

**Department of Defense
Fiscal Year 2018 Budget Estimates**

May 2017



**Office of the Secretary of Defense (OSD)
Defense-Wide Justification Book
Operation and Maintenance**

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**Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

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

	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>
OSD	2,044,754	29,718	-34,487	2,039,985	30,132	-457,873	1,612,244

* The FY 2016 Actual column includes \$86,365.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$31,106.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$34,715.0 thousand of FY 2018 OCO Appropriations funding.

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 OSD contains the immediate offices of the SECDEF and the DEPSECDEF, the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)), the Office of the Under Secretary of Defense Comptroller/Chief Financial Officer (OUSD(C)), the Office of the Under Secretary of Defense Intelligence (OUSD(I)), the Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)), the Office of the Under Secretary of Defense Policy (OUSD(P)), the Deputy Chief Management Officer (DCMO), the Assistant Secretary of Defense Legislative Affairs (ASD(LA)), the Assistant Secretary of Defense Public Affairs (ASD(PA)), the Office of General Counsel (OGC), the Director, Cost Assessment and Program Evaluation (D,CAPE), the Director, Net Assessment (DNA), the

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I. Description of Operations Financed (cont.)

Director, Operational Test and Evaluation (DOT&E), and the DoD Chief Information Officer (DoD CIO).

Narrative Explanation of Changes from FY 2017 to FY 2018: The OSD Operation and Maintenance (O&M) FY 2018 budget request is based on DoD strategic guidance, complies with the SECDEF priorities for continuation of efficiencies and initiatives that include reductions for streamlining of management headquarters activities and contract services. The FY 2018 budget request reflects an overall decrease of -\$427.7 million that includes a functional transfer of Combatant Commanders Exercise Engagement and Training Transformation (CE2T2) to Joint Staff. The net decrease combines a price adjustment of +\$30.1 million and a program decrease of -\$457.8 million resulting from programmatic increases and decreases that include internal funding realignments detailed in the Financial Summary (Part III).

\$ in Thousands

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
354,737	350,444	366,612

A. Core Operating Program:

The OSD Core Operating Program provides the necessary resources to support the operations of the OSD and the centrally funded support services within OSD. Funding in this sub-activity group includes all civilian personnel compensation and benefits. Costs/funding for Intergovernmental Personnel Act (IPA) are included in the Core Operating Program for FY 2016 and FY 2017 and were realigned in FY 2018 to mission funding.

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I. Description of Operations Financed (cont.)

	<u>\$ in Thousands</u>	
	<u>Civilian Pay</u>	<u>*Full Time Equivalents (FTEs)</u>
<u>Estimated FY 2018 Civilian Pay and Benefits for Major OSD Principal Staff Assistants (PSAs):</u>		
OUSD(AT&L)	82,658	403
OUSD(Comptroller)	28,926	145
OUSD(Intelligence)	33,061	159
OUSD(P&R)	26,551	131
OUSD(Policy)	65,223	340
O,DCMO	21,981	103
D,CAPE	24,107	119
DoD CIO	24,746	116
Strategic Capabilities Office (SCO)	4,150	22
Other DoD Offices	<u>55,209</u>	<u>263</u>
Total Estimated Civilian Pay and Benefits	366,612	1,801

*IPA manpower is not included in FY 2018 FTE manpower profile

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	\$ in Thousands		
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
B. <u>Other DoD Programs and Initiatives:</u>	407,713	409,574	389,585
Assistant Secretary of Defense for Legislative Affairs (ASD(LA))	459	499	936
Assistant Secretary of Defense for Public Affairs ASD(PA))	5,516	5,949	5,836
Office of General Counsel (OGC)	168	519	516
Office of the Director, Net Assessment (ODNA)	13,483	16,680	18,170
Boards, Commissions and Task Forces (BCTF)	5,149	10,949	10,610
Test Resource Management Center (TRMC)	3,424	3,452	2,806
Capital Security Cost Sharing (CSCS) (State Dept Bill)	309,507	328,767	279,709
Director for Operational Test and Evaluation (DOTE)	367	124	174
Other DoD Programs and Initiatives (includes Grants, Training, Official Representation Funding (ORF), Republic of Korea Scholarship Fund and Wargaming)	<u>69,640</u>	<u>43,762</u>	<u>70,828</u>
Total Other DoD Programs and Initiatives	407,713	410,701	389,585

a. **Assistant Secretary of Defense Legislative Affairs (ASD(LA)):** Serves as the principal staff assistant and advisor to the SECDEF for DoD relations with the U.S. Congress and has overall supervision of DoD legislative affairs. The ASD (LA) promotes the

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I. Description of Operations Financed (cont.)

Administration's defense budget and the Department's strategy, legislative priorities, and policies to the U.S. Congress.

- b. Assistant Secretary of Defense Public Affairs (ASD(PA)):** Serves as the principal staff advisor and assistant to the SECDEF and DEPSECDEF for public information, internal information, community relations, information, training, and audiovisual matters. The 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. The ASD (PA) supports all SECDEF press briefings and responds to all public inquiries to the DoD.

- c. Office of General Counsel (OGC):** Provides advice to the SECDEF and DEPSECDEF regarding all legal matters and services performed within or involving the DoD.

- d. Office of the Director Net Assessment (ODNA):** Supports projects of broad importance to the SECDEF and DEPSECDEF 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.

- e. Boards, Commissions, and Task Forces (BCTF):** Is a subset of the DoD Federal Advisory Committee Management Program Managed by the Deputy Chief Management Office (DCMO). The Department's program is mandated by law - the Federal Advisory Committee Act

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I. Description of Operations Financed (cont.)

(FACA) of 1972 and the Government in Sunshine Act. Other Federal statutes and regulations impact on DoD FACA Program include the Freedom of Information Act (FOIA), the Privacy Act (PA), and the American's with Disability Act (ADA). The Department is required by federal statutes to provide each advisory committee it establishes or supports with resources so the advisory committee can conduct its independent work without undue influence from the Department, Federal employees, military officers, or interest groups. The program also provides resources and funding to support the Defense Business Board, and the 50th Anniversary Vietnam War Commemoration Committee.

f. Test Resource Management Center (TRMC): Is a Field Activity under USD(AT&L) created by Congress to complete and maintain a Strategic Plan for Test & Evaluation (T&E) Resources, review and provide oversight of proposed DoD T&E budgets, certify Service and Defense Agency T&E proposed budgets. The TRMC administers Central Test and Evaluation Investment Program (CTEIP) and Test and Evaluation/Science and Technology (T&E/S&T). To accomplish this mission, TRMC exercises oversight of the DoD T&E infrastructure, has a statutory requirement to review and certify the adequacy of the Service and Agency T&E infrastructure Budgets, administers the (T&E/S&T) Program and the CTEIP, provides a persistent distributed capability for the T&E of warfighter capabilities to create a Joint Mission Environment Test Capability (JMETC), and has taken ownership of the National Cyber Range (NCR) to ensure its incorporation in the national T&E infrastructure.

g. Director for Operational Test and Evaluation (DOT&E): Title 10, U.S. Code, Section 139 requires the DOT&E to provide guidance and consultation with the SECDEF, OUSD(AT&L) and the Military Departments regarding policies and procedures for the conduct of operational test and evaluation. DOT&E monitors and reviews DoD and Service-level strategic plans, investment programs, and resource management decisions to ensure

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I. Description of Operations Financed (cont.)

capabilities necessary for realistic operational tests are supported.

h. Capital Security Cost Sharing (CSCS): The CSCS budget request funds the Department's share of the CSCS and Maintenance Cost Sharing (MCS) Program as authorized by section 604 of the Secure Embassy Construction and Counterterrorism Act (SECCA) of 1999. The CSCS also funds the Department's share of the CSCS International Cooperative Administrative Support Services (ICASS) pass through. Further explanations of the two Components of the Department's CSCS Budget request are:

1) Capital Security Cost Sharing: The CSCS program funds the construction of new secure, safe, functional diplomatic and consular facilities to replace the most vulnerable facilities currently occupied by U.S. Government personnel overseas. It is authorized by the SECCA of 1999. The MCS program funds the maintenance, repair, and rehabilitation of non-residential facilities with an interagency presence. It was authorized in 2012 by an amendment to SECCA. The cost for CSCS & MCS are billed on a per-capita basis of DoD personnel assigned to embassies and is dependent on the type of office space they're occupying. The rates for the three office space types are the same at every embassy and are as follows: Closed Access Area office, Non-Closed Access Area office, and Non-Closed Access Area Non-office.

2) CSCS ICASS Pass Through: The CSCS/MCS Program charges the DoD for its pro-rated share of CSCS costs for ICASS Servicing positions overseas based on the relative percentage of DoD use of ICASS services worldwide.

\$ in Thousands

FY 2016	FY 2017	FY 2018
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>

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I. Description of Operations Financed (cont.)

C. Under Secretary of Defense (Acquisition,
Technology, and Logistics)

298,461 289,254 301,909

FY 2016 Actual includes \$4,922 thousand of OCO funding (PL 114-113).

FY 2017 Estimate excludes \$5,000 thousand of OCO funding.

The OUSD(AT&L) is the principal staff assistant and advisor to the SECDEF and DEPSECDEF 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.

a. Congressional Mandate:

- 1) **Contingency Business Tools:** Program funds and supports Enterprise Business Tools integrating financial, contracting, and logistics products to provide timely solutions based on procurement data standards to enduring emergency and contingency challenges as well as provide a dual use base of systems in the continental United States. In conjunction with the Joint Staff (JS), OUSD(AT&L) is committed to leveraging existing resources and knowledge to quickly provide Combatant Commanders and contingency forces with information technology and simple, user-friendly e-business tools in an emergency or contingency environment.
- 2) **Chief Financial Officers (CFO) Act Compliance:** Program funds and supports the development and implementation of new policies, processes, and procedures required to meet the FY 2010 National Defense Authorization Act. This public law directs accounting for and valuing DoD resources, and addresses property accountability for general property, plant and equipment (GPP&E) audit preparation. The Department must be audit ready by 2017 and owns more than 80 percent of the GPP&E, operating materials and supplies, and inventory, which encompasses \$1.4 trillion in

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acquisitions and a net book value of \$827 billion. The program also supports additional mandates such as the Campaign to Cut Waste and Managers' Internal Control Program (OMB Circular A-123).

- 3) **Committee on Foreign Investment in the United States (CFIUS):** Program funds and supports the 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. 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 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):** Program funds and supports the requirements for transforming the Department's business processes related to acquisition, procurement, and implementation of e-Government initiatives. This program facilitates procurement data standards implementation and compliance, as well as procurement data validation and verification, supporting federal and departmental traceability and transparency efforts.
- 5) **Legacy Resource Management:** Program funds and supports 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) **Base Realignment and Closure (BRAC) Round Planning and Analyses:** Program funds and supports the requested authority from Congress to conduct a new round of BRAC to

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I. Description of Operations Financed (cont.)

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 capacity. To support this effort, BRAC funds are required to develop recommendations and to manage these efforts.

b. Improve Acquisition & Logistics Processes:

- 1) Acquisition Program Support Systems (APSS):** Program funds and supports the flow of mission-essential information, expedites acquisition decision making, and ensures continuity of business/leadership operations. Services include Portfolio Management, Information Assurance, Application Development, Deployment, Management, Optimization & Retirement, and Website Governance & Content Management services for approximately 100 AT&L mission applications and tools. APSS supports over 50 public, intranet, and classified websites such as ACQWeb, and has developed over 300 collaborative sites within the enterprise's SharePoint environment. Portfolio Management, Infrastructure and DoD Governance expertise is provided for Mission Applications such as Electronic Coordination Tool, DARMIS, DAMIR and related Acquisition Visibility Services, Unmanned Warfare Information Repository, DAB Calendar, and DAE Action Tracker. This program leverages Pentagon Enterprise Services and DISA MilCloud offerings on behalf of AT&L software application sponsors, thereby delivering manpower efficiencies and cost savings. The customer base supported by this program and its applications includes the AT&L staff, DoD, Federal and Legislative entities.
- 2) Contingency Contracting:** Program funds and strengthens combat power and support of contingency operations. Contractors now provide essential capabilities to all of our military Services and, in combat contingency operations, constitute over half of the personnel forward on the battlefield. This level of reliance brings key challenges to the DoD in planning, integrating, and managing requirements for

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I. Description of Operations Financed (cont.)

contracted support in forward areas. The Contingency Contracting program drives improvements to contracting in support of deployed forces, humanitarian or peacekeeping operations, and disaster relief through policy, guidance, and oversight. It enables the Military to focus on key initiatives; develop critical tools; and implement policy, processes, regulations, and doctrine to maximize speed and efficiency of responses to improve contingency support across the DoD.

- 3) Corrosion Prevention Program:** Program funds and supports the implementation of DoD's long-term strategy to reduce corrosion and the effects of corrosion on military equipment and infrastructure throughout the acquisition and sustainment lifecycle as defined in Title 10 U.S.C. 2228.
- 4) Cyber Initiative:** Program funds acquisition program oversight and integration of the cyber portfolio; analysis for and support to the Cyber Investment Management Board (CIMB); support to DASD C3CB, focal point for all cyber issues across AT&L and for Cyber Ranges (training and T&E) department-wide; and Cyber Platform Resilience of weapon and tactical communication systems. Platform Resilience efforts include funds for integration and management of component platform resilience from initial design through the lifecycle, evaluation of cyber vulnerabilities and planning for mitigation actions.
- 5) Defense Management Initiative:** Program funds and supports the improvements of 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.
- 6) Defense Industrial Base (DIB) Cyber Security:** Program funds and supports critical DoD programs and technology by protecting DoD unclassified information resident on and transitioning DIB unclassified networks. This project further establishes the DoD Damage Assessment Management Office (DAMO) to coordinate the conduct of

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assessments involving the loss of DoD information requiring controls resulting from the unauthorized access and/or exfiltration of technical data maintained on unclassified DIB networks. The DAMO identifies and categorizes the impact of the loss of acquisition information contained on the affected systems, organizes and coordinates the assessment reports with all affected components and DIB members, and establishes a process to appropriately share collected information with all affected parties. The DAMO establishes policy and procedures for conducting damage assessments applicable to all DoD components and in concert with Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation (DFAR) procedures pertaining to contracts with the DIB.

- 7) Defense Installation Spatial Data Infrastructure (DISDI):** Program funds and supports the organization of people, policies, standards and protocols to optimize Component acquisition, management, and sustainment of geospatial imagery and mapping investments. The DISDI protocols will enable the use of previously disparate data, allowing decision makers to visualize the installations' complex array of natural and physical assets in an integrated manner.
- 8) Defense Procurement & Acquisition Policy (DPAP):** Program funds and supports changes throughout the DoD Acquisition, Technology, and Logistics community; supports acquisition policy initiatives; supports the development, review, and coordination of DoD acquisition policy and regulations, develops and maintains the Defense Acquisition Guidebook; facilitates the review and management of major acquisitions services; and furthers the development and staffing of acquisition policy initiatives.
- 9) Developmental Test and Evaluation (DT&E):** Program funds and supports DoD DT&E, in accordance with DoD Instruction (DoDI) 5000.02. For major defense acquisition programs, the Deputy Assistant Secretary of Defense for DT&E (DASD(DT&E)) supports program managers in developing DT&E test strategies that support the development

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and acquisition lifecycle. This includes reviewing and approving the developmental test and evaluation plan within the test and evaluation master plan; and monitoring and reviewing the developmental test and evaluation activities of the program. DASD(DT&E) develops detailed technical assessments to support significant acquisition decisions. In addition, DASD(DT&E) provides advocacy, oversight, and guidance to elements of the acquisition workforce responsible for developmental test and evaluation. This funding acquires analytical support to accomplish the above efforts and is primarily focused on development of analytical methods and processes that apply to all services and programs.

- 10) Operational Energy (OE) Office:** Program funds and supports OE activities, under Title 10, sections 138b and 2926 of the USC. This requires the appointment of an Assistant Secretary of Defense for Energy, Installations, and Environment (ASD(EI&E)) to serve as the principal advisor to the SECDEF and the DEPSECDEF regarding operational energy plans and programs. The USC also requires the ASD(EI&E) have sufficient professional staff of military and civilian personnel to enable the ASD(EI&E) to carry out the prescribed duties and responsibilities. The ASD(EI&E) is responsible for: (1) Serving as the principal advisor to the SECDEF and the DEPSECDEF regarding operational energy plans and programs; (2) Establishing and maintaining a Department-wide Operational Energy Strategy, and proscribing policies and procedures for implementing this strategy across the Military Departments, the OSD, Combatant Commands, and Defense Agencies; (3) Leading the alternative fuel activities of the DoD and overseeing Department investments in such activities; (4) Providing recommendations to the SECDEF regarding all budgetary and financial matters relating to operational energy, and certifying that the proposed budgets are adequate for implementation of the OE Strategy; and (5) Monitoring and reviewing all operational energy initiatives within DoD.

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- 11) Environment, Safety and Occupational Health (ESOH) in Acquisition:** Program funds and supports the Department's efforts to carry out acquisition ESOH oversight functions in accordance with DoDI 5000.02. As a Defense Acquisition Board Advisor, I&E is required to conduct oversight related to ESOH requirements in major DoD acquisitions as defined in the DoDI 5000.02, including developing ESOH acquisition policy and guidance; conducting reviews of Major Defense Acquisition Programs (MDAP) and Major Automated Information Systems (MAIS); and providing policy implementation assistance for program managers. Evolving regulatory issues such as the U.S Toxic Substances Control Act reform and the international chemical management regulation called "REACH" now require monitoring due to their potential impact to development and life cycle costs of weapons systems. ESOH expertise is needed to address these issues and ensure that ESOH considerations are integrated properly before major milestone reviews. This is critical to ensuring system capabilities while ensuring ESOH risks and costs are minimized throughout system life cycles.
- 12) I&E Business Enterprise Integration (BEI)/formerly Facilities Program Requirements (FPRS):** Program funds and supports both I&E and DoD-wide information needs for installations management, energy management, environmental management, safety and occupational health. BEI develops 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.
- 13) Emerging Contaminants:** Program funds and supports early identification of Emerging Contaminants (EC), assessments of impacts to human health, environment and DoD functions, and development of risk management options. This program reduces lifecycle costs, drives innovation, and avoids the need for future crisis-driven retooling to comply with new regulations. Program efforts include identifying

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I. Description of Operations Financed (cont.)

emerging regulations, such as the reformed U.S. Environmental Protection Agency Toxic Substance Control Act that seeks to manage or eliminate use of emerging contaminants.

- 14) Human Capital Initiative (HCI):** Program funds and supports the execution of the DoD-wide acquisition workforce (AWF) statutory requirement to strengthen the workforce and continuously improve its quality, capability and capacity. This program assesses the current AWF and identifies competency gaps to improve the future AWF. Funds support HCI efforts to manage Department-wide acquisition workforce planning, analysis, policy, and programs to include the Defense Acquisition Workforce Education, Training, and Career Development Program (DoDI 5000.66); implementation of the Defense Acquisition Strategic Workforce Plan; the Acquisition Demonstration Program; the Defense Acquisition Workforce Development Fund (DAWDF); and all supporting AWF initiatives.
- 15) Industrial Policy Program Support:** Program funds and supports the Office of the Deputy Assistant Secretary of Defense (ODASD) for Manufacturing and Industrial Base Policy (MIBP). ODASD(MIBP) serves as the Department's primary liaison with industry to foster industry's understanding of the Department's policy intent, and MIBP acts as the Department's focal point for industrial and manufacturing base policy initiatives, studies, reviews to determine the overall health of, the industrial base, and 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. MIBP provides oversight of the Department's Manufacturing Technology programs, and ensures the effective use of Defense Production Act Title III resources. Finally, MIBP is the Department's point of contact for the statutory Committee on Foreign Investment in the U.S. The committee findings are signed out by DEPSECDEF and the President.

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- 16) **Environmental Resiliency:** Program funds and supports comprehensive assessments of the vulnerability of DoD installations to the projected impacts of climate change to support strategic risk assessments and development of adaptation plans and options tailored to facility managers, natural resource managers, test and training range managers, and installation military mission planners.
- 17) **C3 and Business Systems Integration (CBSI) (Proposed Name Change, formerly Information Superiority Integration Support (ISIS):** Program funds functional and acquisition management integration and oversight of all critical war-fighting communications, command and control (C2), non-intelligence space, and enterprise resource system capabilities in DoD. CBSI funds development projects and activities in support of the DASD (Command, Control, Communications, Cyber, and Business Systems DASD(C3CB)) providing analytical support and execution oversight of C3, NC3 and business systems. Key functions supported by this account include the development and implementation of enterprise communications and C2 architectures, technical framework, standards, and strategic approaches; as well as performance of acquisition-related enterprise-wide portfolio management and acquisition oversight and support to the Milestone Decision Authority (OUSD (AT&L)) on designated Major Defense Acquisition Programs (MDAP) and Major Automated Information System (MAIS) programs. CBSI also funds development of analyses of alternatives and studies for selected capabilities; management of the MAIS designation and reporting processes; advocating for establishing Information Technology (IT) standards; and leading Information System acquisition policy development and implementation. CSBI formerly funded Cyber efforts and as of FY 16 are funded in a separate budget line: Cyber Integration.
- 18) **Integrated Acquisition Environment (IAE) (GSA Bill):** Program funds and supports the Department's share of mandatory GSA e-Government shared service costs for federally mandated procurement-related systems. The IAE portfolio, established in

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2001, provides federal-wide regulatory required systems that are used to support the procurement and finance processes. The Military Services and Defense Agencies are the primary customers of IAE capabilities and data, and use them extensively to support procurement, grants, and vendor payment processes throughout the Department. Federal agencies' required monetary contributions to sustain the IAE budget are established by the Office of Management and Budget (OMB). Provided IAE capabilities include vendor identification and payment information through the System for Award Management (SAM) (formerly Central Contractor Registration (CCR) system), centralized advertising of solicitation opportunities through FedBizOpps, and required collection of contract award data for congress and the public at the Federal Procurement Data System (FPDS). These are authoritative sources of data and provide a single federal interaction point with the vendor community for certain processes, all required to be used by statute and/or regulation. Capabilities do not exist in the Department to accomplish the processes they support.

- 19) The Joint Purchase Card Program Office:** Program funds and supports integration of policy, oversight, and data mining tools to combat fraud, waste, and abuse of the purchase card by purchase card officials. These requirements were directed federal government-wide by the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act), Public Law 112-194 and further implementation guidance was provided by the FY 2013 OMB Memorandum, M-13-21: Implementation of the Government Charge Card Abuse Prevention Act of 2012.
- 20) Logistics Systems Modernization Support (LSMS):** Program funds and supports essential L&MR activities necessary to effectively carry out the functional mission of the ASD Logistics and Materiel Readiness (L&MR). L&MR serves as the principal staff assistant and advisor to the OUSD(AT&L), SECDEF, and DEPSECDEF on logistics and materiel readiness in DoD. These resources are designed to support the

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logistics mission area activities at an acceptable level that will move the Department towards critical improvements in logistics systems and processes. The program facilitates 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.

- 21) Mission Capabilities (MC)/Systems Engineering (SE):** Program provides funding for Public Law 111-23, Weapons System Acquisition Reform Act of 2009 (WSARA) which directed the appointment of a Deputy Assistant Secretary for System Engineering (DASD(SE)) and establishment of an SE office subordinate to the OUSD(AT&L). This program sets policy for SE practices and specialty engineering, and serves as functional leader for the systems engineering workforce. DASD(SE) also oversees effective policy and guidance implementation, including leading assessments of technical approaches and plans for major defense acquisition programs (MDAP); providing independent expert program review support to program managers as requested; and conducting systemic analysis of acquisition issues to identify causal factors contributing to program execution shortfalls. DASD(SE) develops technical risk assessments of MDAPs to ensure technical risk is effectively considered and managed through the MDAP development lifecycle.
- 22) Performance Assessment & Root Cause Analysis (PARCA):** Program provides funds in support of Public Law 111-23, Weapons System Acquisition Reform Act of 2009 (WSARA) which directed the SECDEF to designate a senior official to serve as the principal official for conducting and overseeing PARCA for MDAPs.
- 23) DoD Siting Clearinghouse:** Program funds and supports development of a Basic capability to perform assessments of proposed wind, solar and energy transmission projects in the Private industry for their impact on DoD mission, development and evaluation of possible mitigation measures, development of tools to assist

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

- 24) Research, Development, Test and Evaluation (RDT&E) Oversight:** Program funds and supports centralized management and administrative expenses of RDT&E programs across the Assistant Secretary of Defense for Research and Engineering (ASD (R&E)enterprise.
- 25) Small Business Program Support:** Program funds the Office of Small Business Programs of the DoD, which implements and manages statutory and regulatory requirements such as the Small Business Innovative Research program, the Mentor Protégé Program and the Rapid Innovation Fund. The program also funds the market research Center of Excellence (COE) initiative needed to enable the Small Business workforce to support over 34,000 DoD contracting officers and specialists. These activities enable the development and oversight of over \$50B of prime contracts and over \$40B of subcontracts to small businesses. They also support Better Buying Power 3.0 and are key to improving effectiveness of the acquisition workforce and the Department's ability to achieve performance goals required by the Small Business Act.
- 26) Space & Intelligence Major Defense Acquisition Program (MDAP) Oversight:** Program funds and supports management, technical and programmatic evaluation, and functional oversight across the nuclear delivery system and civil, intelligence, missile defense, and space portfolios, to ensure investment and risk are balanced over specific capability focus areas, leverage capabilities across Services and organizations, ensure compliance with strategic and conventional arms control treaties, and ensure avoidance of duplicative efforts.
- 27) Strategic Sourcing/Category Management:** Re-branded by OMB, Strategic Sourcing/Category Management program funds and supports development, implementation, governance and execution of the acquisition oversight framework for

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I. Description of Operations Financed (cont.)

contracted services, and for the championing of strategic sourcing/category management policy and initiatives, for DoD. Services acquisitions have accounted for more than half of all DoD contracting dollars spent in support of the Warfighter in recent years. Services Acquisition is responsible to ensure the proper process execution of services procurement results in the best value at the most reasonable cost. The Services Acquisition Directorate is also committed to reshaping the DoD acquisition enterprise through strategic sourcing/category management to support customers making more efficient and effective business decisions about acquiring goods and services through the use of enterprises portfolio spend analyses. The Strategic Sourcing/Category Management 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.

- 28) Countering Weapons of Mass Destruction (CWMD) Sustainment:** Program funds provide sustainment for fielded operational components of a CWMD situational awareness family of systems (FoS). It also funds the administrative costs associated with analyses, oversight and portfolio management. Program funding will ensure the long-term success and stability of the CWMD situational awareness FoS.
- 29) AT&L Expert Fellows Program:** Program establishes a cost-effective and stable source of funding for Fellowship programs that allows the DoD to compete annually for academic experts that provide direct benefit to OUSD(AT&L). This provides funding for Fellows within OUSD(AT&L) each year, beginning with American Association for the Advancement of Science (AAAS) fellows and Nunn-Lugar fellows. Annual placements for experts with S&T and academic expertise will provide an

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I. Description of Operations Financed (cont.)

infusion of fresh ideas and ensure DoD is no longer under-represented in specific fellowships that provide direct and cost-effective benefits to the Department.

- 30) Core Services (formerly Management Support):** Program funds core services and corporate bills for AT&L. Core Services include Business Process Reengineering Center (BPRC), Acquisition Policy Analysis Center (APAC), audit preparation requirements, centralized administrative support, and the time & accounting system. The centralization realigns previously decentralized efforts in order to minimize the number of AT&L financial actions and the current financial management system, Enterprise Business Accounting System - Defense only allows for only one job order per transaction.

c. Promulgate Policy:

- 1) Transform Procurement Regulations:** Program funds and supports the continuing initiative to increase the efficiency and improve the quality and effectiveness of DoD procurement regulatory process and rule making capability. This ongoing initiative maintains the development, implementation, publication, and communication of hundreds of policies, laws, and changes in the FAR and DFARS as a web-based capability.
- 2) Acquisition Visibility (AV):** Acquisition Visibility (AV) supports the Defense Acquisition Executive (DAE), Component Acquisition Executives (CAE), Service Chiefs of Staff, OSD senior leaders, and OSD and Component analysts who assess and decide the efficiency and effectiveness of acquiring and sustaining the Department's acquisition programs including MDAPs, MAIS, major IT investments, and Acquisition Category (ACAT) II - IV programs. AV supports OUSD(AT&L), CAE, and Service Chief responsibilities by providing critical information for acquisition analysis, oversight, and decision making. AV institutionalizes the management of data and business rules used in the Department's acquisition decision making, and it integrates the acquisition data stored across multiple disparate Federal and

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I. Description of Operations Financed (cont.)

Departmental organizations' data sets and systems. AV delivers a Department-wide accessible collection of acquisition information, techniques, and tools, including the Defense Acquisition Visibility Environment (DAVE), the Defense Acquisition Management Information Retrieval (DAMIR) capability, and acquisition data analysis capabilities as well as data access services and data standards via the Acquisition Visibility Data Matrix (AVDM). Efforts to enhance AV continue through the definition, development, and fielding of concepts and tools for Department-wide data analysis for use across Congress and the Department, particularly in support of the DAE and his decision authority.

d. Regulatory Requirement:

- 1) Defense Environmental International Cooperation:** Program funds and supports bilateral and multilateral environmental initiatives with foreign defense departments and militaries in support of global basing/operations and the Secretary's Security Cooperation Guidance goals.
- 2) Defense International Cooperation Program:** Program funds and supports the requirements for the Department pursuing more effective cooperation with U.S. Allies and friends in the research, development, production and support of weapons systems and related equipment. International Cooperation Program supports the OUSD(AT&L) in carrying out his responsibilities and exercising his authorities on all international matters. This mission involves developing and monitoring the implementation of defense policies on international cooperation in coordination with U.S. government agencies, foreign governments and industry.
- 3) Low Observable/Counter Low Observable Export Control (LO/CLO):** 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 LO/CLO.

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- 4) Readiness and Environmental Protection Integration (REPI):** Program funds and supports efforts to sustain military readiness while assisting in the protection of valuable habitat and open space. 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 initiative supports cooperative agreements with states and local communities, and other interested stakeholders to acquire key conservation easements thus preventing incompatible development around military bases and ranges. DoD promotes such partnerships through its Sustainable Ranges Initiative.
- 5) OSD Analysis and Support:** Program funds and provides the SECDEF and the entire OSD staff and Joint Chiefs of Staff (JS) with 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 JS. The program improves the ability of executive decision makers in OSD and JS components to execute their missions in a complex global environment, by allowing access to specialized analytic support not available in-house. Foremost among the areas supported are installation management, international cooperation and security strategies, logistical and energy infrastructure, and force sustainment.
- 6) Treaty Compliance Support:** Program supports OUSD(AT&L)'s responsibility for oversight of all DoD compliance with strategic and conventional arms control treaties and agreements. This includes planning for and monitoring compliance and implementation of new and existing arms control agreements; providing advice and assistance to Components regarding the impact of treaty obligations on programs;

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assessing positions on arms control issues and their potential impacts on programs; and updating, maintaining and managing the DoD treaty implementation and compliance database.

e. OTHER:

1) Native American Land Environmental Mitigation Program (NALEMP) Program: Program funds and supports travel for Acquisition, Technology and Logistics program managers throughout the AT&L community. Travel activities include, but are not limited to, travel in support of bilateral and multilateral International treaties, major acquisition program reviews, advancement of Small Business outreach, science and technology reviews, critical manufacturing and industrial base activities, nuclear treaties and security initiatives, strategic operational energy initiatives and defense.

\$ in Thousands

	FY 2016 <u>Actuals</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
D. <u>Under Secretary of Defense (Policy):</u>	51,748	51,214	174,500

FY 2016 Actuals includes \$1,794 thousand of OCO funding (PL 114-113).

FY 2017 Estimate excludes \$2,700 thousand of OCO funding.

FY 2018 Estimate excludes \$4,150 thousand of OCO funding.

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 SECDEF the DEPSECDEF for all matters on the formulation of national security and defense policy; the integration

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I. Description of Operations Financed (cont.)

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.

- a) Defense Critical Infrastructure Protection (DCIP):** Establish and oversee the implementation of DCIP policy and guidance for the risk management of DCI, including issuance of strategies, plans, standards, development of policies for promoting DCIP information sharing with other Federal departments and agencies; State, local, regional, territorial, and tribal entities; intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs); the private sector; and foreign countries while safeguarding information from disclosure that could harm DoD operations or that could jeopardize information safeguarding agreements with DCIP stakeholders. Program and program support funding for this program will cease by the end of FY17.
- b) OUSD(P) Operations:** Funds support the day-to-day operations of essential services and contract support of the Office of the Under Secretary of Defense (Policy). Program includes support for requirements of the various OUSD(P) Staff Offices. Among the areas supported are administrative management, mission essential travel, communications and software applications, Intergovernmental Personnel Act (IPA) program, and comprehensive workforce training.
- c) OUSD(P) Mission Support:** Program funding supports mission requirements within the OUSD(P) by enabling the Assistant Secretaries of Defense (ASDs) the capacity to execute their respective missions in a complex, dynamic global environment through specialized technical support capabilities. Supported ASDs include ASD Asian and Pacific Security Affairs (APSA), ASD for Homeland Defense and Global Security (HD&GS), ASD for International Security Affairs (ISA), ASD for Special Operations and Low Intensity Conflict (SOLIC), and ASD Strategy, Plans and Capabilities (SPC).

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I. Description of Operations Financed (cont.)

- d) International Defense Programs:** Program funding supports staff coordination requirements with U.S. allies, the North Atlantic Treaty Organization (NATO) and its member states on matters such as responses to terrorism and unstable conditions in fragile and failed nation states that involves NATO-member state support, weapons of mass destruction bilateral measures, and support of overseas facilities.
- e) Rewards Program:** Program provides resources needed to publicize and administer the program and pay rewards for information or 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 forces; capture or death of high value individuals (HVI) and other terrorist leaders, facilitators, and operatives; disruption of terrorist plans and operations; degradation of terrorist networks; seizure of weapons and ammunition; and recovery of U.S. and allied service members and sensitive equipment.
- f) Strategy and Force Development:** The OUSD(P) is responsible for assisting the SECDEF in the development of national security and defense strategy; advising the Secretary on the forces necessary to implement that strategy to include serving as the principal advisor to the SECDEF for the planning phase of the Planning, Programming, Budgeting and Execution System (PPBES) and for monitoring the degree to which the program underwrites the strategy. OUSD(P) is also responsible for the development, coordination, and oversight of the implementation of international security strategy and policy; political-military policy on issues of DoD interest relating to foreign governments and their defense establishments, to include arrangements for U.S. military facilities, access and operating rights, and status of forces. These resources also further support the Secretary's Title 10 responsibility, delegated to the OUSD(P), to provide written policy guidance for the preparation and review of operational and contingency plans, including those for nuclear and conventional

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I. Description of Operations Financed (cont.)

forces, and in reviewing such plans through the use of technical expertise to strengthen the connection of plans to resources.

\$ in Thousands

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
E. <u>Under Secretary of Defense (Comptroller):</u>	53,082	114,734	106,850

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 four main areas of operations financed include Comptroller Initiatives, Administrative Support, the Defense Resource Management Institute, and the Resource Management Systems.

a) Comptroller Initiatives:

- 1) Support for monitoring and reporting progress in achieving auditable financial statements for the Department; includes developing financial improvement and audit preparation methodologies and guidance and reviewing, improving, and Executing Component financial improvement plans. Also provides examinations and audit support for selected Defense Agencies.
- 2) Oversee Department business transformation efforts to a simplified, standard, cost effective environment characterized by accurate, timely, standard financial

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information, streamlined business processes, resource and asset visibility and accountability, and compliance.

- 3) Maintain analytical tool designed to create cost estimates for contingency operations.
- 4) Implement the course-based DoD Financial Management Certification Program to improve the professional and analytical skills and abilities of the financial workforce and to support financial improvement and audit readiness and the changing business needs of the department.

b) Defense Resource Management Institute: Provide and conduct integrated, professional education to selected military and civilian personnel involved in resource management and allocation functions.

c) Administrative Support: Funds services including general office support, data administration, records management, workflow and correspondence tracking, travel, communications and other administrative tasks.

d) Resource Management System: Maintain automated systems used to formulate, justify, and present the Department's budgets, support delivery of timely and accurate budgets which reflect the goals of the Administration and the SECDEF, and to control and distribute funds including apportionment, reprogramming, rescissions, and continuing resolution. More detailed information on the mission and functions of the OUSD(C) can be found at the following website: <https://comptroller.defense.gov>

\$ in Thousands

FY 2016	FY 2017	FY 2018
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>

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F. Under Secretary of Defense (Personnel and Readiness) 588,426 571,394 51,087

FY 2016 Actuals includes \$5,430 thousand of OCO funding (PL 114-113).

FY 2017 Estimate excludes \$11,406 thousand of OCO funding.

FY 2018 Estimate excludes \$6,565 thousand of OCO funding.

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. OUSD(P&R) is made up of the following programs:

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 personnel in cultural competencies/awareness for engaging in warfare and to provide a website and clearinghouse materials for deployed military equal opportunity

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I. Description of Operations Financed (cont.)

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 SECDEF 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 (Manpower and Reserve Affairs) Operations:** Funds managed by ASD(M&RA) are used to conduct valuable research, facilitation and analysis for specific topics and issues that are related to total force management. The results aid ASD(M&RA) in making informed decisions on policies and future direction in the areas of resourcing, manpower, personnel, readiness, and training.
- d) Combatant Commanders Exercise Engagement and Training Transformation (CE2T2):** In FY 2018 OUSD (P&R) transferred the management and authority of the CE2T2 program to the Joint Staff to validate management processes and authorities. CE2T2 supports the joint training requirements of the Department of Defense to include exercises for nine Combatant Commands as well as training that prepare the Services to operate as part of a joint force. CE2T2 is the key resource for Combatant Commanders' and Services' ability to conduct joint, combined, and interagency training and exercises. This training and exercises are key to improving mission essential task-based readiness levels as well as supporting each Combatant Commander's Theater Campaign Plan (TCP). The priority use of these funds is the readiness of our forces and that of the Combatant Commanders to execute missions assigned to them by national command authorities. Aside from Overseas Contingency Operations and Title 22 Security Assistance programs, CE2T2 provides the lion's share of Combatant

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I. Description of Operations Financed (cont.)

Commanders' 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 that assist in strengthening alliances. Furthermore, the exercises generate international interest and shape the geopolitical environment. For example, CE2T2 funds U.S. European Command's SABER JUNCTION Exercise in Germany and the Black Sea region. SABER JUNCTION focuses on combined offensive and defensive operations against a robust opposing force over European terrain to include a Noncombatant Evacuation Operation event; by participating in this exercise, the U.S., allies, and partners demonstrate our collective resolve for peace and stability in region. For Service joint training, the CE2T2 program supports the participation of multiple Service units/capabilities in Service training venues, for example, Air Force participation in Army's pre-deployment exercises at the National Training Center. CE2T2 also 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 CE2T2 funding resources the following critical training programs:

1) The Joint Exercise Transportation Program (JETP): Is a key component of the Joint Exercise Program and funds transportation of personnel and equipment to worldwide exercises. It enables combatant commanders to train battle staffs and participating forces in joint and combined operations, evaluate Contingency and Operations Plans (CONPLAN/OPLAN), and execute theater engagement. It also provides an opportunity to stress strategic transportation systems as well as Command and Control and intelligence, surveillance, reconnaissance systems to evaluate their readiness across the range of military operations. Consistent with

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defense strategy, JETP funds have been redistributed across Combatant Commands to support the rebalance to the Asia-Pacific region and other defense strategic priorities.

- 2) Service Incremental Funding (SIF):** Funds Service participation in combatant command exercise and engagement events. Through a collaborative planning process, CCMDs identify forces required. SIF is provided to pay for the additional costs that would otherwise be borne by the Services. This allows CCMDs to achieve Theater Campaign Plan objectives without having a detrimental impact on Service training budgets. SIF is essential to the realistic conduct of field training exercises - exercises that include forces on the ground, in the air, or at sea, rather than exercises merely for headquarters.
- 3) J7 Support to Combatant Command Exercises:** Each year, combatant commanders' conduct exercise/engagement events ranging from small-scale, unilateral to major, multi-lateral events. To maximize effectiveness of these events, the Joint Staff J7 annually supports one to two exercises per combatant command. This support includes scenario development; observer/trainers; exercise management; and subject matter expertise in Interagency, Information Operations, Cyber Operations, Intelligence, Communications Synchronization, Public Affairs and other warfighting functional areas. J7 also provides this support to United States Forces Korea (USFK) and to select Executive Branch organizations during one annual National Level Exercise (NLE).
- 4) Combatant Command Training and Exercises:** Provides the Combatant Commands with funding to facilitate their participation over 170 annual training, exercises, 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

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I. Description of Operations Financed (cont.)

operating budget for CCMD J7s, this program ensures readiness of CCMD and component staffs to execute key OPLANs in support of U.S. national strategy.

- 5) Corporate Fellows Program (SDCFP):** Military Reform Proposal A-12 (A Force of the Future Program) establishes the SECDEF Executive Fellows program to be centrally administered from OUSD (P&R). This program will maintain a competitive edge in human capital by increasing the number of service members with experience in the commercial sector.
- 6) 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 13+ years of conflict. JNTC also funds improvements to training realism, including advanced range instrumentation (threat replication), opposition forces, and Afghan role-players for pre-deployment exercises. Overall, JNTC increases training effectiveness while mitigating gaps and seams between Service-centric training programs.
- 7) Joint Training Coordination Program (JTCP):** Provides funds for the Services and U.S. Special Operations Command to participate in the exercises of the other services. Through such participation, U.S forces develop the skills and cross-services familiarity that is necessary to operate in a joint environment. JTCP facilitates the integration of special operations and conventional forces-

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critical to the defeat of terrorists-including Al-Qaeda. By providing or replicating cross-Service participation in pre-deployment exercises at Army's Combat Training Centers, USAF's Green and Red Flag at Nellis AFB, the Marine Air Ground Task Force Training Command at Twenty-Nine Palms, and the Navy's Fleet Training Program at multiple locations, JTCP improves pre-deployment training for warfighters who will be on the front lines.

- e) Defense Safety Oversight Council (DSOC):** Support mishap and injury prevention efforts and projects to meet the Secretary's accident reduction goals. It includes support for installations and sites pursuing excellence in safety management systems to include 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 allows for quick analysis of force capability issues, based on intelligent agents, dynamic databases, semantic middleware, and publish/subscribe concepts. The system provides a logically uniform view into the multiple databases and information sources that allow for more effective management of the Department and better informs both deliberate and crisis action planning. DRRS funding supports system maintenance and modernization to sustain system security as well as the integration of DRRS with the Adaptive Planning & Execution System, implementation of the Air Force Input Tool, effective program oversight, operator training, and data maintenance.
- g) Lost Work Days System (LWD):** Lost Work Days aims to increase operational readiness by providing data and analysis to eliminate preventable mishaps and increase the resiliency of the military and civilian workforce.
- 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).

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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. OMB directed and gained legislative authority in the FY 2012 Defense Appropriations Act for DoD to reimburse DHS for military naturalizations not to exceed \$7,500,000 per fiscal year beginning in FY 2012. Estimated cost per applicant is \$680 and since FY 2012, approximately 9,678 applications are processed per year.

- i) Studies Program:** The Department contracts for assistance in facilitating studies that improves 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.
- j) Training Transformation:** Provides oversight of the Department's Joint training effort, including DoD training ranges.
- k) Operation Live Well:** Aligns, integrates, and coordinates policies and initiatives among the Services and OSD to optimize the resilience, readiness, health, and well-being of all Service members and their families. This program along with the Total Force Fitness (TFF) program will create and sustain a DoD community that is resilient, ready, and proficient at meeting challenges, accomplishing missions, and returning Service members to their home communities as positive role models.

\$ in Thousands

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
G. <u>Under Secretary of Defense (Intelligence)</u>	158,049	116,126	77,622

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FY 2016 Actuals includes \$79,141 thousand of OCO funding (PL 114-113).

FY 2017 Estimate excludes \$12,000 thousand of OCO funding.

FY 2018 Estimate excludes \$24,000 thousand of OCO funding.

The Intelligence Management project includes funding for the staff in the four Directors for Defense Intelligence (DDI) and four direct report offices within the Office of the Under Secretary of Defense for Intelligence, OUSD(I). The OUSD(I) advises the SECDEF and DEPSECDEF regarding intelligence, counterintelligence (CI), security, sensitive activities, technical collection, capabilities, special programs, and other intelligence-related matters. The USD(I) exercises the SECDEF's authority, direction, and control over the Defense Agencies and DoD Field Activities that are Defense intelligence, CI, or security components; and exercises planning, policy, and strategic oversight over all DoD intelligence, CI, and security policy, plans and programs. The OUSD(I) is dual-hatted as the Director of Defense Intelligence within the Office of the Director of National Intelligence (ODNI). In this capacity, the OUSD(I) reports to the DNI on Defense intelligence matters.

a) **DDI Warfighter Support (WS):** Ensures that intelligence support across the Department meets critical and timely warfighter requirements through policy development, planning, operational oversight, and resource advocacy. DDI(WS) aligns policies and programs with current operational requirements to include Special Operations. DDI WS links the Intelligence Community (IC), via the Combat Support Agencies (CSA), the Joint Staff, and the Services to ensure effective and efficient intelligence support to the combatant commands (CCMDs), across all intelligence disciplines, during all phases of operations, and along the entire spectrum of conflict. DDI(WS) identifies, rationalizes, and institutionalizes emerging Intelligence Surveillance and

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Reconnaissance (ISR) capabilities through the expeditious delivery of ISR systems, technologies, policies, and processes. DDI(WS) provides resident ISR expertise for DoD and is tasked to continually assess the performance of DoD ISR capabilities and recommend improvements to ISR capabilities and capacity. DDI(WS) also ensures that Defense intelligence efforts are appropriately considered in DoD's Deliberate Planning Process and properly reflected in final plans. DDI(WS) oversees Defense intelligence support to global SOF operations as well as to global cyber operations and the growing cyber force. The DDI(WS) oversees Special Technical Operations (STO), ensuring the effective employment of STO capabilities in CCMD plans, operations, and campaigns. DDI(WS) develops, implements, and oversees policy for the integration of Reserve Component military intelligence support to DoD operations. The DDI(WS) represents the CCMDs and Services on the Intelligence Community Information Technology Environment (ICITE) Committee and advocates for CCMD BICES requirements. The DDI(WS) serves as the OUSD(I) lead for the Defense Intelligence Seniors Conference of the Commonwealth (DISCCUS) and the US and Five Eyes partner integration activities. The DDI(WS) serves as staff advisor for warfighter support to coalition activities and operations. The DDI(WS) currently has two directorates, ISR Operations and CCMD Intelligence Support.

- b) **DDI Intelligence Strategy, Programs and Resources (ISP&R):** Develops the Department's investment strategy for ISR and environmental system capabilities, as well as governance, concepts, and technologies to enhance the Defense Intelligence Information Enterprise (DI2E). The office executes this investment strategy through management of the Military Intelligence Program (MIP) as well as the Battlespace Awareness (BA) portfolio, balancing investment and risk over specific capability focus areas. This office also provides oversight support to OUSD(I) for ISR acquisition programs and synchronizes MIP investment with those investments in the National Intelligence Program (NIP) that support military planning and operations. The office identifies, manages, and coordinates ISR systems and programs through the OSD and DNI requirements

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I. Description of Operations Financed (cont.)

and acquisition processes. Finally, the office is responsible for the development and coordination of DoD intelligence, CI, and security policy, and planning guidance to reflect the OUSD(I)'s strategic direction and priorities. DDI ISP&R synchronizes DoD policy with IC policy to foster intelligence integration in support of national intelligence requirements and the warfighter. The office also supports the Department's Intelligence Mission Data (IMD) governance process for managing IMD sufficiency and modernization.

- c) **DDI Intelligence and Security (I&S):** Ensures that DoD has the policy, processes, and resources to conduct HUMINT, CI, credibility assessments, security, insider threat, sensitive and clandestine activities, national programs and policy support, intelligence analysis, and foreign intelligence sharing and partner engagement programs. DDI I&S oversees the activities conducted by DoD intelligence and related elements by conducting formal and informal assessments and compliance inspections across the department. The I&S staff regularly coordinates with the Defense Intelligence Agency, Geographic Combatant Commands, Military Service Departments, and U.S. Special Operations Command to review existing policies, revise guidance as needed, and assess whether current operations have the appropriate resources to effectively fulfill Defense intelligence priority requirements that inform national security decisions. Additionally, the DDI I&S oversees information sharing protocols with allied military partners and the Department's bilateral engagements with foreign partners. DDI I&S supports the OUSD(I) as the Principle Staff Assistant to the SECDEF on Security ensuring the Department's components maintain and adhere to appropriate security processes and policies in effort to deter insider threats and cyber breaches, as well as enhance physical security features for all U.S. military installations. DDI I&S leads OUSD(I) interactions with the National Security Staff, IC, and Interagency for all matters pertaining to the I&S portfolio. DDI I&S represents the DoD for Congressional hearings and briefings on these matters, and prepares formal

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I. Description of Operations Financed (cont.)

reports to Congress on DoD clandestine and sensitive activities. The DDI represents the SECDEF, OUSD(I), and OSD at DoD, IC, national, and international forums; ensures intelligence support is fully coordinated and synchronized with other intelligence and operational component activities; and ensures these functional areas are responsive to the needs of DoD and the broader IC.

- d) **DDI Technical Collection & Special Programs(TCSP):** DDI TCSP is the principle staff office within the OUSD(I) responsible for policy development and operational oversight of the National Security Agency, National Geospatial-Intelligence Agency, the Defense Intelligence Agency's Science and Technology Directorate, intelligence support to cyberspace and electronic warfare activities and capabilities, counter proliferation (CP) and countering weapons of mass destruction (CWMD) activities and capabilities and other technical intelligence and intelligence-related special programs. DDI TCSP drives innovation and the development of new capabilities and responses to strategic situations and synergizes efforts to cultivate new integrated technical solutions. It oversees, enables, and integrates technical collection, cyberspace activities, clandestine technical operations, capabilities development, and the Foreign Materiel Program. DDI TCSP advocates for Defense Intelligence Enterprise resources for technical support to operations and other traditional military activities. DDI TCSP ensures coordination and synchronization of technical capabilities, operations and activities among stakeholders, to include the IC and DoD components. DDI TCSP also represents OUSD(I) and OSD at DoD, IC, national, and international technical forums and conducts outreach activities with DoD components and other elements of the U.S. Government, as well as with our foreign partners.
- e) **Direct Report Offices (DRO):** Consists of the Chief of Staff Office, Human Capital Management Office, Congressional Activities, and the Special Access Program Central Office.

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I. Description of Operations Financed (cont.)

- 1) Chief of Staff (CoS) Office:** Serves as the focal point for coordination of organization-wide management and administrative matters; and Defense Intelligence Mission Assurance. The office of the CoS provides customer focused administrative, management, and operational support capabilities that enable the day-to-day functions of the OUSD(I). 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.
- 2) The Human Capital Management Office (HCMO):** Exercises policy oversight of personnel in Defense Intelligence positions, oversees the implementation of DoD detailee and joint duty assignment policy, and exercises approval authority over the assignment of those personnel to ensure that Defense Intelligence, CI, 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), executive compensation, intelligence training, education, certification, and workforce planning. Develops and advocates policy, strategies, and programs for meeting Defense Intelligence Enterprise (DIE) needs for foreign language skills and country/cultural knowledge capabilities. Plans, implements and maintains the Defense Intelligence Organization Server for the DIE in support of the Joint Staff's Global Force Management Data Initiative (GFM DI).
- 3) Congressional Activities:** Works in support of the OUSD(I), the ASD(LA), and the OUSD(C), and facilitates OUSD(I)'s 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.

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I. Description of Operations Financed (cont.)

4) Special Access Program Central Office (SAPCO): Manages security and ensures policy compliance for Special Access Programs (SAP) executed by OUSD(I). SAPCO functions as the IC's primary focal point for DoD SAP issues. Provides guidance, direction, and compliance support to SAPs executed by other DoD components that are overseen by the OUSD (I). Drives the modernization of SAP information technology for OUSD(I) staff, including ensuring interconnectivity with OUSD(I)'s customers and partners. Represents OUSD(I) equity in DoD SAP governance forums, and coordinates and de-conflicts compartmented activities between DoD and the IC.

\$ in Thousands

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actuals</u>	<u>Estimate*</u>	<u>Estimate</u>
H. <u>Under Secretary of Defense (CAPE)</u>	26,733	29,201	26,815

*In FY 2017 \$788K of mission funds were realigned into Compensation and Benefits.

The Director of 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 counsel on Planning, Programming, Budgeting, and Execution (PPBE) decisions, cost estimation and cost analysis for major Defense acquisition programs, strategy and force planning, the (QDR), transformation, and wargaming. The FYDP Improvement Program transferred from OUSD(Comptroller) effective 2013, maintains the FYDP information system used to collect, transform, disseminate, report, and analytically display data for PPBE

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I. Description of Operations Financed (cont.)

deliverables. The Industrial Base Study Program continues the effort initiated by Congress in 2009 focusing on Space and Ship Programs, providing for the collection and analysis of data to support the assessment of industrial base health, and tools to continually monitor program and contractor performance. 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)
- 10) Wargaming and Support for Strategic Analysis

\$ in Thousands

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
I. DoD Chief Information Officer	71,423	74,538	69,299

The Chief Information Officer Mission is responsible for all matters relating to information and the information environment including command and control (C2), communications, radio frequency spectrum, network operations, information systems,

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I. Description of Operations Financed (cont.)

information assurance, defense cybersecurity, the joint information environment, and position, navigation, and timing (PNT) policy. It supports all aspects of the Defense Information Enterprise - its policy development and oversight; strategic, business, infrastructure, and capital planning; resource management (e.g., people, funds, and technology); and its design, development, configuration, operation and protection. Emphasis is placed on providing plans, policies, processes, IT governance structures and compliance oversight, engagement with DoD, OMB, and Inter-Agency Governance forums/processes, analytic assessments, enterprise-wide architecture, and technical expertise to achieve the Department's Joint Information Environment (JIE). Funds support DoD CIO responsibilities for the development and integration of Command, Control, Communications, Computing Network, and Information Infrastructure Capabilities (C4&IIC) to include cloud, data center, identity/access management, and asset management policies to ensure successful implementation of the JIE. For initiatives impacting the Department's information sharing, supporting the full range of Defense operations from tactical through strategic levels. Provides for C4&IIC technical strategy development and analysis activities, (e.g. bandwidth assessments, spectrum analysis, satellite communication, integrated joint C2 capability plans, and commercial wireless analysis) capability advocacy, and domestic and international policy engagement. Funds the analysis and oversight of implementation strategies for IT-based systems, services, standards, specifications and protocols to enhance the efficiency and effectiveness of capabilities and ensure compliance with the Department's JIE objectives. Enables management and oversight of Department and Component-level strategies for C4&IIC programs to include technical analyses and evaluations of cost, schedule, performance, dependencies and requirements, and provides leadership with solid capability strategies and economic alternatives. Funds technical analysis, architecture development, and systems engineering analysis of C4&IIC related programs, technical evaluation and assessments of acquisition strategies and requirements,

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I. Description of Operations Financed (cont.)

analyses of alternatives, and systems integration and synchronization. The funds also support the DoD CIO role as the Secretary's PSA for command and control and National Leadership Command Capabilities, and support the availability and provisioning of fully capable and collaborative nuclear and national C2 networks, systems, and equipment. Funds support efforts to: improve visualization of the status of National and Presidential communications networks and information services, oversee and monitor secure voice and cryptographic device/equipment modernization (both nationally and nuclear command and control), and develop engineering and architecture of future systems. These funds also support the oversight and preparation of OMB and Congressional justification materials for the DoD IT budget, to include the Department's cybersecurity 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, and impact assessment and mitigation planning. Also supports oversight and development of IA education, training and awareness, including IA Scholarship Program, defense information systems security programs, engagement with our allies on Internet Governance, and capabilities that support mission assurance and implementation processes.

b) e-Gov Initiatives and Government-Wide Councils: This program implements OMB IT Management requirements supporting the President's agenda for IT Efficiency, transparency, information sharing, and OMB's guidance on alignment of architectures, advancement of new technologies, Federal-wide management initiatives (e.g.,

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I. Description of Operations Financed (cont.)

Information Resource Management Planning, Enterprise Architecture and Roadmaps, Shared Services, Digital Government, Mobile Enablement, Cloud Capabilities, Data Center Consolidation, Commodity IT, Privacy, Section 508 Compliance, Management of Information as a Strategic Asset, IPv6, IT Asset Management and Investment oversight), implementation of Federal-wide services, and funds the Federal Public Key Infrastructure(FPKI) and Federal Risk and Authorization Management Program(FedRAMP). The funding will also 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).

- c) Cyber Security Initiative:** Supports the President's inter-agency Comprehensive National Cybersecurity Initiative (CNCI) in the areas of: Federal Information Systems Management Act (FISMA) compliance and increasing the security of the networks and information system; expanding education; and developing approaches for Global Supply Chain Risk Management (SCRM). Funding for SCRM activities are generally comprised of two types: 1) SCRM piloting activities within DoD, and; 2) 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 program protection plan analyses, and support for 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

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I. Description of Operations Financed (cont.)

include U.S. 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, 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., National Security Agency (NSA), Defense Cyber Crime Center, OSD, and Military Departments, U.S. Strategic Command / U.S. CYBER Command, Agencies, etc.) and coordination with the Interagency. The DIB CS/IA TF also supports the Department of Homeland Security (DHS) efforts to extend DoD's DIB information sharing model to other critical infrastructure sectors, and supports 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>.

\$ in Thousands

	FY 2016	FY 2017	FY 2018
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
J. <u>Deputy Chief Management Officer</u>	34,382	32,379	47,965

The FY 2008 National Defense Authorization Act created the Deputy Chief Management Officer (DCMO) to assist the DEPSECDEF in the DEPSECDEF's capacity as Chief Management Officer of DoD. The DCMO is the Principal Staff Assistant and senior advisor for matters relating to the management and improvement of integrated DoD business operations and works across the Department to better synchronize, integrate, and coordinate cross-functional business activities and operations of the DoD to ensure

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I. Description of Operations Financed (cont.)

optimal alignment in support of the DoD warfighting mission. On December 4, 2013, the SECDEF directed a realignment and consolidation of functions and responsibilities of the Assistant to the Secretary of Defense for Intelligence Oversight and the Director of Administration and Management into the DCMO. This consolidation enables and emphasizes the role of the DCMO for full-spectrum oversight, at both the OSD and DoD levels, of management and administration, coordination and collaboration across DoD Components and business functions, performance improvements, and regulatory compliance. The office of the DCMO is organized into five directorates: Planning, Performance, & Assessment; Defense Business Management, Analysis, & Optimization; Oversight & Compliance; Administration; and Organizational Policy & Decision Support.

The former functions of the Office of the Assistant to the Secretary of Defense (Intelligence Oversight) are performed in the Oversight & Compliance Division. This office serves as the DCMO's capability for providing the SECDEF's personal, independent oversight mechanism for the Defense Intelligence Components. Through assessment inspections, training programs, and investigations as required, this office ensures that defense intelligence activities are conducted in accordance with statute, Presidential order, and Departmental policy and regulation. The office also serves as the proponent for the development of DoD Intelligence Oversight policy.

The former functions of the Office of the Director of Administration and Management (DA&M) are performed across the five DCMO Directorates. These functions include, but are not limited to, the following broad responsibilities: to advise the Secretary and DoD senior leaders team on DoD-wide administration, organization, and management matters of institutional importance; to provide policy and oversight, as required, for antiterrorism, force protection, security, and law enforcement for the personnel, facilities, infrastructure, and other resources at the Pentagon Reservation and for DoD

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I. Description of Operations Financed (cont.)

activities and DoD-occupied facilities within the NCR pursuant to the authorities of the SECDEF; support DoD-wide governance and institutional reform initiatives as directed by the Secretary and Deputy Secretary; develop and maintain chartering DoD Directives for the OSD, the Defense Agencies, the DoD Field Activities, and other DoD organizations and activities; and oversee the assignments of DoD Executive Agent and other management arrangements, including those arrangements involving jointly-assigned tasks or missions.

The DCMO also has oversight over the Pentagon Force Protection Agency (PFPA) as a Defense Agency and the Washington Headquarters Services (WHS), a DoD Field Support Activity which provides financial, personnel, and other administrative support to OSD and NCR organizations.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2017						
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
BA 01: Operating Forces							
1. Combatant Commanders Exercise Engagement & Training Transformation	533,384	524,439	0	0.0	0	524,439	0
Combatant Commanders Exercise Engagement & Training Transformation	533,384	524,439	0	0.0	0	524,439	0
BA 04: Administration and Servicewide Activities							
2. Core Operating Program	354,737	350,444	0	0.0	0	350,444	366,612
Compensation & Benefits	354,737	350,444	0	0.0	0	350,444	366,612
3. Other DoD Programs and Initiatives	407,713	410,701	0	0.0	0	410,701	389,585
Capital Security Cost Sharing	309,507	328,767	0	0.0	0	328,767	279,709
Other DoD Programs and Initiatives	98,206	81,934	0	0.0	0	81,934	109,876
4. OUSD (AT&L) Congressional Mandate	21,605	27,164	0	0.0	0	27,164	22,419
BRAC Support	0	3,530	0	0.0	0	3,530	2,046
CFO Act Compliance	4,100	2,248	0	0.0	0	2,248	2,223
Committee on	2,497	2,994	0	0.0	0	2,994	3,155

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III. Financial Summary (\$ in thousands)

	FY 2016 <u>Actual</u>	Budget <u>Request</u>	FY 2017			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Foreign Investment in the US (CFIUS) Contingency	9,273	11,861	0	0.0	0	11,861	8,801
Business Tools E-Business COE	1,823	2,288	0	0.0	0	2,288	2,233
Legacy Resource Management Program	3,912	4,243	0	0.0	0	4,243	3,961
Native American Land Remediation - Sec 8045	0	0	0	0.0	0	0	0
5. OUSD (AT&L) Improve Acquisition & Logistics Processes	147,608	169,369	0	0.0	0	169,369	152,814
Acquisition Program	8,392	6,913	0	0.0	0	6,913	6,465
Support Systems C3 and Business Integration	5,161	5,627	0	0.0	0	5,627	5,046
Contingency Contracting	2,731	2,173	0	0.0	0	2,173	2,090
Core services Corrosion Prevention Program	9,506	15,197	0	0.0	0	15,197	15,163
CWMD Expert Fellows Program	3,497	4,777	0	0.0	0	4,777	4,689
CWMD Sustainment	2,006	2,042	0	0.0	0	2,042	1,962
Cyber Resiliency	3,871	4,498	0	0.0	0	4,498	6,210
Defense Industrial	0	4,000	0	0.0	0	4,000	51
	2,403	2,298	0	0.0	0	2,298	2,523

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	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Base Cyber Security Defense Innovation Unit (DIUx)	2,616	14,665	0	0.0	0	14,665	0
Defense Installation Spatial Data Infra (DISDI)	754	591	0	0.0	0	591	561
Defense Management Initiatives	3,763	4,213	0	0.0	0	4,213	7,607
Defense Procurement & Acquisition Policy (DPAP)	1,792	1,571	0	0.0	0	1,571	1,517
Developmental Test and Engineering (DT&E)	1,804	1,481	0	0.0	0	1,481	1,668
DoD Siting Clearinghouse	729	2,330	0	0.0	0	2,330	2,146
Emerging Contaminants Environment, Safety Occupational Health (ESOH) in Acquisition	1,486	2,051	0	0.0	0	2,051	5,223
Environmental Resiliency	730	659	0	0.0	0	659	825
Human Capital Initiative (HCI)	2,054	2,477	0	0.0	0	2,477	2,432

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A. <u>BA Subactivities</u>	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>			
I&E Business Enterprise Integration (Formerly Facilities Program Requirement)	2,414	2,813	0	0.0	0	2,813	2,669	
Industrial Policy Program Support	3,566	3,892	0	0.0	0	3,892	3,613	
Information Superiority Integration Support (ISIS)	0	0	0	0.0	0	0	0	
Integrated Acquisition Environment (GSA Bill)	31,694	28,862	0	0.0	0	28,862	29,387	
Joint Purchase Card Office	5,202	5,535	0	0.0	0	5,535	4,321	
Logistics Systems Modernization (LSM)	13,933	18,574	0	0.0	0	18,574	14,051	
Mission Capabilities/System s Engineering	5,136	4,929	0	0.0	0	4,929	5,414	
Operational Energy Plans and Programs (OEP&P) Office	4,612	5,081	0	0.0	0	5,081	4,926	
Performance	8,672	6,974	0	0.0	0	6,974	7,870	

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III. Financial Summary (\$ in thousands)

	FY 2017						
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Assessment & Root Cause Analysis (PARCA) Office							
RDT&E Oversight	4,754	2,528	0	0.0	0	2,528	2,530
SE C3 Cyber Initiative	2,742	883	0	0.0	0	883	930
Small Business Program Support	5,932	4,181	0	0.0	0	4,181	3,661
Space and Intelligence MDAP Oversight	4,130	5,659	0	0.0	0	5,659	5,542
Strategic Sourcing	619	935	0	0.0	0	935	802
6. OUSD (AT&L)	21,058	16,012	0	0.0	0	16,012	15,409
Promulgate Policy							
Acquisition Visibility	20,190	15,179	0	0.0	0	15,179	14,543
AT&L Knowledge Sharing Systems Transform	0	0	0	0.0	0	0	0
Procurement Regulations	868	833	0	0.0	0	833	866
7. OUSD (AT&L)	74,991	63,332	0	0.0	0	63,332	78,162
Regulatory Requirement							
Defense Environment Restoration Account	1,720	0	0	0.0	0	0	0
Defense Environmental	1,553	1,615	0	0.0	0	1,615	960

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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>			
A. <u>BA Subactivities</u>								
International Cooperation								
Environment Safety and Occupational Health	0	0	0	0.0	0	0	0	
International Cooperation Program Support	244	24	0	0.0	0	24	401	
Low Observable, CLO Readiness & Env. Protection Initiative (REPI)	124	93	0	0.0	0	93	95	
Treaty Compliance Support	70,432	60,020	0	0.0	0	60,020	75,000	
8. OUSD (AT&L) Other	918	1,580	0	0.0	0	1,580	1,706	
(Native American Land Environmental Mitigation Program (NALEMP))	25,273	13,377	0	0.0	0	13,377	24,163	
OSD Studies Fund	12,174	0	0	0.0	0	0	12,185	
OSD (AT&L) Travel	10,293	10,180	0	0.0	0	10,180	8,847	
9. OUSD (AT&L)	2,806	3,197	0	0.0	0	3,197	3,131	
OSD (AT&L)	4,930	0	0	0.0	0	0	0	
9. OUSD (AT&L)	4,930	0	0	0.0	0	0	0	
Cyber Integration	2,996	0	0	0.0	0	0	8,942	
10. OSD (Policy)	2,996	0	0	0.0	0	0	8,942	
OCO OUSD(Policy)	1,794	0	0	0.0	0	0	0	
	1,794	0	0	0.0	0	0	0	

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III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 Estimate
	FY 2016 Actual	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
A. BA Subactivities								
10. OUSD (Policy)	49,954	51,214	0	0.0	0	51,214	174,500	
All OUSD(P) Program Elements	102	0	0	0.0	0	0	0	
Assistant SECDEF (International Security Affairs)	126	0	0	0.0	0	0	0	
Assistant Secretary of Defense for Homeland Defense	62	0	0	0.0	0	0	0	
Defense Critical Infrastructure Programs	1,472	777	0	0.0	0	777	0	
International Defense Programs	6,113	6,001	0	0.0	0	6,001	5,967	
Mission Support	5,406	6,772	0	0.0	0	6,772	130,773	
OUSD(P) Operations	32,061	26,185	0	0.0	0	26,185	30,762	
Rewards Program	3,665	6,680	0	0.0	0	6,680	6,373	
Strategy and Force Development	947	4,799	0	0.0	0	4,799	625	
11. OUSD (Comptroller)	53,082	114,734	0	0.0	0	114,734	106,850	
Comptroller Initiatives	43,201	94,350	0	0.0	0	94,350	92,184	
Defense Agency Financial Audits	0	7,180	0	0.0	0	7,180	0	
Defense Resources Management Institute	1,423	1,417	0	0.0	0	1,417	1,422	

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	FY 2017							FY 2018 Estimate
	FY 2016 Actual	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
A. BA Subactivities								
Next Generation Resource Management System	0	1,607	0	0.0	0	1,607	0	
OUSD(C) Administrative Support	1,619	1,730	0	0.0	0	1,730	1,795	
Resource management System	6,839	8,450	0	0.0	0	8,450	11,449	
12. OUSD (P&R)	55,042	46,955	0	0.0	0	46,955	51,087	
Advanced Distributed Learning (ADL)	0	1,209	0	0.0	0	1,209	700	
Advancing Diversity & EO	4,920	8,797	0	0.0	0	8,797	6,878	
ASD (Health Affairs) Operations	579	594	0	0.0	0	594	600	
ASD (Reserve Affairs) Operations	1,285	1,351	0	0.0	0	1,351	800	
Corporate Fellows Program	0	0	0	0.0	0	0	361	
Defense Readiness Reporting System (DRRS)	5,071	4,975	0	0.0	0	4,975	5,169	
Defense Safety Oversight Council (DSOC)	9,970	8,354	0	0.0	0	8,354	8,400	
Drug Demand	6,019	0	0	0.0	0	0	0	

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	FY 2017							FY 2018 Estimate
	FY 2016 Actual	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
A. BA Subactivities								
Reduction Program								
Lost Work Day System	2,591	2,551	0	0.0	0	2,551	2,600	
Military Naturalization Support	6,197	6,935	0	0.0	0	6,935	6,800	
OCO OUSD(P&R)	5,430	0	0	0.0	0	0	0	
Operation Live Well and Healthy Base Initiative	0	0	0	0.0	0	0	6,354	
OUUSD P&R Readiness	390	0	0	0.0	0	0	549	
OUUSD(P&R) Administrative Support	2,912	3,010	0	0.0	0	3,010	3,100	
OUUSD(P&R) Travel Studies	374	694	0	0.0	0	694	700	
Program/CASS	3,417	3,017	0	0.0	0	3,017	3,000	
Training Transformation	5,887	5,468	0	0.0	0	5,468	5,076	
13. OUSD (Intel)	158,049	116,126	0	0.0	0	116,126	77,622	
Defense Civilian Intelligence Personnel System (365)	1,555	1,815	0	0.0	0	1,815	1,850	
Defense Military Deception Program Office	3,144	2,623	0	0.0	0	2,623	2,227	

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	FY 2017						
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Defense Operation Security Initiative	3,669	3,863	0	0.0	0	3,863	3,736
Intelligence Mission (365)	66,132	68,706	0	0.0	0	68,706	66,161
Intelligence Mission Data	0	1,000	0	0.0	0	1,000	938
Long Endurance Aerial Platform (LEAP)	0	14,000	0	0.0	0	14,000	0
OCO OUSD (INTEL) Processing, Exploitation, & Dissemination (PED)	79,141	0	0	0.0	0	0	0
Publicly Available Information/Indications & Warnings (PAI/I&W)	0	1,500	0	0.0	0	1,500	0
Walkoff	0	20,000	0	0.0	0	20,000	0
14. <u>Director, CAPE</u>	4,408	2,619	0	0.0	0	2,619	2,710
CAPE Travel	26,733	29,201	0	0.0	0	29,201	26,815
FYDP Improvement	379	340	0	0.0	0	340	347
Industrial Base Studies	3,003	3,874	0	0.0	0	3,874	0
Long-Range Planning	2,319	2,359	0	0.0	0	2,359	0
14. <u>OUSD (P&R)</u>	21,032	22,628	0	0.0	0	22,628	26,468
Corporate Fellows Program	0	0	0	0.0	0	0	0

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	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>			
A. BA Subactivities								
15. DoD Chief	71,423	74,538	0	0.0	0	74,538	69,299	
Information Officer								
CIO Mission	28,727	28,796	0	0.0	0	28,796	26,297	
Cyber Security Initiative	11,693	15,143	0	0.0	0	15,143	10,903	
Defense Industrial Base, Cyber Security Initiative	2,871	2,989	0	0.0	0	2,989	2,566	
DoD CIO Travel	1,076	681	0	0.0	0	681	681	
E-gov, Councils	15,804	15,608	0	0.0	0	15,608	18,590	
Information Systems Security Program (ISSP)	11,252	11,321	0	0.0	0	11,321	10,262	
16. Deputy Chief	34,382	32,379	0	0.0	0	32,379	47,965	
Management Officer								
Administrative Directorate	6,019	2,605	0	0.0	0	2,605	2,390	
Compliance & Oversight Directorate	2,206	2,420	0	0.0	0	2,420	2,388	
DCMO Integration and Policy	0	0	0	0.0	0	0	0	
Intelligence Oversight Directorate	0	706	0	0.0	0	706	697	
Interagency Council Management, Policy	0	0	0	0.0	0	0	10,919	
	20,496	22,119	0	0.0	0	22,119	22,072	

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	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	Congressional Action			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
A. BA Subactivities								
& Analysis Directorate Planning, Performance, & Assessment Directorate Women's Military	5,661	4,529	0	0.0	0	4,529	4,499	
	0	0	0	0.0	0	0	5,000	
Total	2,044,754	2,039,985	0	0.0	0	2,039,985	1,612,244	

* The FY 2016 Actual column includes \$86,365.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$31,106.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$34,715.0 thousand of FY 2018 OCO Appropriations funding.

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B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>
Baseline Funding	2,039,985	2,039,985
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	2,039,985	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	2,039,985	
Supplemental		
Reprogrammings		
Price Changes		30,132
Functional Transfers		-559,617
Program Changes		101,744
Current Estimate	2,039,985	1,612,244
Less: Wartime Supplemental		
Normalized Current Estimate	2,039,985	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2017 President's Budget Request (Amended, if applicable)		2,039,985
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		2,039,985
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		2,039,985
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		2,039,985
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		2,039,985
6. Price Change		30,132
7. Functional Transfers		-559,617
a. Transfers In		
1) OUSD(AT&L) Compensation and Benefits Financial Improvement Audit Readiness (FIAR)	133	
This is a realignment of one(1) Full Time Equivalent (FTE) from WHS to USD(AT&L) with associated compensation and benefits and mission funding to meet the FIAR initiative requirements. (FY 2017 Baseline: \$0 thousand; +1 FTEs)		
2) OUSD(Comptroller) - Comptroller Business Systems Funds Realignment	3,638	
This is a transfer of funds from the Joint Service Provided (JSP) in the Defense Information Systems		

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
Agency (DISA) to the OUSD(C) that aligns mission funds into USD(C) business system applications for a more consistent resourcing, sustainment, and management of OUSD(C) business system applications and provides agency support contracts for software applications and software license maintenance. (FY 2017 Baseline: \$10,057 thousand; +0 FTEs)		
3) OUSD(P&R) - ASD Readiness/Personnel Risk and Resiliency - Operation Live Well (OLW) This is a transfer from Defense Health Agency (DHA) to USD(P&R). This transfer of the Personnel Risk and Resiliency - Operation Live Well (OLW) program provides contractor support to manage the OLW effort that enhances program effectiveness from a readiness perspective vise a medical treatment perspective. (FY 2017 Baseline: \$0 thousand; +0 FTEs)	6,354	
4) OUSD(P&R) - SECDEF Corporate Fellows Program (SDCFP) Functional transfer of 1 FTE from Washington Headquarters Services (WHS), to the Under Secretary of Defense for Personnel & Readiness USD(P&R) with associated compensation and benefits and mission funding. The transfer aligns the responsibility of the SECDEF Executive Fellows Program (SDCFP) to USD(P&R) who will serve as the executive agent and increase the number of service members with experience in the commercial sectors. This impacts Compensation and Benefits, and Contracts, and Other Services. (FY 2017 Baseline: \$0 thousand; +1 FTEs)	542	
b. Transfers Out		

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
1) Other DoD Program and Initiatives - DTRMC - Joint Service Provider (JSP)	-337	
Functional transfer of resources from DTRMC to Defense Information System Agency (DISA) under the Joint Service Provided effort to support consolidation of Pentagon Information Technology Operations. DISA assumes operational control of the Joint Information Technology Service Provider - Pentagon (JSP) in accordance with DEPSECDEF Directive Memorandum, Consolidation of Pentagon Information Technology Operations, 1 May 2015. This impacts Compensation and Benefits, Communications Services, Supplies, Materials & Equipment, Contracts and Other Services, Other Intra-governmental Purchases, Facilities Contract Purchases, IT Contract Support Services, and Travel. (FY 2017 Baseline: \$3,452 thousand; +0 FTEs)		
2) OUSD(AT&L) - Defense Innovation Unit Experimental (DIUx)	-14,544	
This is a functional transfer from the USD(AT&L) to the WHS in accordance with the SECDEF's July 2016 memorandum. This impacts Management and Professional Support Services. (FY 2017 Baseline: \$14,665 thousand; +0 FTEs)		
3) OUSD(AT&L) - Joint Contingency and Expeditionary System	-2,400	
This is a functional transfer from USD(AT&L) to the Defense Logistics Agency (DLA) as a part of the DoD reform agenda. The decrease reflects a reduction in		

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
Contingency Business Tools service contracts and the realignment of \$2,400 thousand to DLA for the transition of Contingency Acquisition Support Module (cASM) requirements. (FY 2017 Baseline: \$11,861 thousand; +0 FTEs)		
4) OUSD(P&R) - Combatant Commander's Exercise Engagement & Training Transformation (CE2T2) This is a functional transfer from USD(P&R) to the Joint Staff of the CE2T2 program. (FY 2017 Baseline: \$524,439 thousand; +0 FTEs)	-550,511	
5) OUSD(P&R) - Cyber Thin Line This is a transfer of Cyber Thin Line program from the USD(P&R) to the Joint Staff in support of the CE2T2 program. (FY 2017 Baseline: \$0 thousand; +0 FTEs)	-1,000	
6) OUSD(P&R) - Defense Equal Opportunity Management Institute (DEOMI) This is a transfer from the USD(P&R) to the Air Force to execute the DEOMI training and education mission. (FY 2017 Baseline: \$8,797 thousand; +0 FTEs)	-1,492	
8. Program Increases		296,342
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Compensation and Benefits - CAPE Realignment This increase realigns funding from CAPE's mission to compensation benefits program. Funding was misaligned across the FYDP and this transaction corrects the error. (FY 2017 Baseline: \$22,519)	800	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
thousand; +0 FTEs)		
2) Compensation and Benefits - DCMO - Insider Threat Hub Funding establishes the Insider Threat Component Hub program with six FTEs. The Insider Threat Hub monitors and audits information platforms to identify risks involving military, civilian, and contractor population for threat detection and mitigation. The Hub feeds data to the DoD Insider Threat Management Analysis Center for consolidation and DoD-wide enterprise tracking. (FY 2017 Baseline: \$0 thousand; +6 FTEs)	1,069	
3) Compensation and Benefits - DoD-CIO Increase supports the funding and manpower requirements of two (2) FTEs for a classified program. (FY 2017 Baseline: \$0 thousand; +2 FTEs)	200	
4) Compensation and Benefits - Major Headquarters Activities (MHA) Buyback Increase reflects the continued plan to influence major headquarters as part of the DoD agenda and maintain the appropriate level of workforce. This buy-back initiative allows select DoD elements to restore twenty-one (21) priority FTEs that were eliminated, but ultimately were deemed essential by the Department's senior leadership. The DoD elements impacted are: ODNA +1; ASD(LA) +1; DoD-CIO +12; OUSD(P) +3; and OUSD(P&R) +4. (FY 2017 Baseline: \$350,444 thousand; +21 FTEs)	5,278	
5) Compensation and Benefits - Reprice Increase reflects the proper pricing of the OSD	16,972	

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
<p>civilian personnel program that recalculates the Annual Average Rate (AAR) based on actual execution. (FY 2017 Baseline: \$343,138 thousand; +0 FTEs)</p>		
6) Compensation and Benefits - Strategic Capabilities Office (SCO)	4,144	
<p>This establishes the SCO with 22 FTEs in support of the SECDEF's priority to mitigate counter emerging threats for U.S. warfighter advantage and provide near-term rapid response to the Third Offset Strategy. This is a stand-alone office reporting directly to the SECDEF. (FY 2017 Baseline: \$0 thousand; +22 FTEs)</p>		
7) DCMO - Cross Agency Priority Goals	7,219	
<p>The increase finances the interagency efforts for specific projects, workshops, studies, and similar activities to carry out the purposes of the National Science and Technology Council which benefits multiple Federal departments, agencies, and entities. (FY 2017 Baseline: \$0 thousand; +0 FTEs)</p>		
8) DCMO - Insider Threat Hub - Mission	2,431	
<p>Funding supports the establishment of Insider Threat Component Hub operations. These resources complements the labor activities and enables the program to function and support contracts, supplies and other activities. The associated +6 FTEs were added as noted above into the Compensation and Benefits line. (FY 2017 Baseline: \$0 thousand; +0 FTEs)</p>		
9) DCMO - Interagency Lines of Business Councils &	1,493	

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C. Reconciliation of Increases and Decreases

Amount

Totals

Activities

The increase in funding supports cross-agency efforts to define, design, implement and monitor a set of common solutions for government-wide business functions or services, with goals of improving agency mission performance, reducing costs through consolidation and standardization, and simplifying service delivery for both customer-facing and back-office services. Current Lines of Business and named Initiatives will 1) Define the process and business rules associated with a government wide business function, 2) Shape existing or inform future policy by making recommendations to the appropriate policy authority associated with the business function, and 3) Provide implementation guidance to agency enterprise architectures and information technology projects. (FY 2017 Baseline: \$0 thousand; +0 FTEs)

10) DCMO - Women's Military Service Memorials and Museums

5,000

The increased funding allows the SECDEF to provide financial support for the acquisition, installation, and maintenance of exhibits, facilities, historical displays, and programs at military service memorials and museums that highlight the role of women in the military in accordance with the FY 2017 National Defense Authorization Act (NDAA) section 2833. This increase is the 2nd year of a 2-year plan that enables the Memorial to address program shortfalls and chart a path to financial independence by end of

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
year FY 2018. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
11) DoD-CIO - Federal Public Key Infrastructure (FPKI) Funding supports the collaboration of DoD and GSA to build a new FPKI Root Certification Authority (CA) that will be used by Federal and DoD entities. The FPKI is critical to the governments way ahead for personnel and electronic signature authentication. (FY 2017 Baseline: \$0 thousand; +0 FTEs)	700	
12) DoD-CIO - Federal Risk and Authorization Management Program (FedRAMP) Funding provides a standardized approach to the security assessment, authorization, and continuous monitoring of cloud computing and services. FedRAMP is designed to help accelerate the adoption of secure cloud computing by extending assessments and authorizations across the government (FY 2017 Baseline: \$0 thousand; +0 FTEs)	2,600	
13) DoD-CIO - Government-Wide Councils The increase fully funds the Department's \$8,181 thousand annual share in support of 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). IAW 40 U.S.C. § 321. (FY 2017 Baseline: \$15,608 thousand; +0 FTEs)	1,181	
14) Intergovernmental Personnel Act (IPA) Realignment Increase reflects the realignment of IPA costs from	5,796	

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	<u>Amount</u>	<u>Totals</u>
<p>Compensation and Benefits to mission funds within each PSA and establishes the IPA program line within each PSA. The IPA Mobility Program provides for the temporary assignment of personnel between the Federal Government and state and local governments, colleges and universities, Indian tribal governments, federally funded research and development centers, and other eligible organizations. The following PSA IPA line are established:</p>		
<p>DOT&E IPA +\$45;</p>		
<p>BCTF IPA +\$315;</p>		
<p>USD(AT&L) IPA +\$1,837;</p>		
<p>USD(P) IPA +\$3,599 (FY 2017 Baseline: \$7,306 thousand; +0 FTEs)</p>		
<p>15) Other DoD Programs and Initiatives - DOT&E - Travel Increase in funding supports travel for senior leadership to attend and oversee required testing events. (FY 2017 Baseline: \$660 thousand; +0 FTEs)</p>	<p>3</p>	
<p>16) Other DoD Programs and Initiatives - ASD(LA) Operations Increase in funding supports a service contract to expedite efforts to provide quality analytical products to the SECDEF, reduce backlogs, and increase timeliness of official communication between the Department and the Congress. This funding will help decrease backlog and wait times from a current period of about 20 working days to no more than 5 working days. The reduction in wait time covers much of the</p>	<p>427</p>	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
official communications between the Congress and the Department, from staffer and member Questions for the Record (QFRs) to official Department correspondence from senior leaders to members and their staffs, to impact and review analyses of Congressional actions on a wide variety of topics. (FY 2017 Baseline: \$499 thousand; +0 FTEs)		
17) Other DoD Programs and Initiatives - ODNA The funding increase supports studies, analysis and long term wargaming. ONA studies and wargames address future warfare that develop alternatives of particular interest to the SECDEF, DEPSECDEF and senior leaders. (FY 2017 Baseline: \$16,680 thousand; +0 FTEs)	1,400	
18) Other DoD Programs and Initiatives - SECDEF The increase in SECDEF travel fully funds the program to historical levels of execution for communication, transportation and travel expenses. (FY 2017 Baseline: \$4,145 thousand)	1,601	
19) Other DoD Programs and Initiatives - SECDEF Wargaming As part of the Defense Innovations Initiative, the funding increase continues to support the SECDEF directed Department-wide initiative to expand and pursue innovative ways to sustain and advance our military superiority for the 21st Century. This increase expands the Department's ability to test concepts, capabilities and plans through Wargaming and independent studies and analysis that evaluate	24,243	

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wargame results and relates them back to strategic objectives. The Wargaming initiative is overseen, integrated, and managed by an active and engaged governance structure led by DEPSECDEF with inputs from the Defense Wargaming Alignment Group (DWAG), which is comprised of the Department's senior leaders. (FY 2017 Baseline: \$35,000 thousand; +0 FTEs)		
20) OUSD(AT&L) - Acquisition Program Support System Increase supports additional contract support for the Electronic Coordination Tool. (FY 2017 Baseline: \$6,913 thousand; +0 FTEs)	94	
21) OUSD(AT&L) - Committee on Foreign Investments in the US (CFIUS) Increase represents additional contractor support to assist efforts with national security analysis reviews. (FY 2017 Baseline: \$2,994 thousand; +0 FTEs)	101	
22) OUSD(AT&L) - Core Services Increase in administrative service contract support for senior executive service personnel. (FY 2017 Baseline: \$15,197 thousand; +0 FTEs)	148	
23) OUSD(AT&L) - Countering Weapons of Mass Destruction (CWMD) Sustainment Increase supports the operations, maintenance, and sustainment of CWMD situational awareness family of systems or components that are scheduled for development in FY 2017 and FY 2018 and deployment on DoD information networks. The program focuses on cooperative efforts to shape the security environment	3,354	

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	<u>Amount</u>	<u>Totals</u>
and take early actions against adversaries. (FY 2017 Baseline: \$4,498 thousand; +0 FTEs)		
24) OUSD(AT&L) - Cyber Integration	5,933	
Increase supports the realignment of funds from Cyber Resiliency (+\$4,080) to Cyber Integration to consolidate cyber funds in order to capture the true nature of the work performed and for better management of funds. In addition, the program supports continued efforts (+\$1,853) for the Department to connect the dots regarding malicious foreign cyber threats to the nation, cyber incidents affecting U.S. national interest, and provide all sources of analysis of threats to Defense's policy and decision makers. (FY 2017 Baseline: \$3,000 thousand; +0 FTEs)		
25) OUSD(AT&L) - Defense Industrial Base Cyber Security	179	
Increase supports Cyber Security technology refresh and sustainment required to meet the Defense Federal Acquisition Regulations Supplement (DFARS) clause. (FY 2017 Baseline: \$2,298 thousand; +0 FTEs)		
26) OUSD(AT&L) - Defense Management Initiatives	3,710	
Increase supports requirements for cyber security analysis for the installation energy control systems, installation related cost modeling, utility privatization, energy resiliency and contingency basing analysis. (FY 2017 Baseline: \$4,213 thousand; +0 FTEs)		
27) OUSD(AT&L) - Developmental Test and Engineering (DT&E)	178	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
Increase supports the development of DT&E policy guidance and test strategies. This also supports data driven performance assessments of major defense acquisition programs to enhance acquisition decisions. (FY 2017 Baseline: \$1,481 thousand; +0 FTEs)		
28) OUSD(AT&L) - Environmental Safety Occupational Health (ESOH) in Acquisition Increase supports the additional requirements for the Department to comply with the recent reform of the Toxic Substances Control Act and the ongoing challenges of addressing drinking water quality (i.e. lead in drinking water, Flint, MI). This event has dramatically increased public, EPA and Congressional interest in the status of the drinking water on our installations that mandates an increase in testing requirements to ensure that there are no ongoing issues. The Department must perform impact analysis, develop and issue guidance to the DoD Components for consistency in drinking water testing, medical surveillance of consumers and provide alternate water sources where contamination is identified. (FY 2017 Baseline: \$2,051 thousand; +0 FTEs)	3,131	
29) OUSD(AT&L) - Indian Lands Mitigation Funding supports the Native Americans Land Environmental Mitigation Program (NALEMP) to address environmental impacts on Indian lands and Alaska Native Claims Settlement Act (ANCSA)-conveyed properties from former departmental activities and	12,002	

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	<u>Amount</u>	<u>Totals</u>
facilities. This fully funds the program in the President's Budget instead of finding the funds during the year of execution in accordance with annual Congressional General Provisions language. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
30) OUSD(AT&L) - Mission Capabilities/Systems Engineering	455	
Increase supports the Office of the DASD (System Engineering). Additional assessments of technical approaches and existing plans will enable the Department to complete risk assessments of MDAPs. These assessments will enable the Department to enhance its decision making process and decide to extend or curtail program evolutions. (FY 2017 Baseline: \$4,929 thousand; +0 FTEs)		
31) OUSD(AT&L) - Readiness Environmental Protection Initiative (REPI)	15,016	
Increase allows the Department to execute approximately 8 more projects/commitments for supporting additional cooperative agreements with state and local communities for a total of approximately 41 projects in FY 2018. (FY 2017 Baseline: \$60,193 thousand; +0 FTEs)		
32) OUSD(AT&L) - Software Engineering (SE), C3 Cyber Initiative	41	
Increase supports software system engineering expertise to address cyber vulnerabilities in DoD weapons programs and to translate and align cyber mitigations and policy requirements to measurable and		

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testable weapons system requirements as required in the NDAA since FY 2014. (FY 2017 Baseline: \$883 thousand; +0 FTEs)		
33) OUSD(AT&L) - Transform Procurement Regulations Increase aligns with Budget Execution; fact of life. This is a corrective action to properly fund contracted Firm Fixed Price effort within the Economic Price Adjustment clause. Options increase every year due to this adjustment, this is an estimate of the increase and the requirement is now fully funded for the next option year cost. (FY 2017 Baseline: \$833 thousand; +0 FTEs)	16	
34) OUSD(AT&L) - Treaty Compliance Support Increase funds additional contract support for the Wide Area Monitoring Inspection regime and Russian Nuclear Monitoring Program. (FY 2017 Baseline: \$1,580 thousand; +0 FTEs)	94	
35) OUSD(CAPE) - Long Range Planning Increase reflects a consolidation of funding from CAPE's Industrial Base Studies and FYDP Improvement Programs into this line. The realignment provides improved flexibility in addressing CAPE's Wargaming support as part of the DEPSECDEF's vision of revitalizing wargaming in the Department. CAPE will continue to direct wargaming activities; manage the Wargaming Portal, and support the design, execution, and analysis of wargames. (FY 2017 Baseline: \$22,628 thousand; +0 FTEs)	3,387	
36) OUSD(I) - Classified Program	39	

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Increase supports additional classified program requirements. (FY 2017 Baseline: \$2,619 thousand; +0 FTEs)		
37) OUSD(I) - Joint Duty Personnel	2,583	
A Joint Duty Assignment (JDA) is the detail of Intelligence Community (IC) civilian personnel to a position in another IC element or other relevant organization that provides joint duty qualifying experience for qualified personnel. The increase to Other Costs - Special Personal Services Payments (OP-32 line 951) is due to a policy change beginning in FY 2017, that requires Agencies to reimburse organizations for the JDA personnel. Although these are not new JDA positions within OUSD(I), the funding increase supports approximately 17 JDA personnel for whom OUSD(I) is required to reimburse other organizations. This establishes the line for that annual requirement. (FY 2017 Baseline: \$7,090 thousand; +0 FTEs)		
38) OUSD(P&R) - Administrative Support	30	
Increase in contractor support costs of Information Technology (IT) sustainment. (FY 2017 Baseline: \$3,010 thousand; +0 FTEs)		
39) OUSD(P&R) - ASD Readiness (Reserve Affairs)	578	
An organizational restructure was mandated by Congress in accordance with Title 10 USC 138(b) (2) realigning the Assistant Secretary of Defense (Reserve Affairs) into the Assistant Secretary of Defense (Manpower and Reserve Affairs) Operations and		

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the Assistant Secretary of Defense (Readiness) Operations. Increase represents the realignment of funds to support the organizational restructure. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
40) OUSD(P&R) - Combatants Commanders Exercise Engagement & Training	36,589	
The funds provides additional enablers to increase the Joint presence in what would otherwise be Service-specific exercises, maintain and update the communications backbone required in a live-virtual-constructive training environment, increase the quality and quantity of irregular warfare participation in Combatant Command exercises, and ensure that training objectives are fully integrated into the main exercise. In FY 2018, the CE2T2 program transferred from USD(P&R) to the Joint Staff; this increase was made prior to the decision to transfer the program. (FY 2017 Baseline: \$524,439 thousand; +0 FTEs)		
41) OUSD(P&R) - Cyber Thin Line	1,000	
Funding supports the ongoing efforts of the SECDEF's priority for cyber security and accelerates the development of a cyber mobility thin-line that is in concert with the 2016 Strategic Portfolio Review. In FY 2018 funding was transferred to the Joint Staff with the CE2T2 Program; this increase was made prior to the decision to transfer the program. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
42) OUSD(P&R) - Defense Readiness Reporting System	95	

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(DRRS)		
The funding increase supports critical enterprise wide Global Force Management (GFM) initiatives. The incorporation of the vast quantities of data associated with GFM, and the need to employ Total Data Encryption throughout the DRRS application, significantly increases the program's storage cost on the DISA Enterprise Computing Center (DECC) and requires additional contracted manpower to operate/maintain. (FY 2017 Baseline: \$4,975 thousand; +0 FTEs)		
43) OUSD(P) - Operations	1,132	
Increase reflects additional administrative contract support for national security and defense-related international negotiations. (FY 2017 Baseline: \$29,804 thousand; +0 FTEs)		
44) OUSD(P) - Palau Mission Support	123,900	
Under the 1994 U.S.-Palau Compact of Free Association and the related 2010 Compact Review Agreement (CRA), not yet in force, the United States agreed to provide economic assistance to the Government of Palau. The Compact achieves U.S. national security objectives, including through the U.S. ability to deny access to Palau's land, water, and air space by other countries' militaries. Palau is indispensable to our national security and funding the Compact is key to our strategic presence in the region. This request includes \$123.9 million to bring the CRA into force and satisfy the outstanding commitment to Palau; this		

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funding will be transferred to the Department of the Interior. Funds are requested to remain available until expended in accordance with the related general provision. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
9. Program Decreases		-194,598
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
1) OUSD(CAPE) - One Time Compensation and Benefit Realignment	-788	
Realignment of CAPE civilian pay dollars to the Compensation and Benefit line that were erroneously included in the mission account line in the FY 2017 budget. (FY 2017 Baseline: \$29,210 thousand; +0 FTEs)		
2) OUSD(I) - Long Endurance Aerial Platform (LEAP)	-14,000	
This was a one-time increase in the Request for Additional FY 2017 Appropriations. Funding supports a full year of ISR operational costs and the continuation of the LEAP. FY 2018 funding is requested in the FY 2018 OSD OCO request. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
3) OUSD(I) - Processing, Exploitation, & Dissemination (PED)	-1,500	
This was a one-time increase in the Request for Additional FY 2017 Appropriations. Funding supports expanding and redirecting contracting efforts in order to automate manual processes for exploitation of ISR. (FY 2017 Baseline: \$0 thousand; +0 FTEs)		
4) OUSD(I) - Publicly Available Information/Indications & Warning (PAI/I&W)	-20,000	

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<p>This was a one time increase in the Request for Additional FY 2017 Appropriations. Funding supports two distinct efforts. Funding of \$5.0 million will maintain the current 2,500 Indication and Warning (I&W) licenses. Funding of \$15.0 million will purchase the unlimited desktop and previously unavailable mobile (smart phone) licenses and enable the transition away from the single source licenses. (FY 2017 Baseline: \$0 thousand; +0 FTEs)</p>		
c. Program Decreases in FY 2018		
1) Compensation and Benefits - Intergovernmental Personnel Act (IPA)	-1,653	
<p>The program decrease is due to reduced utilization of non-consulting IPA personnel within the following PSAs:</p>		
<p>USD(AT&L) -\$1,053, BCTF -\$6, DOT&E -\$502, and USD(P) -\$92. (FY 2017 Baseline: \$0 thousand; +0 FTEs)</p>		
2) Compensation and Benefits - Intergovernmental Personnel Act (IPA) Realignment	-5,796	
<p>Decrease reflects the realignment of IPA costs from Compensation and Benefits to mission funds for each PSA. The IPA Mobility Program provides for the temporary assignment of personnel between the Federal Government and state and local governments, colleges and universities, Indian tribal governments, federally funded research and development centers, and other eligible organizations. The realignment impacts the following PSAs and established a PSA IPA line as follows: DOT&E +\$45; BCTF +\$315; USD(AT&L)</p>		

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+ \$1,837; and USD(P) + \$3,599. (FY 2017 Baseline: \$350,444 thousand; +0 FTEs)		
3) Compensation and Benefits - Major Headquarters Activities (MHA) Decrease reflects plan for streamlining major headquarters as part of the DoD reform agenda that eliminates 55 civilian full-time equivalent positions and resources to maintain civilian staff at approved levels. (FY 2017 Baseline: \$350,444 thousand; -55 FTEs)	-10,954	
4) Compensation and Benefits - Major Headquarters Activities - DCMO DCMO reduced its manpower requirements by six FTEs in support of the DoD initiative to reduce Major Headquarters Activities (MHA). (FY 2017 Baseline: \$350,444 thousand; -6 FTEs)	-1,030	
5) DCMO - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$27,144 thousand; +0 FTEs)	-1,205	
6) DoD-CIO - Defense Industrial Base, Cyber Security Initiative As a result of additional efficiencies achieved the decrease reflects a reduction in contractor support and some related contractor travel for the Defense Industrial Base Cyber Security/Information Assurance (DIB CS/IA) program. This reduction in contractor	-483	

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support will be spread across the DIB CS/IA program responsibilities for continuing and furthering DoD-Wide collaboration with the DIB partners from private industry, with some implications for less timely DoD policy development and revising, cyber threat information sharing, network incident reporting and remediation, cyber intrusion damage assessment if occurring, digital forensic analysis, the discovery of network security/IA capabilities, and advocacy for associated network security technologies. (FY 2017 Baseline: \$2,989 thousand; +0 FTEs)		
7) DoD-CIO - e-Gov Initiatives	-1,811	
The decrease reflects a reduction in contractor efforts supporting OMB IT Management requirements that support 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. (FY 2017 Baseline: \$15,608 thousand; +0 FTEs)		
8) DoD-CIO - Information Systems Security Program	-1,285	
The decrease reflects a reduction in contractor support for policy development, program oversight and integration of all DoD Information Assurance (IA) efforts such as Computer Network Defense (CND) and the restoration of information systems. (FY 2017 Baseline: \$11,321 thousand; +0 FTEs)		
9) DoD-CIO - Mission	-2,205	
The decrease reflects a reduction in contractor		

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support for bandwidth assessments, SATCOM and commercial wireless policy documents, Positioning, Navigation and Timing analysis and domestic and international spectrum policy support, 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. (FY 2017 Baseline: \$28,796 thousand; +0 FTEs)		
10) DoD-CIO - Services Requirements Review Board (SRRB) SRRB efficiencies realized - Decreasing contractor support to the Supply Chain Risk Management (SCRM) threat assessment capability and decrease contractor efforts supporting program protection plan analysis, senior service and defense colleges, service training schools, and for distributive/web-based training and mentoring. (FY 2017 Baseline: \$12,143 thousand; +0 FTEs)	-2,353	
11) DoD-CIO - Travel Decrease in travel costs by more efficient use of Video Teleconferencing (VTC) in lieu of travel and, where possible, consolidation of mission travel requirements into fewer trips. (FY 2017 Baseline: \$681 thousand; +0 FTEs)	-14	
12) Other DoD Programs and Initiatives - ASD(PA) - Operations The decrease reflects a reduction in Information Technology contractor support. (FY 2017 Baseline:	-12	

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\$5,949 thousand; +0 FTEs)		
13) Other DoD Programs and Initiatives - ASD(PA) - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$5,949 thousand; +0 FTEs)	-220	
14) Other DoD Programs and Initiatives - BCTF - Quadrennial Review of Military Compensation Decrease is reflective of the phasing out of the BCTF Quadrennial Review of Military Compensation and the Quadrennial Independent Review. (FY 2017 Baseline: \$656 thousand; +0 FTEs)	-406	
15) Other DoD Programs and Initiatives - BCTF - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$10,949 thousand; +0 FTEs)	-146	
16) Other DoD Programs and Initiatives - Capital Security Cost Sharing (CSCS) Program The decrease reflects the change from the FY 2017 Statement of Charges as submitted by the Department of State. This fully funds the FY 2018 Statement of Charges of \$279,708,865. (FY 2017 Baseline: \$328,599 thousand; +0 FTEs)	-55,465	
17) Other DoD Programs and Initiatives - DTRMC -	-303	

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Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$3,452 thousand; +0 FTEs)		
18) Other DoD Programs and Initiatives - ODNA - Operations The decrease reflects a reduction in contract support services for analysis, studies and evaluations. (FY 2017 Baseline: \$16,680 thousand; +0 FTEs)	-244	
19) Other DoD Programs and Initiatives - OGC travel Decrease reflects less travel due to reduction in staff member assignments outside of the National Capital Region and the increased use of teleconferencing. (FY 2017 Baseline: \$519 thousand; +0 FTEs)	-13	
20) OUSD(AT&L) - Acquisition Visibility Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$15,179 thousand)	-770	
21) OUSD(AT&L) - Base Realignment and Closure 2017 The decrease in funding levels for BRAC planning between FY 2017 and FY 2018 reflects the funding required to support a 2021 BRAC authorization. (FY 2017 Baseline: \$3,530 thousand; +0 FTEs)	-1,555	
22) OUSD(AT&L) - C3 and Business Integration Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission	-194	

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requirements. (FY 2017 Baseline: \$5,627 thousand; +0 FTEs)		
23) OUSD(AT&L) - CFO Act Compliance	-70	
Decrease in funding is part of an effort to practice and maintain efficient ways of program purchases. (FY 2017 Baseline: \$2,248 thousand; +0 FTEs)		
24) OUSD(AT&L) - Contingency Business Tools	-684	
Decrease reflects OUSD(AT&L) evaluation of baseline funding levels which identified efficiencies to fund higher priority mission essential requirements. (FY 2017 Baseline: \$11,861 thousand; +0 FTEs)		
25) OUSD(AT&L) - Contingency Contracting	-126	
Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$2,173 thousand; +0 FTEs)		
26) OUSD(AT&L) - Corrosion Prevention Program	-184	
The decrease in funding reflects a reduction in the contract support of policy development and implementation technology insertion, metrics collections, specifications and standards, training, and industry outreach. (FY 2017 Baseline: \$4,777 thousand; +0 FTEs)		
27) OUSD(AT&L) - CWMD Expert Fellows Program	-121	
Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$2,042 thousand; +0 FTEs)		
28) OUSD(AT&L) - Cyber Resiliency	-4,080	

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<p>Decrease represents a realignment of funds from the Cyber Resiliency to Cyber Integration to capture the true nature of the work. This was a senior leadership decision to simplify the accounting and management for the two small buckets of cyber funds. (FY 2017 Baseline: \$4,000 thousand; +0 FTEs)</p>		
29) OUSD(AT&L) - Defense Environmental International Cooperation	-598	
<p>The decrease reflects a reduction in mission requirements and reduces the program from approximately 30 projects to 20 in FY 2018. (FY 2017 Baseline: \$1,615 thousand; +0 FTEs)</p>		
30) OUSD(AT&L) - Defense Installation Spatial Data Infrastructure (DISDI)	-42	
<p>Decrease reflects a reduction in contractor support for DISDI capacity that provides maps and geospatial analysis support to AT&L and Energy, Installations & Environment(EI&E) for Basing, Facility Investment & Management, and the DoD Siting Clearinghouse functions. (FY 2017 Baseline: \$591 thousand; +0 FTEs)</p>		
31) OUSD(AT&L) - Defense Procurement & Acquisition Policy	-85	
<p>Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$1,571 thousand; +0 FTEs)</p>		
32) OUSD(AT&L) - DoD Siting Clearinghouse	-231	
<p>Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission</p>		

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requirements. (FY 2017 Baseline: \$2,330 thousand; +0 FTEs)		
33) OUSD(AT&L) - E-Business COE Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$2,288 thousand; +0 FTEs)	-101	
34) OUSD(AT&L) - Emerging Contaminants Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$960 thousand; +0 FTEs)	-59	
35) OUSD(AT&L) - Environmental Resiliency The decrease reflects a reduction in contract support for technical and analytical expertise. (FY 2017 Baseline: \$871 thousand; +0 FTEs)	-124	
36) OUSD(AT&L) - Human Capital Initiative (HCI) Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$2,477 thousand; +0 FTEs)	-95	
37) OUSD(AT&L) - Industrial Policy Program Support Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$3,892 thousand; +0 FTEs)	-166	
38) OUSD(AT&L) - Integrated Acquisition Environment Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission	-52	

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requirements. (FY 2017 Baseline: \$28,862 thousand; +0 FTEs)		
39) OUSD(AT&L) - International Cooperation Program Support Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$24 thousand; +0 FTEs)	-19	
40) OUSD(AT&L) - Joint Purchase Office Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$5,535 thousand; +0 FTEs)	-416	
41) OUSD(AT&L) - Legacy Resource Management Program Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$4,243 thousand; +0 FTEs)	-267	
42) OUSD(AT&L) - Logistics Systems Modernization (LSM) The decrease in funding is the result of multiple efficiency initiatives. The incremental reduction accounts for additional consolidation and reduction of service contracts. (FY 2017 Baseline: \$18,574 thousand; +0 FTEs)	-1,074	
43) OUSD(AT&L) - Native American Land Environmental Mitigation Program (NALEMP) Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements.	-130	

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(FY 2017 Baseline: \$3,197 thousand; +0 FTEs)		
44) OUSD(AT&L) - Operational Energy Plans and Programs (OEP&P) Office	-257	
The decrease reflects a reduction in contract support for Operational Energy plans and programs by combining and trimming tasks for technical and analytical tasks.		
(FY 2017 Baseline: \$5,081 thousand; +0 FTEs)		
45) OUSD(AT&L) - OSD Studies Fund	-1,537	
Decrease reflects a reduction in the contract scope and approximately 5-10 less studies and analyses that will be conducted in FY 2018. (FY 2017 Baseline: \$10,180 thousand; +0 FTEs)		
46) OUSD(AT&L) - Performance Assessment & Root Cause Analysis (PARCA) Office	-387	
Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements.		
(FY 2017 Baseline: \$6,974 thousand; +0 FTEs)		
47) OUSD(AT&L) - Services Requirements Review Board (SRRB)	-9,944	
Decrease is to align with SRRB reductions as part of DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$295,090 thousand; +0 FTEs)		
48) OUSD(AT&L) - Services Requirements Review Board (SRRB) - CWMD Sustainment	-1,732	
Decrease is to align with SRRB reductions as part of DoD reform agenda, the incremental reduction accounts		

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for consolidation and reduction of service contracts. (FY 2017 Baseline: \$4,498 thousand; +0 FTEs)		
49) OUSD(AT&L) - Small Business Program Support Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$4,181 thousand; +0 FTEs)	-184	
50) OUSD(AT&L) - Strategic and Intelligence MDAP Oversight Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$5,659 thousand; +0 FTEs)	-230	
51) OUSD(AT&L) - Strategic Sourcing Decrease reflects OUSD(AT&L) baseline funding offsets which were redirected towards higher priority mission requirements. (FY 2017 Baseline: \$935 thousand; +0 FTEs)	-45	
52) OUSD(C) - Comptroller Initiative Decrease reflects a reduction of costs associated with the First Year Independent Accountant Audit requirements in Defense agencies such as U.S. Special Operations command (SOCOM) Defense Health Program (DHP). In the effort to meet this mandate requirement, agencies are undergoing independent audits and examinations of their standalone financial statements (from limited scope audits to full statement first year Independent Public Accountant (IPA) audits. (FY 2017 Baseline: \$101,530 thousand;	-8,723	

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+0 FTEs)		
53) OUSD(C) - Defense Resources Management Institute (DRMI) Decrease reflects a reduction in DRMI overall support agreement costs. (FY 2017 Baseline: \$1,417 thousand; +0 FTEs)	-23	
54) OUSD(C) - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD Reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$129,826 thousand; +0 FTEs)	-5,071	
55) OUSD(CAPE) - Compensation and Benefit Realignment This realigns CAPE civilian pay dollars to the Compensation and Benefit line that were erroneously included in the CAPE mission account line in the FY 2017 budget. (FY 2017 Baseline: \$29,201 thousand; +0 FTEs)	-800	
56) OUSD(CAPE) - Program Consolidation Decrease reflects an internal consolidation of funding into Long Range Planning from CAPE's Industrial Based Studies and FYDP Improvement Programs lines. Realignment of funding to Long Range Planning provides improved flexibility and efficiency in addressing CAPE's wargaming support. CAPE will continue to lead wargaming activities; manage the Wargaming Portal, and support the design, execution, and analysis of wargames. (FY 2017 Baseline: \$6,233 thousand; +0 FTEs)	-3,387	

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57) OUSD(CAPE) - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for additional consolidation and reduction of service contracts. (FY 2017 Baseline: \$37,535 thousand; +0 FTEs)	-1,382	
58) OUSD(I) - Intelligence Mission The decrease reflects a consolidation of similar contracts, contract process improvements resulting in funding only mission critical requirements; and restructuring from large business to small business contracts for technical, analytical, and administrative support. (FY 2017 Baseline: \$68,706 thousand; +0 FTEs)	-6,495	
59) OUSD(I) - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$1,000 thousand; +0 FTEs)	-602	
60) OUSD(P&R) - Advanced Distributed Learning (ADL) The decrease reflects additional efficiencies achieved in the ADL. (FY 2017 Baseline: \$11,593 thousand; +0 FTEs)	-533	
61) OUSD(P&R) - Advancing Diversity & Equal Opportunity The decrease reflects additional efficiencies achieved in contract support in the Advancing Diversity & Equal Opportunity program.	-603	

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
(FY 2017 Baseline: \$8,797 thousand; +0 FTEs)		
62) OUSD(P&R) - ASD (Health Affairs) Operations Program reduction represents a reduction in overall contract support. (FY 2017 Baseline: \$594 thousand; +0 FTEs)	-6	
63) OUSD(P&R) - ASD Manpower and Reserve Affairs (M&RA) An organizational restructure was mandated by Congress in accordance with Title 10 USC 138(b)(2) realigning the Assistant Secretary of Defense (Reserve Affairs) into the Assistant Secretary of Defense (Manpower and Reserve Affairs) Operations and the Assistant Secretary of Defense (Readiness) Operations. The decrease in funding realigns funds to the Assistant Secretary of Defense (Readiness) Operations to support restructure. (FY 2017 Baseline: \$1,351 thousand; +0 FTEs)	-578	
64) OUSD(P&R) - Defense Safety Oversight Council (DSOC) The decrease reflects a reduction in the DoD accident reduction effort contract support. This program will now use government employees to augment safety management system assessments which reduces contract labor (FY 2017 Baseline: \$8,354 thousand; +0 FTEs)	-121	
65) OUSD(P&R) - Lost Work Day System The decrease in contract support funding will be prioritized to support accident reduction and resiliency data collection and warehousing, generating metrics and measures, maintaining information assurance requirements, and hosting the Force Risk Reduction tool for use across the	-2	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
Department of Defense. (FY 2017 Baseline: \$2,551 thousand; +0 FTEs)		
66) OUSD(P&R) - Military Naturalization Support Reduction in the Military Naturalization Program funds naturalization fees for non-citizens who apply for citizenship based on their honorable military service as required in 10 U.S.C. § 1790. Decrease aligns projected funding with historical execution. (FY 2017 Baseline: \$6,935 thousand; +0 FTEs)	-274	
67) OUSD(P&R) - Services Requirements Review Board (SRRB) Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts in the CE2T2 and OUSD(P&R) programs. (FY 2017 Baseline: \$524,439 thousand; +0 FTEs)	-12,041	
68) OUSD(P&R) - Studies Program/CASS The decrease reflects a reduction in contractor support in the Studies Program/CASS. (FY 2017 Baseline: \$3,017 thousand; +0 FTEs)	-77	
69) OUSD(P&R) - Travel The decrease represents a reduction in the number of mission travel requirements within USD(P&R). (FY 2017 Baseline: \$694 thousand; +0 FTEs)	-66	
70) OUSD(P) - Defense Critical Infrastructure Programs The decrease represents the phasing out of the program that is scheduled to end in FY 2017. (FY 2017 Baseline: \$777 thousand; +0 FTEs)	-792	
71) OUSD(P) - International Defense Programs	-154	

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
Program decrease reflects savings on costs that support the U.S. Mission to the North Atlantic Treaty Organizations (NATO) headquartered in Brussels, Belgium that enables the U.S. to respond jointly with its Allies and partners to threats to international stability and security. (FY 2017 Baseline: \$6,000 thousand; +0 FTEs)		
72) OUSD(P) - Mission Support	-34	
The decrease in mission funding reflects a reduction in projected interpretation and translation costs. (FY 2017 Baseline: \$6,772 thousand; +0 FTEs)		
73) OUSD(P) - Rewards Program	-441	
The decrease is reflective of the current and projected trend towards lower program payouts and fewer high dollar rewards payments that is authorized in Title 10 U.S. Code, Section 127b. (FY 2017 Baseline: \$6,680 thousand; +0 FTEs)		
74) OUSD(P) - Services Requirements Review Board (SRRB)	-678	
Decrease is to align with SRRB reductions as part of the DoD reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts. (FY 2017 Baseline: \$6,772 thousand; +0 FTEs)		
75) OUSD(P) - Strategy and Force Development	-4,270	
As part of the DoD reform agenda the decrease reflects a reduction in support of the Department's planning activities such as the Quadrennial Defense Review (QDR). (FY 2017 Baseline: \$4,799 thousand; +0 FTEs)		

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases
FY 2018 Budget Request

Amount

Totals
1,612,244

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IV. Performance Criteria and Evaluation Summary:

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

The OUSD (AT&L) is the PSA and advisor to the SECDEF and DEPSECDEF 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 larger programs under AT&L: Readiness and Environmental Protection Initiative (REPI), Logistics Systems Modernization (LSM) Support and Acquisition Visibility Program. These three programs account for 25% of AT&L's total Operation and Maintenance (O&M) in FY 2018.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Regulatory Environment

Measure/Description	Actual FY 2016	Projected FY 2017	Projected FY 2018
Readiness and Environmental Protection Initiative (REPI)			
Metric #1: Percent funding to highest tier priority installations (Target is 80%)	68%	72%	70%
Metric #2: Percent of validated projects funded (Target is 70%)	58%	76%	38%
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) program 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 partnership projects meet critical, near-term, but time limited opportunities, to preserve DoD installation and range capabilities. REPI leverages the capabilities, resources and priorities of the private sector and state and local

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IV. Performance Criteria and Evaluation Summary:

governments to obtain land and/or easements that will prevent incompatible development or other land uses that impact military operations. REPI partnerships 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 (LSMS)

Measure/Description	Actual FY 2016	Projected FY 2017	Projected FY 2018
Supply Chain and Inventory Management			
Metric #1: Customer Wait Time - Army (Days)	17.3	18.0	18.0
Metric #2 Customer Wait Time Air Force (Days)	6.2	7.5	7.5
Metric #2 Customer Wait Time - Navy (Days)	13.8	16.0	16.0
Metric #4 On-Hand Excess	7.1%	8.0%	8.0%
Metric #5 Due-in Potential Future Excess	1.7%	4.0%	4.0%

Supply Chain Management: DoD measures responsiveness metrics to evaluate the effectiveness of the DoD Supply Chain. Responsiveness is measured by the Customer Wait

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IV. Performance Criteria and Evaluation Summary:

Time metric, which is defined as the time between submission of a customer order from organizational maintenance and receipt of that order by organizational maintenance.

Inventory Management Initiative: DoD is executing a Comprehensive Inventory Management Improvement Program (CIMIP). The CIMIP provides oversight and a framework to guide inventory management improvement across the DoD Components. DoD measures the effectiveness of inventory improvement efforts using metrics for due-in potential future excess and excess on-hand inventory. The DoD objective is to reduce due-in potential future excess to 4% and excess on-hand to 8%.

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IV. Performance Criteria and Evaluation Summary:

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

Measure/Description	Actual	Projected	Projected
Acquisition Visibility (AV)	FY 2016	FY 2017	FY 2018
Metric #1: Number of Authorized Users with Access to AV Services	6,629	9,608	11,500
Metric #2: Number of Acquisition Information Elements and Acquisition Decision Documents under AT&L Control	2,050	3,553	4,000
Metric #3: Number of Acquisition Reports (e.g. Selected Acquisition Reports (SAR), MAIS Annual Report, (MAR) and Defense Acquisition Executive Summary (DAES)) submitted using AV Services to meet statutory requirements	SAR 94 MAR 41 DAES 436 MQR ² 95	SAR 92 MAR 34 DAES 385 MQR 0	SAR 94 MAR 33 DAES 420 MQR 0

Acquisition Visibility (AV) supports the Defense Acquisition Executive (DAE), Component Acquisition Executives (CAE), Service Chiefs of Staff, OSD senior leaders, and OSD and Component analysts who assess and decide the efficiency and effectiveness of acquiring and sustaining the Department's acquisition programs including Major Defense Acquisition Programs (MDAPs), Major Automated Information Systems (MAIS), major IT investments, and

² Major Information System Quarterly Review (MQR) merged with the DAES in late FY14.

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IV. Performance Criteria and Evaluation Summary:

Acquisition Category (ACAT) II - IV programs. AV supports USD (AT&L), CAE, and Service Chief Responsibilities by providing critical information for acquisition analysis, oversight, and decision-making. This information is also made available to the broad Acquisition Community to assist Program Managers, Program Executive Officers and their staffs in guiding programs. AV institutionalizes the management of data and business rules used in the Department's acquisition decision-making, and it integrates the acquisition data stored across multiple disparate Federal and Departmental organizations' data sets and systems. AV delivers a Department-wide accessible collection of acquisition information, techniques, and tools, including the Defense Acquisition Visibility Environment (DAVE), the Defense Acquisition Management Information Retrieval (DAMIR) capability, and acquisition data analysis capabilities as well as data access services and data standards via the Acquisition Visibility Data Matrix (AVDM). The increasing number of Authorized Users reflects an increase in the role of AV in collecting and exposing acquisition data for analysis and the integration of Army and Air Force program reporting directly into DAMIR and the retirement of redundant Army and Air Force capabilities, as well as 2,000 new users reporting Air Force ACAT II and III program data for the first time. The increased number of stored Acquisition Decision Documents demonstrates enhanced traceability and transparency of the Department's acquisition decisions.

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

The OUSD(C) is the PSA and advisor to the SECDEF and DEPSECDEF for all DoD financial matters. This office oversees and sets policy for budget and fiscal matters, including financial management, accounting policy and systems, management control

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IV. Performance Criteria and Evaluation Summary:

systems, budget formulation, execution, and contract audit administration. Performance Evaluation Metrics have been developed for the major programs under OUSD(C): Comptroller Initiatives, Resource Management Systems (RMS), and Defense Resource Management Institute. These programs account for 96% of Comptroller's total Operation and maintenance budget in FY 2018.

Major Program Title- Comptroller Initiatives

	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018
Financial Improvement and Audit Readiness			
Metric #1: Percentage of complete reconciliations from financial statement line items to the General Ledger (GL) Systems, Schedule of Budgetary Activity.	97%	100%	100%
Metric #2: Percentage of complete reconciliations from financial statement line items to the General Ledger (GL) Systems, Statement of Budgetary Resources and Balance Sheet.	75%	99%	100%

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IV. Performance Criteria and Evaluation Summary:

Metric #3: Percentage of complete reconciliations detailed tie out of feeder source systems to the GL Schedule of Budgetary Activity	77%	100%	100%
Metric #4: Percentage of complete reconciliations detailed tie out of feeder source systems to the GL Systems, Statement of Budgetary Resources and Sheet	68%	98%	100%
Metric #5: Percentage of Overaged In-Transit Balance with Treasury)	.51%	.37%	.37%
Metric #6: Percentage of Overaged Unmatched Disbursements (Fund Balance with Treasury)	.42%	.09%	.08%
Metric #7: Percentage of Journal Vouchers, Unsupported	.99%	.80%	.80%
Metric #8: Percentage of baseline complete for Critical Assets Existence and Completeness, General Equipment	79.4%	100%	100%
Metric #9: Percentage of baseline complete for Critical Assets Existence and Completeness, Real Property	75.8%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

Metric #10: Percentage of baseline complete for Critical Assets Existence and Completeness, Internal Use Software	83.7%	100%	100%
Metric #11: Percentage of baseline complete for Mission Critical Assets Existence and Completeness, Inventory Operating Material and Supplies	83.1%	100%	100%

- a) The FY 2010 NDAA mandates that (DoD) have audit ready financial statements by 2017.
- b) The previously reported metrics were revised beginning in FY 2016 to provide a more direct focus on progress for specific critical path/risk areas most material to achieving audit readiness by the start of FY 2018.

The Department is working in full force to make significant progress in audit readiness efforts for all Budgetary and Proprietary accounts by FY 2018.

Major Program Title- Comptroller Initiatives

	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018

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IV. Performance Criteria and Evaluation Summary:

Metric: DoD Financial Management (FM) personnel (military and civilian), with an active account, achieving certification	66%	60%	65%

The Department initiated a multi-year effort to develop a competency-based FM Certification Program that is applicable to the FM workforce. The FY12 NDAA provided 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, civilian and military, are coded as Level 1, Level 2, or Level 3. Enterprise-wide, FM competencies applicable to each FM occupation series were established and revalidated. Each certification level requires a minimum number of training course hours and FM experience. Training is targeted to specific FM technical competencies, DOD leadership competencies and specific topics such as audit readiness, fiscal law, and ethics.

As of 28 April 2017, over 36,800 FM members completed the requirements and obtained their certification. The previous metric measured the number of FM personnel participating in the program, the phased implementation is complete and all FM members are in the program. The metric has been modified to measure the percentage of active FM members who achieve certification. The percentage goal of active FM members achieving certification for FY 2016 was 55%. Actual percentage of active members who achieved certification by the end of FY 2016 was 66%.

IV. Performance Criteria and Evaluation Summary:

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IV. Performance Criteria and Evaluation Summary:

Major Program Title- Resource Management System

Measure/Description	Actual FY 2016	Projected FY 2017	Projected FY 2018
Metric #1: Number of Agencies utilizing the Exhibition Automation System (EAS)	34	36	36
Metric #2: Man-Hours saved using the EAS Tool	14%	15%	16%
Metric #3: Number of Exhibits Automated	18	20	22

The OUSD(C) maintains the OUSD(C) Resource Management System (RMS), a Family of Systems that deliver the capability to manage and support DoD Planning, Programming, Budgeting, and Execution activities.

IV. Performance Criteria and Evaluation Summary:

A key accomplishment for FY 2016 was the integrated data load, which was deployed for the FY 2017 budget cycle. The integrated data load allows every Defense Agency to load and export OP-5 budget data using an XML format that can be produced within source Budget system. Several enhancements were deployed to improve both the auditability and traceability of changes made within Exhibition Automation System (EAS). Additional data integrity checks were also added to ensure data consistency across multiple automated

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IV. Performance Criteria and Evaluation Summary:

exhibits. Three reports were added to simplify data comparisons between systems and allow data to be checked for consistency through the use of various crosswalks. Finally, a data load was implemented to decrease the amount of time spent updating OP-32 inflation rates.

In FY 2018 two additional exhibits will be implemented for the FY 2018 budget cycle to assist OUSD(C) and the Defense Agencies with civilian personnel costs justifications. An associated load will be developed to assist agencies with expediting data entry and will automatically populate the Defense-Wide Summary Exhibit. Additionally, the OCO OP-5 Exhibit and associated spreadsheet loads will be redesigned to meet the emerging Congressional requirements. The exhibits and associated loads will improve data accuracy, increase consistency across the Agency Exhibits and Defense-Wide, and will meet all submission requirements. Additional generation enhancements will be implemented to improve performance and increase flexibility with upload files used within the system.

In FY 2018 additional exhibits, reports, and quality assurance measures will continue to be introduced and enhanced to streamline the budget build process and reduce data re-entry, saving time, and reducing errors.

Major Program Title- Defense Resource Management Institute

	Actual	Projected / Goal	Projected / Goal
Measure/Description	FY 2016	FY 2017	FY 2018
Participant knowledge			

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IV. Performance Criteria and Evaluation Summary:

Metric: Number of 4 or 5 responses (1-5 scale; 5 is best) from U.S. participants on whether the course increased resources management knowledge / was useful on end-of-course questionnaires.	95%	95%	85%
Metric: Average monthly score above 3.5 on all FM Online courses	90%	90%	70%

The Defense Resources Management Institute (DRMI) exists to provide courses and instruction that enhance the effective allocation and use of resources in modern defense organizations. We focus on developing participants' (students') understanding and appreciation of the concepts, techniques, and analytical decision-making skills needed to make better resource decisions. DRMI teaches U.S. military and civilians (O-3 and above and GS-9 and above or equivalent), and international officials of similar rank. As an organization, we evaluate our effectiveness based on educational outcomes of our students, our relevance to defense and security, and our academic quality.

DRMI's appropriation from OUSD(C) in FY16 is programmed at \$1.4 million. This funds salaries for faculty and staff while teaching/preparing for/supporting U.S. students, including preparing material for the Financial Management Certification Program (FMCP), and operational expenses including supplies and materials, information technology, building maintenance, faculty and staff development activities, and travel for U.S. courses and events.

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IV. Performance Criteria and Evaluation Summary:

	Actual	Projected / Goal	Projected / Goal
Measure/Description	FY 2016	FY 2017	FY 2018
a. Understanding of DoD processes			
Metric 1: Number of civilian faculty who have completed two weeks of experience training in the Pentagon or other headquarters activities this year; or number of faculty who have written technical reports on DoD processes in the past year.	10	7	8
b. Knowledge of best practices			
Metric 2: Number of external events taught on best practices or articles published on best practices in trade journals in the past year.	6	5	6

IV. Performance Criteria.

Deputy Chief Management Officer (DCMO):

The DCMO is the PSA and advisor to the SECDEF and DEPSECDEF 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.

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IV. Performance Criteria and Evaluation Summary:

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 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 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.

Major Program Title - FOIA Policy	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018
10% reduction in the FOIA request backlog {DOJ Guidance}	100%	100%	100%
Close the 10 oldest FOIA requests from the previous fiscal year {DOJ Guidance}	100%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

On behalf of the DoD Chief Freedom of Information Act (FOIA) Officer, reduce the DoD FOIA backlog and close the 10 oldest requests. Establish and maintain standardized FOIA business practices across the Department to comply with the Act. Maintain liaison with Department of Justice (DOJ), National Archives and Records Administration (NARA), other Federal agencies, and public interest groups in addressing FOIA issues and improvements.

Major Program Title - Intelligence Oversight	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018
Questionable Intelligence Activities of the Defense Intelligence components. Provided to SECDEF and POTUS Intelligence Oversight Board {EO 12333} (4 weeks per report; 4 quarterly)	20	30	30
Conduct staff assisted visits and independent inspections of DoD Components that engage in intelligence activities {DoDD 5148.11} (2-3 weeks per inspection; 8+ yearly).	10	20	20

Provide independent oversight of all DoD intelligence, counterintelligence, and intelligence-related activities in the DoD. Provide DoD input to President's Intelligence Oversight Board (PIOB) legally required by Executive Order (EO) 13462. Inspect intelligence-related activities conducted by DoD Components. Develop Intelligence Oversight policy and issues guidance. Review and validate the annual financial audit of

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IV. Performance Criteria and Evaluation Summary:

funds generated by DoD intelligence commercial activities, and report the results to the Under Secretary of Defense for Intelligence.

Major Program Title - Privacy and Civil Liberties	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018
Review and process System of Record Notices (SORNs) {Privacy Act and OMB Circular A-130}	100%	100%	100%
Review and process Computer Matching Agreements (CMA) and Biennial Computer Matching Report {Privacy Act and OMB Circular A-130}	100%	100%	100%
Privacy breach reporting {OMB Memo 07-16}	100%	100%	100%
Annual privacy and civil liberties assessment of the Defense Industrial Base {E.O. 13636}	100%	100%	100%
Senior Agency Official for Privacy portion of the annual Federal Information System Management Act (FISMA) Report {FISMA and OMB FISMA guidance}	100%	100%	100%
Semi-annual Privacy and Civil Liberties	100%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

Officer Report {42 U.S.C. Section 2000ee-1}			
Privacy Act training {Privacy Act and OMB Privacy Act Implementation Guidelines and Responsibilities}	100%	100%	100%
Review DoD policies, procedures, guidelines, and related laws and their implementation to ensure that DoD is adequately considering privacy and civil liberties in its actions {42 U.S.C. 2000ee-1}	100%	100%	100%

Maintain currency of DoD Privacy Program and DoD Civil Liberties Program policy, work with the DoD Components to ensure privacy and civil liberties are adequately addressed in new programs and issuances, and oversee and facilitate Defense Privacy Board and Civil Liberties Board meetings. Ensure DoD meets its legislative and regulatory privacy and civil liberties mandated actions and reporting requirements. Provide privacy and civil liberties training to Component privacy officers and civil liberties points of contact, and provide privacy and civil liberties outreach to DoD personnel (service members, civilian employees, and contractor staff).

Major Program Title - Regulatory Matters	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018

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IV. Performance Criteria and Evaluation Summary:

Manage Federal Docket Management System (FMDS) within DoD. {POTUS E-Government initiative} (over 500 occurrences yearly).	100%	100%	100%
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The e-Rulemaking Initiative is one of 24 E-Government initiatives from the President's Management Agenda. DoD fully implemented this initiative in 2005. The Environmental Protection Agency (EPA) is the Managing Partner and is supported by a Governing Board of Partners and funding from numerous agencies, including DoD. The Regulatory and Audit Matters Office under the Directorate for Oversight and Compliance is the DoD Lead Agent for the e-Rulemaking Initiative. The e-Rulemaking Program supports the maintenance and operation of the government-wide electronic docket management system known as the Federal Docket Management System, (publicly accessible at www.regulations.gov). The system increases public participation in rulemaking and improves the efficiency of the comment process. DoD participates in an interagency budget workgroup which developed a fee-for-service model to determine agency funding allocations based on OMB mandates.

Major Program Title - Federal Advisory Committee Act (FACA) Oversight	Actual	Projected	Projected
Measure/Description	FY 2016	FY 2017	FY 2018
Charter-updated biannually with Membership Balance Plan, {5 U.S.C, Appendix 41 C.F.R. § 102-3.75}	100%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

Members appointed/renewed on an annual basis. {5 U.S.C and 41 C.F.R. §§ 102-3.5 through 102-3.185}	100%	100%	100%
Members appointed/renewed on an annual basis. {5 U.S.C and 41 C.F.R. §§ 102-3.5 through 102-3.185}	100%	100%	100%
Number of previous per calendar year - Closed or Partially Closed Report (applies to all committees) by 31 March Annually {Government in Sunshine Act}	100%	100%	100%
Annual Comprehensive Review as of 30 September {Federal Advisory Committee Act, Section 7}	100%	100%	100%

Ensure compliance with statutory, regulations, and agency-wide governance requirements, and continuous monitoring of implementation. Exercise control and supervision over the establishment, procedures, and accomplishments of approximately 45 DoD advisory committees.

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

The Under Secretary of Defense for Intelligence (USD(I)) is the principal staff assistant and advisor to the Secretary of Defense and the Deputy Secretary of Defense on Defense intelligence, counterintelligence, security, sensitive activities to include

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IV. Performance Criteria and Evaluation Summary:

cover, military deception, operations security, 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 OUSD (I) programs.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Human Intelligence (HUMINT) and Sensitive Activities			
Cover oversight Reviews	4	4	5
Clandestine Quarterly Reports	4	4	4
Cover Plan/Annex Reviews	92	80	80
Cover Incident Reports	39	40	40
Senior Review Forums	1	2	2
HUMINT Oversight Assessments	3	3	3
HUMINT Operations Reviews/Coordination	16	20	25

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IV. Performance Criteria and Evaluation Summary:

HUMINT Defense Attaché Program Reviews /Coordination	30	35	35
HUMINT Advance Skills Training Programs Oversight/Coordination	4	4	4

Per DoD Directive 5143.01, USD(I) is responsible for establishing policy and providing oversight of the Defense Cover Program and the Defense Human Intelligence (HUMINT) Enterprise. The HUMINT and Sensitive Activities (H&SA) is the responsible directorate for these activities. Quarterly, H&SA conducts a strategic oversight review of a Defense Cover Component, assessing the effectiveness of the program and compliance with policy.

H&SA also reviews all DoD Component cover plans and annexes for compliance with policy per DoD Instruction 5105.63, facilitates the bi-annual Senior Review Forum for cover, and assesses all serious incident reports pertaining to the Defense Cover Program. Periodically, and in accordance with DoDD S-5200.37, H&SA conducts assessments of DoD HUMINT components evaluating the effectiveness of their program and ensuring compliance with applicable laws, Executive Orders, and policy.

Additionally, a classified annex to the Annual Defense Appropriations Act directs the DoD to provide quarterly reports on certain clandestine activities conducted by the department. H&SA compiles and reviews inputs from the DoD components and distributes the quarterly report to six Congressional committees and senior Executive Branch officials. The directorate also coordinates OSD-level approvals to conduct certain compartmented activities, conducts periodic reviews of these activities, and prepares/coordinates reports to the USD (I), the Secretary of Defense, and

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IV. Performance Criteria and Evaluation Summary:

Congressional oversight committees.

H&SA provides governance, oversight, coordination, and reporting on other sensitive activities and programs for which metrics are in place and available on classified mediums.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Reform the Department of Defense (DoD) Personnel Security Clearance			
DoD is moving toward a continuous evaluation model to monitor the riskiest population of cleared personnel.	250K Personnel	500K Personnel	1,000K Personnel
DoD will build and implement an automated records check (ARC) prototype to replace periodic reinvestigations (PRs).	0	1,000 PRs replaced by ARC	5,000 PRs replaced by ARC

DoD will continue to modernize the security clearance investigations process to counter cost increases associated with the loss of Office of Personnel Management (OPM's) primary investigation provider and the OPM breach. These cost increases continue to

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IV. Performance Criteria and Evaluation Summary:

present budget forecasting challenges. DoD accounts for 84% of OPM's personnel security clearances workload and therefore is the most impacted by cost increases and the current backlog. DoD will leverage automation to reduce risk and costs associated with meeting Federal Investigative Standards.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Compliance, Currency, and Relevance of DoD Counterintelligence and Credibility Assessment Policies			
Review 100% of existing policy documents and revise or cancel as appropriate.	100%	100%	100%
Conduct Counterintelligence (CI) and Credibility Assessment oversight reviews to ensure component compliance with DoD and national-level policy.	5	5	8

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IV. Performance Criteria and Evaluation Summary:

Assessments of significant CI investigations, operations, and activities.	6	10	10
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The Counterintelligence & Security Directorate is responsible for developing new and updating current policy issuances related to CI and Credibility Assessment (CA). The Directorate is also responsible for conducting policy oversight assessments which directly tie into the mission to ensure policy compliance, currency, and relevance. The assessments are conducted by visiting all DoD components every three years. Additionally, the CI Division reviews significant CI investigations, operations, and activities to ensure compliance with law and policy.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Intelligence Analysis & Partner Engagement Policies and Strategies			

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IV. Performance Criteria and Evaluation Summary:

Conduct quarterly reviews of Intelligence Analysis requirements policies, procedures, and tools to include policy gaps gleaned through oversight assessments and reviews. Identify issuances to develop or modify existing requirements process. Complete draft issuance submission within a target time period of no more than six months.	100%	100%	100%
Provide the USD (I) with strategic recommendations for foreign partner engagements and provide guidance to the Defense Intelligence Components on foreign partnerships.	100%	100%	100%
Orchestrate drafting and approval of Defense Intelligence Enterprise (DIE) Action Plans on select priority issues from the foreign partner engagement strategy.	8 Plans	2 Plans	2 Plans
Monitor Defense intelligence components progress on implementing the foreign partner engagement strategy by providing oversight to DIE Action Plans and select priority issues from the strategy through the Defense Intelligence Partner Engagement Synchronization Board.	100%	100%	100%

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IV. Performance Criteria and Evaluation Summary:

Manage Defense Intelligence Strategic Dialogues (DISD) and other bilateral senior-level committees with select foreign partners.	2 Events	3 Events	3 Events
Manage and support foreign delegation visits to the USD (I) and trips overseas by providing the USD (I) with preparatory material, talking points, and foreign partner coordination support.	100%	100%	100%
Develop, draft, coordinate, and finalize DoD Directive on Publicly Available Information (PAI) to increase efficiencies, reinforce intelligence oversight regulations, and provide guidance on using PAI. A DoDI specific to intelligence will follow.	30%	70%	100%

Defense Analysis and Partner Engagement (DA&PE) leads the Defense Enterprise in policy development and oversight of defense analysis and partner engagement to provide decision makers with decision advantage and foster intelligence relationships with key foreign partners. DA&PE is responsible for developing policies and procedures to structure and guide DoD intelligence analysis. DA&PE is responsible for ensuring foreign partnerships are effective and efficient in support of Defense intelligence. DA&PE also develops policies and strategies for sharing classified military intelligence with foreign partners.

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IV. Performance Criteria and Evaluation Summary:

In FY 2017, USD(I) signed DoDI "Management and Oversight of DoD All-Source Analysis," which addresses roles, responsibilities, and analytic standards within the Defense intelligence all-source analysis community. In FY 2016, the USD (I) signed a "Strengthening Defense Intelligence Analysis" (DIA) memorandum that provides guidance and emphasis areas for defense analysis efforts.

In FY 2016, DA&PE facilitated actions to implement the strategy and synchronize DIE partner engagement activities. DA&PE facilitates the DIE's development of Action Plans on select priority countries from the strategy. The Action Plans establish DIE-wide coordinated partner engagement implementation actions with a country. DA&PE established and manages a senior-level Defense Intelligence Partner Engagement Synchronization Board (DIPE Sync Board) to synchronize partner engagement actions and engagements across the DIE. DA&PE also conducts Defense Intelligence Strategic Dialogues (DISD) and bilateral senior-level committees with select foreign partners to advance the relationships and make progress on relationship needs. Additionally, DA&PE manages foreign delegation visits to the USD (I) and trips overseas by providing the USD (I) with preparatory material, talking points, and foreign partner coordination support. These activities are informing the next version of the USD (I)'s Foreign Partner Engagement Strategy to be issued in 2017.

In FY 2016, DA&PE developed and drafted a DoD Directive on Publicly Available Information (PAI), which is expected to be published in FY 2017. This policy fills a critical gap identified by the intelligence and operational communities to provide boundaries on the use of PAI. It also reinforces intelligence oversight and civil liberty requirements and will help synchronize and deconflict PAI activities across the

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IV. Performance Criteria and Evaluation Summary:

DoD.

Major Program Title: Intelligence Mission

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Intelligence Analysis Oversight			
Conduct analytic Oversight Program site visits of selected Defense intelligence components to evaluate the implementation of analysis policies and the management of analysis.	0	4	4

The DA&PE Directorate is responsible for evaluating current and developing new policies and procedures to structure and guide intelligence analysis, foreign partnership engagement, and foreign disclosure. DA&PE also provides oversight and guidance on crucial areas such as defense warning; including capability, tools, training and education, and integration; and all-source analysis certification.

In FY 2016, DA&PE began developing a formal oversight construct to visit and evaluate Defense intelligence analysis (including defense warning) at DoD analytic components over a two year cycle. Combined with increased participation on existing boards, committees, and other structures, these inputs will allow DA&PE to assess and influence improvements to intelligence analysis at both the component level and across the DIE. Through these oversight mechanisms, DA&PE evaluates policy compliance, intelligence customer support, and capabilities required to address current and future needs of DoD. This allows for a more holistic approach to improving the DIE, as well as improving our ability to exercise our oversight roles associated with foreign partnership engagements and foreign disclosure. These improvements to intelligence analysis coupled with better

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IV. Performance Criteria and Evaluation Summary:

understanding and integration of foreign partner capacity will lead to increased mission sharing, improved quality of intelligence products, and better intelligence support for both the warfighter and policy customers.

Major Program Title: Defense Military Deception (MILDEC) Program Office

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Policy Oversight (DoD Military Deception)			
OSD-level Policy Reviews and Updates.	100%	100%	100%
Review Ongoing Operational MILDEC Activities.	100%	100%	100%
MILDEC Plan Reviews.	100%	100%	100%

In accordance with DoD Instruction S-3604.01, the H&SA directorate establishes OSD-level policy, provides oversight, and oversees the Defense MILDEC Program. H&SA reviews and deconflicts all proposed combatant command MILDEC activities developed as supporting plans to Joint Strategic Capability Plan-directed contingency and operational plans submitted for review using the Adaptive Planning and Execution Process. H&SA is responsible to review operational MILDEC activities conducted in support of ongoing combatant command operations. H&SA conducts quarterly oversight reviews of ongoing MILDEC operations in collaboration with the Joint Staff and the Office of the Under Secretary for Policy to assess policy compliance and to ensure senior leader awareness. H&SA reports MILDEC program compliance to the USD (I), Secretary of Defense, and Congressional oversight committees. Actual numbers are available on classified mediums.

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IV. Performance Criteria and Evaluation Summary:

Major Program Title: Defense Operations Security Initiative

Measure Description	Actual	Projected	
	FY 2016	FY 2017	FY 2018
Complete annual reviews of DoD component Operations Security (OPSEC) programs.	100%	100%	100%
Review existing Department-level OPSEC policy documents and either revise, cancel, or extend the issuance.	100%	100%	100%
DoD OPSEC Education and Training Program of Instruction Reviews	0	3	3
OPSEC Staff Assistance Visits.	2	4	4
OPSEC Oversight Reviews.	2	4	4
OPSEC Oversight Forums.	3	6	6

In accordance with DoDD 5205.02E, the Defense Operations Security Initiative (DOSI) program lead provides oversight of the Defense OPSEC program. The OUSD (I) staff ensures the operational effectiveness of component programs. In FY 2016, the DoD OPSEC program staff continued providing oversight of component programs and assistance as required. The OUSD (I) staff additionally supported the roles and responsibilities

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IV. Performance Criteria and Evaluation Summary:

of the established oversight council. Additionally in FY 2016, the oversight council began revising and developing DoD OPSEC program standards and assessment criteria to meet the implementation needs for DoD OPSEC programs by FY 2018. These evaluating criteria look at education and training requirements; research, development, test and evaluation activities; OPSEC support elements; component visits; annual reporting; program effectiveness; and to explore developing a Defense-wide OPSEC awards program. Historically, DOSI conducted Program of Instruction Reviews (POI), which will resume in FY 2017 that aligns with newly developed standards.

IV. Performance Criteria and Evaluation Summary:

Major Program Title: Information Enterprise

Measure/Description	Actual FY16	Projected FY17	Projected FY18
Optimize and protect DoD critical infrastructure.			
Metric #1: Cumulative percentage of NIPR/SIPR Security Stacks (JRSS) installed and ready for operational traffic for NIPR/SIPR.	75%/56%	90%/80%	100%/100%
Metric #2: Cumulative percentage of DSS locations whose network communications have migrated behind JRSS Security Stacks on NIPR/SIPR.	5%/5%	51%/49%	77%/73%

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IV. Performance Criteria and Evaluation Summary:

Metric #3: Number of Data Centers closed.	134	157	480
Metric #4: Cumulative percentage of Mission Partner Environment - Information System (MPE-IS) nodes deployed.	7%	14%	36%

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. 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 area.

E. Department of Defense, Chief Information Officer (DoD(CIO)):

The DoD CIO is the PSA and advisor to the SECDEF 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.

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IV. Performance Criteria and Evaluation Summary:

IV. Performance Criteria and Evaluation Summary:

Major Program Title: Information Enterprise

Measure/Description	Actual FY16	Projected FY17	Projected FY18
Optimize and protect DoD critical infrastructure.			
Metric #1: Cumulative percentage of NIPR/SIPR Security Stacks (JRSS) installed and ready for operational traffic for NIPR/SIPR.	75%/56%	90%/80%	100%/100%
Metric #2: Cumulative percentage of DSS locations whose network communications have migrated behind JRSS Security Stacks on NIPR/SIPR.	5%/5%	51%/49%	77%/73%
Metric #3: Number of Data Centers closed	134	157	480
Metric #4: Cumulative percentage of Mission Partner Environment - Information System (MPE-IS) nodes deployed.	7%	14%	36%

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

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IV. Performance Criteria and Evaluation Summary:

and guidance to support effective implementation of the DoD enabling infrastructure, enterprise services, and effective information management. 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 area.

Major Program Title: C4 Information Infrastructure Capabilities

Measure/Description	Actual	Projected	Projected
	FY16	FY17	FY18
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.	92%	96%	100%
Metric #2: Percentage of secure mobile devices supported by enterprise mobile device management and contracted through DISA.	25%	40%	60%

Investments for C4 Information Infrastructure Capabilities are to assess success of

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IV. Performance Criteria and Evaluation Summary:

critical Department information technology programs and initiatives and engage where 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).

Major Program Title: Cybersecurity

Measure/Description	Actual	Projected	Projected
	FY16	FY17	FY18
Focused cybersecurity to ensure dependable mission execution in the face of a capable cyber adversary.			
Metric #1: Ensure every privileged user logs on via Public Key Infrastructure (PKI)	29%	50%	75%
Metric #2: Move all internet-facing servers to approved Demilitarize Zones (DMZs).	66%	80%	92%
Metric #3: Remove Windows XP and Windows server 2003 and older operating system software from the Entire secret fabric and	95%	97%	98%

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IV. Performance Criteria and Evaluation Summary:

unclassified inventory.			
Metric #3: Implement Host Based Security System.	81%	86%	91%

Cybersecurity investments are critical to implementation and directing information security architectures, providing situational awareness, and making sound risk decision to provide a more defensible information environment and enable safe sharing of information across the enterprise and with mission partners. Ensures DoD has an effective, properly funded cybersecurity 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, Training Transformation, and others. In FY 2017 the top program is CE2T2, which accounts for 94% of P&R's program.

Measure/Description	Actual FY 2016	Projected FY 2017	Projected FY 2018
Metric #1: Percent of validated Combatant Command (CCMD)			

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IV. Performance Criteria and Evaluation Summary:

joint exercise transportation requirements executed with support of the Joint Exercise Transportation Program (JETP) (Target is 80%).	100%	100%	100%
Metric #2: Percent of CCMD Joint Mission-Essential Tasks (JMETS) addressed during CE2T2 exercises (Target is 80%).	53%	70%	80%
Metric #3: Percent of Joint National Training Center (JNTC) Joint Training Coordination Program (JTCP) supportable enabler requests filled (Target is 75%).	96%	85%	85%

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

The CE2T2 program has supported DoD joint training needs, consistent with the national military strategy and program goals and objectives. The program has provided the resources and expertise for training that has:

- Improved the joint, integrated training and full spectrum readiness of DoD components and demonstrated enhanced interoperability with coalition partners at the tactical through strategic levels of operations;
- Assisted the DoD components with the fielding of robust opposing force Capabilities, after action and ground truth instrumentation/capabilities, and improved timeliness of pre-deployment and re-deployment training;

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- Improved Combatant Command TCP and OPPLAN readiness, through regional and country specific engagements and exercises, including exercises with European NATO partner nations; Supported the rebalance between the Middle East and Asia-Pacific regions;
- Deterred aggression and shaped the global security environment through supporting regional partners which improved joint operational access;
- Prepared U.S. forces for responsive and tailored military, humanitarian, disaster relief, and other civil support operations in Africa, South America, and the Pacific regions.

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IV. Performance Criteria and Evaluation Summary:

V. <u>Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/ FY 2017</u>	<u>Change FY 2017/ FY 2018</u>
<u>Active Military End Strength (E/S)</u>	<u>392</u>	<u>359</u>	<u>0</u>	<u>-33</u>	<u>-359</u>
(Total)					
Officer	357	341	0	-16	-341
Enlisted	35	18	0	-17	-18
<u>Reserve Drill Strength (E/S) (Total)</u>	<u>18</u>	<u>17</u>	<u>0</u>	<u>-1</u>	<u>-17</u>
Officer	14	14	0	0	-14
Enlisted	4	3	0	-1	-3
<u>Reservists on Full Time Active Duty (E/S)</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>-10</u>
Officer	9	9	0	0	-9
Enlisted	1	1	0	0	-1
<u>Civilian End Strength (Total)</u>	<u>1,847</u>	<u>1,846</u>	<u>1,800</u>	<u>-1</u>	<u>-46</u>
U.S. Direct Hire	1,847	1,846	1,800	-1	-46
Total Direct Hire	1,847	1,846	1,800	-1	-46
<u>Active Military Average Strength (A/S)</u>	<u>392</u>	<u>376</u>	<u>0</u>	<u>-16</u>	<u>-376</u>
(Total)					
Officer	357	341	0	-16	-341
Enlisted	35	35	0	0	-35
<u>Reserve Drill Strength (A/S) (Total)</u>	<u>18</u>	<u>18</u>	<u>0</u>	<u>0</u>	<u>-18</u>
Officer	14	14	0	0	-14
Enlisted	4	4	0	0	-4
<u>Reservists on Full Time Active Duty (A/S)</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>-10</u>
(Total)					
Officer	9	9	0	0	-9

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IV. Performance Criteria and Evaluation Summary:

V. <u>Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/ FY 2017</u>	<u>Change FY 2017/ FY 2018</u>
Enlisted	1	1	0	0	-1
<u>Civilian FTEs (Total)</u>	<u>1,847</u>	<u>1,846</u>	<u>1,800</u>	<u>-1</u>	<u>-46</u>
U.S. Direct Hire	1,847	1,846	1,800	-1	-46
Total Direct Hire	1,847	1,846	1,800	-1	-46
Average Annual Civilian Salary (\$ in thousands)	192.5	189.8	203.7	-2.7	13.9
<u>Contractor FTEs (Total)</u>	<u>2,656</u>	<u>2,790</u>	<u>3,227</u>	<u>134</u>	<u>437</u>

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IV. Performance Criteria and Evaluation Summary:

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

OP 32 Line	Change			Change			FY 2018 Estimate
	FY 2016 Actual	FY 2016/FY 2017 Price	Program	FY 2017 Estimate	FY 2017/FY 2018 Price	Program	
101 Exec, Gen'l & Spec Scheds	355,180	6,695	-12,071	349,804	6,835	7,839	364,478
103 Wage Board	90	2	48	140	3	-3	140
107 Voluntary Sep Incentives	368	0	132	500	0	1,494	1,994
199 Total Civ Compensation	355,638	6,697	-11,891	350,444	6,838	9,330	366,612
308 Travel of Persons	111,452	2,118	-23,646	89,924	1,798	-73,391	18,331
399 Total Travel	111,452	2,118	-23,646	89,924	1,798	-73,391	18,331
672 PRMRF Purchases	1,273	37	-1,310	0	0	0	0
680 Building Maint Fund Purch	0	0	1,227	1,227	-51	-218	958
699 Total DWCF Purchases	1,273	37	-83	1,227	-51	-218	958
703 JCS Exercises	88,130	-7,932	62,223	142,421	1,851	-144,272	0
708 MSC Chartered Cargo	25,194	1,360	4,450	31,004	-8,309	-22,695	0
719 SDDC Cargo Ops-Port hndlg	1,987	16	41,992	43,995	572	-44,567	0
771 Commercial Transport	68,332	1,298	-50,003	19,627	393	-20,020	0
799 Total Transportation	183,643	-5,258	58,662	237,047	-5,493	-231,554	0
912 Rental Payments to GSA (SLUC)	1,080	21	296	1,397	28	-131	1,294
913 Purchased Utilities (Non-Fund)	177	3	1,929	2,109	42	-2,143	8
914 Purchased Communications (Non-Fund)	1,227	23	36,671	37,921	758	22,878	61,557
915 Rents (Non-GSA)	2,744	52	327,386	330,182	6,604	-56,385	280,401
917 Postal Services (U.S.P.S)	149	3	-152	0	0	0	0
920 Supplies & Materials (Non-Fund)	12,930	246	16,256	29,432	589	-27,442	2,579
921 Printing & Reproduction	199	4	-85	118	2	-110	10
922 Equipment Maintenance By Contract	18,060	343	3,329	21,732	435	-3,741	18,426
923 Facilities Sust, Rest, & Mod by Contract	2,857	54	-2,289	622	12	-539	95

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<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>	
925 Equipment Purchases (Non-Fund)	17,008	323	-13,666	3,665	73	-2,594	1,144
932 Mgt Prof Support Svcs	398,066	7,563	-17,433	388,196	7,764	-69,811	326,149
933 Studies, Analysis & Eval	71,263	1,354	52,173	124,790	2,496	-28,912	98,374
934 Engineering & Tech Svcs	246,250	4,679	-71,914	179,015	3,580	-46,909	135,686
951 Other Costs (Special Personal Svc Pay)	12,566	0	-5,476	7,090	0	8,376	15,466
960 Other Costs (Interest and Dividends)	63	1	-64	0	0	0	0
985 Research & Development, Contracts	5,260	0	-3,015	2,245	0	-1,638	607
986 Medical Care Contracts	3	0	-3	0	0	0	0
987 Other Intra-Govt Purch	468,460	8,901	-301,366	175,995	3,520	-51,971	127,544
988 Grants	44,000	836	-40,087	4,749	95	-318	4,526
989 Other Services	71,448	1,358	-26,279	46,527	931	99,280	146,738
990 IT Contract Support Services	18,938	360	-13,740	5,558	111	70	5,739
999 Total Other Purchases	1,392,748	26,124	-57,529	1,361,343	27,040	-162,040	1,226,343
Total	2,044,754	29,718	-34,487	2,039,985	30,132	-457,873	1,612,244

* The FY 2016 Actual column includes \$91,295.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$31,106.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$34,715.0 thousand of FY 2018 OCO Appropriations funding.

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<u>V. Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/ FY 2017</u>	<u>Change FY 2017/ FY 2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>392</u>	<u>359</u>	<u>341</u>	<u>-33</u>	<u>-18</u>
Officer	357	341	321	-16	-20
Enlisted	35	18	20	-17	2
<u>Reserve Drill Strength (E/S) (Total)</u>	<u>18</u>	<u>17</u>	<u>17</u>	<u>-1</u>	<u>0</u>
Officer	14	14	14	0	0
Enlisted	4	3	3	-1	0
<u>Reservists on Full Time Active Duty (E/S)</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>
Officer	9	9	9	0	0
Enlisted	1	1	1	0	0
<u>Civilian End Strength (Total)</u>	<u>1,778</u>	<u>1,860</u>	<u>1,820</u>	<u>82</u>	<u>-40</u>
U.S. Direct Hire	1,778	1,860	1,820	82	-40
Total Direct Hire	1,778	1,860	1,820	82	-40
<u>Active Military Average Strength (A/S) (Total)</u>	<u>392</u>	<u>376</u>	<u>0</u>	<u>-16</u>	<u>-376</u>
Officer	357	341	0	-16	-341
Enlisted	35	35	0	0	-35
<u>Reserve Drill Strength (A/S) (Total)</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>0</u>	<u>0</u>
Officer	14	14	14	0	0
Enlisted	4	4	4	0	0
<u>Reservists on Full Time Active Duty (A/S) (Total)</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>
Officer	9	9	9	0	0
Enlisted	1	1	1	0	0
<u>Civilian FTEs (Total)</u>	<u>1,847</u>	<u>1,846</u>	<u>1,801</u>	<u>-1</u>	<u>-45</u>
U.S. Direct Hire	1,847	1,846	1,801	-1	-45

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<u>V. Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/ FY 2017</u>	<u>Change FY 2017/ FY 2018</u>
Total Direct Hire	1,847	1,846	1,801	-1	-45
Average Annual Civilian Salary (\$ in thousands)	192.5	189.8	203.6	-2.7	13.8
<u>Contractor FTEs (Total)</u>	<u>2,656</u>	<u>2,790</u>	<u>2,024</u>	<u>134</u>	<u>-766</u>

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

<u>OP 32 Line</u>	<u>FY 2016</u>	<u>Change</u>		<u>FY 2017</u>	<u>Change</u>		<u>FY 2018</u>
		<u>FY 2016/FY 2017</u>			<u>FY 2017/FY 2018</u>		
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
101 Exec, Gen'l & Spec Scheds	355,180	6,695	-12,071	349,804	6,835	7,839	364,478
103 Wage Board	90	2	48	140	3	-3	140
107 Voluntary Sep Incentives	368	0	132	500	0	1,494	1,994
199 Total Civ Compensation	355,638	6,697	-11,891	350,444	6,838	9,330	366,612
308 Travel of Persons	111,452	2,118	-23,646	89,924	1,798	-73,391	18,331
399 Total Travel	111,452	2,118	-23,646	89,924	1,798	-73,391	18,331
672 PRMRF Purchases	1,273	37	-1,310	0	0	0	0
680 Building Maint Fund Purch	0	0	1,227	1,227	-51	-218	958
699 Total DWCF Purchases	1,273	37	-83	1,227	-51	-218	958
703 JCS Exercises	88,130	-7,932	62,223	142,421	1,851	-144,272	0
708 MSC Chartered Cargo	25,194	1,360	4,450	31,004	-8,309	-22,695	0
719 SDDC Cargo Ops-Port hndlg	1,987	16	41,992	43,995	572	-44,567	0
771 Commercial Transport	68,332	1,298	-50,003	19,627	393	-20,020	0
799 Total Transportation	183,643	-5,258	58,662	237,047	-5,493	-231,554	0
912 Rental Payments to GSA (SLUC)	1,080	21	296	1,397	28	-131	1,294
913 Purchased Utilities (Non-Fund)	177	3	1,929	2,109	42	-2,143	8
914 Purchased Communications (Non-Fund)	1,227	23	36,671	37,921	758	22,878	61,557
915 Rents (Non-GSA)	2,744	52	327,386	330,182	6,604	-56,385	280,401
917 Postal Services (U.S.P.S)	149	3	-152	0	0	0	0
920 Supplies & Materials (Non-Fund)	12,930	246	16,256	29,432	589	-27,442	2,579
921 Printing & Reproduction	199	4	-85	118	2	-110	10
922 Equipment Maintenance By Contract	18,060	343	3,329	21,732	435	-3,741	18,426
923 Facilities Sust, Rest, & Mod by Contract	2,857	54	-2,289	622	12	-539	95
925 Equipment Purchases (Non-Fund)	17,008	323	-13,666	3,665	73	-2,594	1,144
932 Mgt Prof Support Svcs	398,066	7,563	-17,433	388,196	7,764	-69,811	326,149
933 Studies, Analysis & Eval	71,263	1,354	52,173	124,790	2,496	-28,912	98,374

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<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>	
934 Engineering & Tech Svcs	246,250	4,679	-71,914	179,015	3,580	-46,909	135,686
951 Other Costs (Special Personal Svc Pay)	12,566	0	-5,476	7,090	0	8,376	15,466
960 Other Costs (Interest and Dividends)	63	1	-64	0	0	0	0
985 Research & Development, Contracts	5,260	0	-3,015	2,245	0	-1,638	607
986 Medical Care Contracts	3	0	-3	0	0	0	0
987 Other Intra-Govt Purch	468,460	8,901	-301,366	175,995	3,520	-51,971	127,544
988 Grants	44,000	836	-40,087	4,749	95	-318	4,526
989 Other Services	71,448	1,358	-26,279	46,527	931	99,280	146,738
990 IT Contract Support Services	18,938	360	-13,740	5,558	111	70	5,739
999 Total Other Purchases	1,392,748	26,124	-57,529	1,361,343	27,040	-162,040	1,226,343
Total	2,044,754	29,718	-34,487	2,039,985	30,132	-457,873	1,612,244

* The FY 2016 Actual column includes \$86,365.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$31,106.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$34,715.0 thousand of FY 2018 OCO Appropriations funding.