manager for the Department of Defense (DoD), DSS provides security education, training, certification, and professional development for DoD and other U.S. Government personnel, contractor employees, and representatives of foreign governments. The DSS oversees the protection of classified information and technologies, and materials in the hands of cleared industry) by providing professional risk management services on behalf of 26 Department of Defense (DoD) components and 31 other U.S. Federal agencies. The NISP serves as a single, integrated, cohesive industrial security program to protect classified information and to preserve our Nation's economic and technological interests. The DSS provides security oversight, counterintelligence coverage and support to approximately 10,000 cleared companies (comprising over 13,000 industrial facilities and approximately 850,000 cleared contractors), and accreditation of more than 55,000 workstations across multiple and differing classified networks that process classified information and 160 Secure Internet Protocol Router Network (SIPRNet) nodes. The DSS NISP oversight role includes responsibility for the majority of the cleared contractors in the United States to include determination, issuance, and oversight of facility security

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

clearances and determinations that contractor employees are eligible to access classified information. This oversight role includes:

- Conducting required NISP assessments to deter, detect, and identify loss or compromise of classified information and ensure corrective actions
- Accrediting classified contractor computer systems to allow industry to perform on classified programs
- Completing Foreign Ownership, Control and Influence (FOCI) mitigation agreements and properly analyzing, evaluating and providing oversight to cleared firms under FOCI agreements
- Increasing International Security training and personnel needed to facilitate timely secure shipment of commercially sold classified export controlled materials to and from U.S. cleared contractors and 65 foreign countries
- Providing proactive training and support to DSS field personnel, industry, and government agencies
- Liaison with government Special Access Program (SAP) customers, and increase/improve analysis of SAP security issues
- Executing elements of the DoD Insider Threat program to include Continuous Evaluation, Unauthorized Disclosure, the DoD Insider Threat Management and Analysis Center (DITMAC) and other Insider Threat activities

Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget

I. Description of Operations Financed (cont.)

Operational Elements:

a. Industrial Operations:

<u>Dollars in Thousands</u>		
<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$106,895	\$108,996	\$111,580

The Industrial Operations consist of the Industrial Security Field Operations (ISFO) and the Industrial Security Integration and Application (ISIA) formerly known as Industrial Policy and Programs.

On behalf of the Department of Defense (DoD) and 31 federal agencies in the National Industrial Security Program, the ISFO directorate clears defense contractors to perform on classified programs, provide oversight and assessment of security programs, and mitigate potential loss or compromise of national security information. ISFO's mission essential tasks include:

- Serving as the DSS "first responder" to Industry for all industrial security matters;
- Partnering with industry to develop security programs compliant with national standards
- Assessing security posture of cleared Industry to detect, deter and mitigate security vulnerabilities
- Providing threat information to industry to enhance awareness and enable better safeguarding of national security information
- Processing cleared Industry's Information Systems to process classified information through the Risk Management Framework process

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

- Conducting Command Cyber Readiness Inspections to ensure security of cleared Industry SIPRNet connections
- Monitoring Foreign Ownership, Control, or Influence (FOCI) mitigation instruments to ensure protection of classified and export controlled technology from foreign entities
- Overseeing the implementation of Insider Threat programs at cleared Industry facilities
- Processing personnel security investigation requests for Industry
- Monitoring personnel security eligibility and access for contractors in the National Industrial Security Program
- Determining interim personnel security clearance eligibility of Industry contractors for access to classified information
- Providing Incident Report oversight and triage on ~900,000 cleared personnel to mitigate security risks and serve as a liaison between Industry and the DoD Consolidated Adjudication Facility

Industrial Security Integration & Application (ISIA) provides headquarters support to the field operations and cleared industry in the areas of industrial and personnel security policy, adjudication of Foreign Ownership, Control or Influence (FOCI) and implementation of FOCI countermeasures, and administration of international programs. ISIA coordinates with senior members of foreign civilian and military organizations who represent more than 65 foreign governments that are signatories of Bilateral Security Agreements for timely and secure international movement of both U.S. and foreign classified information.

**Defense Security Service**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2018 President's Budget**

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

<b>b. <u>Personnel Security Investigations for Industry (PSI-I):</u></b>	<b><u>Dollars in Thousands</u></b>		
	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
	<b><u>Actual</u></b>	<b><u>Enacted</u></b>	<b><u>Estimate</u></b>
	<b>\$303,918</b>	<b>\$285,237</b>	<b>\$378,439</b>

The DSS facilitates security clearance requirements and costs for personnel security investigations for industry (PSI-I) personnel in support of all DoD components and 31 other federal agencies participating in the National Industrial Security Program (NISP). Cleared contractor personnel employed on classified projects are in support of multiple Executive Branch Agencies, requiring the facilitation of a centrally funded and managed program to provide economy of scale cost and savings for the federal government. The PSI-I budget is based on total number of anticipated investigations, by case type, and the corresponding Office of Personnel Management (OPM) Federal Investigation Notice (FIN) rate, and adjusted to include additional costs on a case by case basis for Triggered Enhanced Subject Interviews (TESI) and Reimbursable Security Investigations (RSI). The DSS administer requests for initial and periodic reinvestigations for contractor personnel to include Tier 5 for Top Secret/SCI, and Tier 3 for Secret and Confidential clearances. Beginning in 2017, OPM's annual price rate for industry background investigations will increase by 5.7% over FY 2016 rates. Additionally, continuous funding for credit monitoring for contractor employee whose data was compromised as part of the OPM breach in FY15.

**Defense Security Service**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2018 President's Budget**

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

**c. Center for Development of Security Excellence (CDSE):**

<u>Dollars in Thousands</u>		
<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$24,317	\$25,098	\$27,466

The DSS Center for Development of Security Excellence (CDSE) is DoD's provider of security education, training, awareness, and certification for DoD personnel and contractors under the NISP, employees of other Federal agencies, and select foreign governments. CDSE provides over 100 security courses and products, using a variety of platforms to include virtual, instructor-led and eLearning courses, security shorts, webinars, and performance support tools. CDSE provides entry level to advanced training for DoD's security professionals. Areas of concentration include: information security, industrial security, personnel security, physical security, special access programs, and special topics areas such as insider threat, active shooter, etc. Courses range from short format eLearning to full semester graduate level courses. Educational courses and a growing number of training courses have received the American Council on Education's College Credit Recommendation Service ACE College Credit (ACE CREDIT). CDSE provides comprehensive training that addresses security requirements for industry personnel under the National Industrial Security Program and additionally provides awareness courses and products for DoD and cleared industry personnel (i.e. derivative classification, insider threat, protecting your identity, etc.). CDSE operates the nationally accredited Security Professional Education Development (SPED) Certification Program that consists of three core certifications, four specialty certifications, and one professional credential. As the premier provider of security education, training, and certification CDSE prepares personnel

Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget

I. Description of Operations Financed (cont.)

across the DoD and Industry for significant roles in protecting critical assets, operations, and National Security.

Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget

I. Description of Operations Financed (cont.)

d. Counterintelligence Program (CI):

<u>Dollars in Thousands</u>		
<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$26,400	\$26,875	\$31,030

The DSS provides CI support to the National Industrial Security Program (NISP). The DSS CI mission is to "identify SUBJECTs of investigations, operations, or operational sources within the cleared National Industrial Base (NIB)." That means providing support to cleared facilities and cleared contractor personnel. The DSS CI mission works with a full range of U.S. Government Departments, the Military Services and Agencies as follows:

- Mitigating risk, perpetrated in the cyber-domain, cleared facilities, classified programs and cleared contractors
- Identifying known and suspected collectors engaged in illegal or suspicious acts related to defense technology and refers information to federal investigative and operational agencies for exploitation
- Identifying vulnerabilities and threats (internal and external to DSS) and facilitates the exchange of security and CI-related information between DSS components. Educates cleared contractor employees of potential threat
- Informing cleared NIB, U.S. Government agencies and officials of the Foreign Intelligence Entity (FIE) of threats to the U.S. DoD technology in their charge
- Publishing: Annual Trends; Quarterly Trends; FIE's Cyber Activity Bulletins; Company Assessments; Technology and Program Assessments; Target Country Assessments; FIE

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

Cyber Threat advisories; Intelligence Information Reports and analysis based on reports of suspicious contacts

- Supporting federal law enforcement agencies targeting intelligence operators, terrorists and criminals attempting to steal U.S. Defense technology; the Defense Intelligence Agency's Campaign and Castle programs; the U.S. Intelligence Community, the FBI Strategic Partnership Program; and several Annual reports to Congress

**e. Insider Threat**

<u>Dollars in Thousands</u>		
<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$35,053	\$40,859	\$51,871

The DoD Insider Threat program provides an integrated capability to monitor and audit information for insider threat detection and mitigation. The program gathers, integrate, review, assess, and respond to information derived from CI, security, cybersecurity, civilian and military personnel management, workplace violence, anti-terrorism risk management, law enforcement, the monitoring of user activity on DoD information networks, and other sources as necessary and appropriate to identify, mitigate, and counter insider threats. Funds key insider threat initiatives including Continuous Evaluation (CE), Unauthorized Disclosure, the Defense Insider Threat Management and Analysis Center (DITMAC), and associated activities. CE systems and analysis will provide automated record checks of trusted data sources on cleared personnel to supplement periodic reinvestigations for security clearances. The DITMAC will play a key role in combating insider threat activity across the DoD by enabling information sharing and collaboration, analysis, and risk mitigation across 43 Components to address current and emerging threats to DoD personnel, assets and information.

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

I. Description of Operations Financed (cont.)

Operational Support Activities

a. Management HQ Activities:

<u>Dollars in Thousands</u>		
FY 2016	FY 2017	FY 2018
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$35,553	\$35,103	\$35,805

The DSS Headquarters enables mission execution through the management of strategic priorities common to all initiatives within the agency and ensure direct service support to field operations. These functions provide critical enterprise management support devoted to keeping the daily operations of DSS aligned with the agency's tag line "Partnering With Industry to Protect National Security". The support consists of financial management, acquisitions, human capital management, legal advice and assistance through the general counsel and inspector general, public affairs, security, maintenance of facilities, strategic management, logistical, property management, and EEO.

b. Office of the Chief Information Officer (OCIO):

<u>Dollars in Thousands</u>		
FY 2016	FY 2017	FY 2018
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$48,048	\$46,543	\$47,474

OCIO leads the DSS information enterprise by defining a shared vision through enforcing agency policy, and driving the standard for the information infrastructure that supports

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

security oversight and education missions. The OCIO team delivers cutting edge IT services to DSS as part of a comprehensive catalog of outcome driven capabilities. In addition to enterprise applications, mobile IT solutions, and secure communications, the OCIO provides a full range of support and troubleshooting services to the DSS community. The OCIO's vision includes partnering with agency and industry leaders to strategically integrate data driven solutions to ensure mission success

**II. Force Structure Summary:**

**N/A**

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
<b>A. BA Subactivities</b>								
Center for Development of Security Excellence Counterintelligence Program	24,317	25,098	0	0.0	0	25,098	27,466	
Industrial Operations and Policy	26,400	26,875	0	0.0	0	26,875	31,030	
Insider Threat Management HQ Activities	106,895	108,996	0	0.0	0	108,996	111,580	
Office of Chief Information Officer	35,053	40,859	0	0.0	0	40,859	51,871	
PSI for Industry	35,553	35,103	0	0.0	0	35,103	35,805	
<b>Total</b>	48,048	46,543	0	0.0	0	46,543	47,474	
	303,918	285,237	0	0.0	0	285,237	378,439	
	<b>580,184</b>	<b>568,711</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>568,711</b>	<b>683,665</b>	

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

III. Financial Summary (\$ in thousands)

<b>B. <u>Reconciliation Summary</u></b>	<b>Change</b>	<b>Change</b>
	<b><u>FY 2017/FY 2017</u></b>	<b><u>FY 2017/FY 2018</u></b>
<b>Baseline Funding</b>	<b>568,711</b>	<b>568,711</b>
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
<b>Subtotal Appropriated Amount</b>	<b>568,711</b>	
Fact-of-Life Changes (2017 to 2017 Only)		
<b>Subtotal Baseline Funding</b>	<b>568,711</b>	
Supplemental		
Reprogrammings		
Price Changes		11,226
Functional Transfers		
Program Changes		103,728
<b>Current Estimate</b>	<b>568,711</b>	<b>683,665</b>
Less: Wartime Supplemental		
<b>Normalized Current Estimate</b>	<b>568,711</b>	

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

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

<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
<b>FY 2017 President's Budget Request (Amended, if applicable)</b>		<b>568,711</b>
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
<b>FY 2017 Appropriated Amount</b>		<b>568,711</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
<b>FY 2017 Baseline Funding</b>		<b>568,711</b>
4. Reprogrammings (Requiring 1415 Actions)		
<b>Revised FY 2017 Estimate</b>		<b>568,711</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
<b>FY 2017 Normalized Current Estimate</b>		<b>568,711</b>
6. Price Change		11,226
7. Functional Transfers		
8. Program Increases		103,838
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) PSI-I	88,159	
Increase provides funding to meet industry clearance requirements for initial and periodic background investigations and reinvestigations for contractor personnel requiring access to classified information. (FY 2017 Baseline: \$285,237 thousand)		
2) Insider Threat	10,195	
Increase expands background investigations using the		

**Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget**

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

**C. Reconciliation of Increases and Decreases**

	<u>Amount</u>	<u>Totals</u>
Agency Record Check (ARC) strategy to maintain Continuous Evaluation (CE) capacity to cover 1 million cleared government and contractor personnel Secret -level eligibility which will reduce reliance on traditional OPM investigations. (FY 2017 Baseline: \$40,859 thousand)		
3) Counter Intelligence	3,618	
Increase provides six additional civilian full time equivalents to identify adversary threats working against the Defense Industrial Base developing the technology used to produce U.S. military capability to actively respond to evolving threats and mitigate potential losses to the MDAPs and critical technologies; provides contractor support for dissemination of the Triage and Threat Integration Program to CI Special Agents at field locations to identify reportable information and to generate Suspicious Contact Reports (SCR) from information reported by cleared industry personnel (FY 2017 Baseline: \$26,875 thousand; +6 FTEs)		
4) CDSE	1,866	
Increase for development of enterprise training materials for use across the DoD in support of DoD Insider Threat and Continuous Evaluation that is required to meet minimum requirements set out in the National Insider Threat Policy and Minimum Standards for Executive Branch Insider Threat Programs. Training will support the general workforce, operational insider threat staff, and senior		

**Defense Security Service**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2018 President's Budget**

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

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
officials at the requisite levels ranging from basic situational awareness and proper reporting procedures to detailed counterintelligence, the data protection and retention, response and referral actions. (FY 2017 Baseline: \$25,098 thousand; +0 FTEs)		
9. Program Decreases		-110
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Management Headquarters	-110	
Reduction in administrative cost for contract services due to restructuring of contracts (FY 2017 Baseline: \$35,103 thousand)		
<b>FY 2018 Budget Request</b>		<b>683,665</b>

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

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

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

**Comments:** The 13,500 cleared facilities are geographically dispersed across the United States and range from small consulting firms with part-time, inexperienced security managers to large manufacturing and research and development plants with professional security staffs, but possessing large amounts of highly classified information and hugely complex security requirements. The geographic dispersion of the work and widely varying complexity of the cleared industry facilities provides DSS a unique challenge to meet industry's security requirements or provide the required expertise and oversight. ISFO prioritizes its mission responsibilities based on a Facilities of Interest List (FIL) incorporating the value of a contractor's program, seriousness of known threats, and vulnerabilities to security programs.

	FY 2016 Assessments Completed	Facilities Overdue Assessments	Facilities Not Overdue Assessments	Total Amount of Facilities	% Assessments Completed/No t Overdue	Goal	Below Goal
FIL1	1,260	382	1,358	1,740	92.78%	100%	7.2%
FIL2	922	1,805	1,340	3,145	68.81%	100%	31.19%
FIL3	769	436	1,151	1,587	66.81%	80%	13.19%
FIL4	2,155	1,896	3,953	5,849	54.52%	80%	25.48%
Total	5,106	4,519	7,802	12,321	65.44%	92%	26.56%

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

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

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

<b>Average Information System Accreditation (days)</b>	<b>Oct 2015</b>	<b>Nov 2015</b>	<b>Dec 2015</b>	<b>Jan 2016</b>	<b>Feb 2016</b>	<b>Mar 2016</b>	<b>Apr 2016</b>	<b>May 2016</b>	<b>Jun 2016</b>	<b>Jul 2016</b>	<b>Aug 2016</b>	<b>Sep 2016</b>
Monthly # Accredited	520	317	432	240	403	420	291	302	342	315	365	404
Actual Days Average/Target	32/30	32/30	30/30	15/30	18/30	10/30	17/30	26/30	27/30	32/30	35/30	32/30
# Accredited > 45 days	12	13	5	6	5	6	3	4	3	14	5	1

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

IV. Performance Criteria and Evaluation Summary:

2. Center for Development of Security Excellence (CDSE)

**CDSE Performance Measure #1:** Requested FY 2017 Course Iterations Scheduled

**Comments:** This performance measure is used to compare the number of classroom course iterations requested by the security community versus available resources.

Requested FY2016 Course Iterations Scheduled	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016
Cum Monthly Schedule	5	8	13	18	24	29	34	41	45	51	59	64
Requested Total for FY2016	65	65	65	66	66	70	74	79	80	81	83	83

**Defense Security Service**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2018 President's Budget**

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

% of Scheduled vs. Requested	7%	12%	20%	27%	36%	41%	45%	51%	56%	62%	71%	77%
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Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

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

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

**Comments:** This output performance measure provides the actual number of Training and Education active courses (Virtual and Instructor Led Training, eLearning and Short Format Learning courses) in inventory compared with the total number of active courses required by the security community.

Requested FY2016 Course Iterations Scheduled	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016
Cum Monthly Schedule	289	294	299	320	318	322	347	343	348	351	365	363
Requested Total for FY2016	380	384	386	400	393	395	413	402	405	408	421	412
% of Scheduled vs. Requested	76%	77%	77%	80%	81%	82%	91%	85%	85%	86%	87%	88%

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

**3. Counterintelligence (CI):**

**Performance Measure:** Annual Rate of Identification (efficiency/output).

DSS CI Identifies threats to classified information and technology resident in the cleared U.S. industrial base and articulates that threat to stakeholders. Based on data accumulated over the past four fiscal years, DSS estimates approximately 3000+ foreign entities or others attempt to exfiltrate classified information and technology per year - attempts that warrant investigative or operational action by U.S. law enforcement and intelligence agencies or offer opportunities for exploitation against countries of interest targeting cleared industry when and IF identified. DSS CI's annual rate of identification attempts to measures CI's ability to efficiently and effectively assess and refer actionable information leading to investigative SUBJECTs, operations, or operational Sources to LE/CI organizations. DSS' FY16 rate of identification was 6.2 known or suspected collectors per CI resource. DSS CI's FY17 efficiency rate (performance metric) is 5.0 - 6.0.

**Comments:** In support of DSS CI's mission as referenced above, the CI Directorate assists cleared industry in recognizing and reporting foreign contacts, incidents and collection attempts, and in applying threat-appropriate countermeasures; provides threat information to cleared industry; assists DoD Components and 31 other federal agencies ensure the protection of critical research and technology resident in cleared industry; and refers all cases of CI or criminal interest to the appropriate DoD or U.S. law enforcement or intelligence agency for investigative or operational action and exploitation.

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

	FY 2016				FY2017 - **Projection			
	Dec 2015	Mar 2016	Jun 2016	Sep 2016	**Dec 2016	**Mar 2017	**Jun 2017	**Sep 2017
Rate of ID per Avg Available CI Resource*	6.89	7.27	6.93	6.27	9.20	9.31	7.95	6.65
Number of SUBJECTs and Sources Identified (most recent 12-months)	1109	1194	1184	1117	1637	1657	1415	1184
Number of SUBJECTs and Sources identified FYTD	263	585	877	1117	388	812	1048	1184
Average Available (FTE) CI Resource (includes contractor support)	161	164	171	178	178	178	178	178

\* Calculating the Rate of Identification: The annual rate of identification is calculated monthly as of the last day of each month. To calculate the rate, divide the k/s collectors identified for the most recent 12-month period (as of the last day of a month) by the "average available" CI resources for the same month. "Average available resources" is the average number of FTEs & CTRs assigned to CI over the same 12-month period. \*\* PROJECTION: Projections for number of k/s collectors identified for most recent 12-month period and FYTD were calculated using a straight line projection based on k/s collectors identified per month for prior 24 months.

**Defense Security Service**  
**Operation and Maintenance, Defense-Wide**  
**Fiscal Year (FY) 2018 President's Budget**

<b><u>V. Personnel Summary</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>Change FY 2016/ FY 2017</u></b>	<b><u>Change FY 2017/ FY 2018</u></b>
<u>Civilian End Strength (Total)</u>	<u>852</u>	<u>870</u>	<u>883</u>	<u>18</u>	<u>13</u>
U.S. Direct Hire	852	870	883	18	13
Total Direct Hire	852	870	883	18	13
<u>Civilian FTEs (Total)</u>	<u>838</u>	<u>840</u>	<u>853</u>	<u>2</u>	<u>13</u>
U.S. Direct Hire	838	840	853	2	13
Total Direct Hire	838	840	853	2	13
Average Annual Civilian Salary (\$ in thousands)	142.8	142.6	143.8	-0.2	1.2
 <u>Contractor FTEs (Total)</u>	 <u>99</u>	 <u>99</u>	 <u>99</u>	 <u>0</u>	 <u>0</u>

Note:

\*Does not include GDIP.

\*\*FY2017 column updates to reflect current estimates in accordance with FY2016 actuals.

**Defense Security Service  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2018 President's Budget**

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	118,902	2,241	-1,978	119,165	2,328	503	121,996
121 PCS Benefits	779	0	-129	650	0	10	660
<b>199 Total Civ Compensation</b>	<b>119,681</b>	<b>2,241</b>	<b>-2,107</b>	<b>119,815</b>	<b>2,328</b>	<b>513</b>	<b>122,656</b>
308 Travel of Persons	5,588	106	-22	5,672	113	0	5,785
<b>399 Total Travel</b>	<b>5,588</b>	<b>106</b>	<b>-22</b>	<b>5,672</b>	<b>113</b>	<b>0</b>	<b>5,785</b>
696 DFAS Financial Operation (Other Defense Agencies)	1,779	-72	-417	1,290	-52	0	1,238
<b>699 Total DWCF Purchases</b>	<b>1,779</b>	<b>-72</b>	<b>-417</b>	<b>1,290</b>	<b>-52</b>	<b>0</b>	<b>1,238</b>
771 Commercial Transport	107	2	409	518	10	0	528
<b>799 Total Transportation</b>	<b>107</b>	<b>2</b>	<b>409</b>	<b>518</b>	<b>10</b>	<b>0</b>	<b>528</b>
912 Rental Payments to GSA (SLUC)	1,225	23	-1	1,247	25	0	1,272
913 Purchased Utilities (Non-Fund)	0	0	11	11	0	0	11
914 Purchased Communications (Non-Fund)	7,172	136	492	7,800	156	0	7,956
915 Rents (Non-GSA)	2,604	49	-2	2,651	53	0	2,704
917 Postal Services (U.S.P.S)	28	1	0	29	1	0	30
920 Supplies & Materials (Non-Fund)	1,984	38	-404	1,618	32	200	1,850
921 Printing & Reproduction	215	4	-82	137	3	0	140
922 Equipment Maintenance By Contract	22,088	420	-230	22,278	446	0	22,724
923 Facilities Sust, Rest, & Mod by Contract	1,910	36	277	2,223	44	0	2,267
925 Equipment Purchases (Non-Fund)	8,371	159	-8	8,522	170	0	8,692
932 Mgt Prof Support Svcs	67,094	1,275	-1,455	66,914	1,338	12,580	80,832
934 Engineering & Tech Svcs	832	16	-1	847	17	0	864
957 Other Costs (Land and Structures)	705	13	0	718	14	0	732
987 Other Intra-Govt Purch	332,178	6,311	-18,935	319,554	6,391	90,435	416,380
989 Other Services	6,623	126	118	6,867	137	0	7,004
<b>999 Total Other Purchases</b>	<b>453,029</b>	<b>8,607</b>	<b>-20,220</b>	<b>441,416</b>	<b>8,827</b>	<b>103,215</b>	<b>553,458</b>

Defense Security Service  
 Operation and Maintenance, Defense-Wide  
 Fiscal Year (FY) 2018 President's Budget

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change <u>FY 2016/FY 2017</u>		FY 2017 <u>Estimate</u>	Change <u>FY 2017/FY 2018</u>		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Total	580,184	10,884	-22,357	568,711	11,226	103,728	683,665