

**OFFICE OF THE
SECRETARY OF DEFENSE**

FISCAL YEAR (FY) 2002 AMENDED BUDGET SUBMISSION

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VOLUME 1
Justification for FY 2002
Operation and Maintenance, Defense-Wide
Office of the Inspector General
U.S. Court of Appeals for the Armed Forces
Overseas Humanitarian, Disaster and Civic Aid
Former Soviet Union Threat Reduction
Support for International Sporting Competitions

OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

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OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 BUDGET ESTIMATES

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OPERATION AND MAINTENANCE, DEFENSE -WIDE

<u>(\$ in Millions)</u>						
FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
11,661.4	+345.6	+116.9	12,123.9	+315.8	+78.9	12,518.6

The Operation and Maintenance, Defense-Wide (O&M, D-W) appropriation supports a wide range of programs which have been consolidated to achieve maximum efficiency by avoiding overlap and duplication among the Services. The Defense Agencies are essential to the accomplishment of the missions of the Military Departments. Functions of the various Agencies include direct readiness programs including O&M funding for all special operations forces; mobilization programs; training and education programs; and administration and servicewide activities (e.g., intelligence activities, audit and contract management activities, treaty implementation, nuclear weapons management and analysis, dependent education, civilian and military personnel support, and management support to the Department). Additionally, this appropriation provides O&M funding for all Special Operations Forces.

At the summary level, the net change from FY 2001 to FY 2002 for O&M, D-W is an increase of \$394.7 million and includes price growth of \$315.8 million and a net program increase of \$78.9 million (+0.6 percent).

Major Program Changes

Highlights of program changes between FY 2001 and FY 2002 to include functional realignments are as follows:

- Functional Transfers In: Primarily for the functional realignment of responsibility for of contingency operations funding to the United States Special Operations Command (USSOCOM) and Defense Threat Reduction Agency (DTRA) from the Overseas Contingency Operations Transfer Fund; the Terrorist Device Defeat and Balance Survivability Assessments programs to DTRA's O&M, D-W from their Research, Development, Technology and Evaluation, Defense-Wide (RDT&E,D-W) appropriation; the Universal Beneficiary Card program to Defense Human Resource Agency (DHRA) from the Defense Health Program; and the Joint Warfighting Capabilities Assessment program to The Joint Staff (TJS) from the Services.

(\$ in Millions)

+78.9

+53.8

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(\$ in Millions)

- Functional Transfers Out: Primarily for the functional realignment of responsibility for programs such as the Universal Service Fee (USF) to the Defense Information Systems Agency's (DISA) customers, the Defense Environmental Security Corporate Information System (DESCIM) from the Office of the Secretary of Defense (OSD) to the Army, the Defense Integrated Military Human Resources System (DIMHRS) from DHRA to the Navy, the Exercise Northern Edge from TJS to the Services, and the Computer Network Defense from DISA to United States SPACE Command. -52.2
- FY 2001 DoD Appropriations Act congressional adds and earmarks not continued in FY 2002. -233.0
- Classified Agencies: National Imagery and Mapping Agency (NIMA), National Security Agency (NSA), and Defense Intelligence Agency (DIA). +357.4
- Classified Special Programs: FY 1999 Emergency Supplemental (\$-212.8 million) and Special Access Programs (\$-2.0 million). -214.8
- Net Other Program Changes +167.7

A brief description of the major budget activities, along with a description of significant changes between FY 2001 and FY 2002 follows:

Budget Activity 1: Operating Forces

<u>(\$ in Millions)</u>						
FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
1,649.6	+97.9	-98.7	1,648.8	+20.1	+109.7	1,778.6

Budget Activity 1 funds the following:

The operational activities of the U.S. Special Operations Command (USSOCOM), which provides vital and critical warfighting capability to the United States. The funds provide for:

- The deployment of special warfare operations worldwide to include unique infiltration and exfiltration capabilities;
- The training of Special Operations Forces (SOF) warfighting personnel;
- The transportation of unique and special equipment and SOF personnel to any location;
- The participation of SOF units in overseas contingency operations; and
- The operation and maintenance of SOF equipment.

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The operational activities of The Joint Staff (TJS), which support the Chairman, Joint Chiefs of Staff (CJCS), provide the funds for:

- CJCS command and control of U.S. military forces worldwide;
- Presidential and National Security Council support;
- Coordination of joint training exercises with the Services and the Defense Agencies and the transportation requirements of the CJCS Exercise Program; and
- Development of warfighting models to improve joint training and command and control of deployed U.S. and allied forces.

From FY 2001 to FY 2002, the Operating Forces budget activity increases by \$129.8 million. The increased funding includes price growth of \$20.1 million and program growth increase of \$109.7 million (+6.6 percent). Major program increases include:

Functional Transfers (\$+7.8 million):

Transfers-In (\$+15.2 million): Transfers \$15.2 million to USSOCOM for contingency operations from the Overseas Contingency Operations Transfer Fund for Southwest Asia operations.

Transfers-Out (\$-7.4 million): Transfers \$4.8 million from TJS to the Services for Exercise Northern Edge and \$1.8 million from the Chairman of TJS Exercise program to the Navy for the U.S. Joint Forces Command, who has a requirement for contractor travel, the Commercial Ticketing Program. Also, transfers \$0.8 million from TJS O&M,D-W appropriation to its RDT&E, D-W appropriation for the Joint Warrior Interoperability Demonstration project.

Other Program Changes (\$+101.9 million):

SOF Readiness (\$+93.3 million): Provides additional funds for Combat Development Activities (\$21.4 million), Anti-Terrorism/ Force Protection and Contingency Operations (\$1.7 million), SOF Training Systems and ranges (\$12.8 million), an increase of 115 full-time equivalents (FTEs) (i.e., 36 for the United States Army Special Operations Command (USASOC) and 60 for the Air Force Special Operations Command (AFSOC), 17 for Naval Special Warfare Special Operations Command, and 2 for United States Special Operation Joint Forces Command (SOCJFCOM)) (\$6.9 million), and the Alert Posture program (\$8.7 million). Also provides additional funds for the Public Key Infrastructure and Command, Control, Communication, and Intelligence Automation System Capital Equipment Replacement Programs (\$3.3 million), collateral equipment associated with SOF projects (\$7.5 million), Patrol Coastal (PC) ship steaming program and cyclic equipment purchases (\$3.5 million), sustainment of SOF Connectivity Systems (\$3.7 million), and an increase for new cost-per-flying

OPERATION AND MAINTENANCE, DEFENSE-WIDE

hour factors (\$23.3 million). Finally, adds funds for Focus Relief requirements (\$9.0 million) and sustainment of the replacement Special Operations riverine craft and the E/160th Special Operations Aviation Regiment (\$5.2 million). Partially offsetting these increases are reductions in funding for the decommissioning PC ships 5 and 6 and the removal of PC 7 from the Depot Phased Maintenance Availability (\$5.6 million), the descoping of several programs to meet total ownership savings goals (\$3.6 million), the Systems Engineering Technical Assistance requirements for the Air Force Special Operations Command (\$1.4 million), and Systems Program Office overhead (\$3.1 million).

CJCS Exercise Program (\$0.0 million) – Provides funding increases for commercial airlift augmentation (\$3.7 million), unanticipated Military Sealift Command Surcharges (\$3.8 million), and settlement of the Special Middle East Sealift contract dispute (\$0.6 million). Offsetting these increases are reductions in funding for C-17 equivalent flying hours and steaming days (\$ 4.6 million); and other exercise program adjustments (\$3.5 million).

Combating Terrorism Readiness Initiative Funds (\$+7.2 million) – Provides additional funds to address antiterrorism and force protection findings/recommendations identified by the COLE Commission’s review of the terrorist attack on the U.S.S. Cole. The COLE Commission recommended that funds be made available to provide the means and flexibility for the CJCS and the CINCs to rapidly respond to terrorist threats.

CINC Initiative Funds (\$-3.0 million) – Provides for a reduction to fund higher priority CJCS exercise commercial airlift augmentation and Military Sealift Command requirements, and settlement of the special Middle East sealift contract dispute.

Total Other BA – 1 Net Program Changes (\$+4.4 million) – Provides for additional funding for various operating forces programs.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

Budget Activity 2: Mobilization

	(\$ in Millions)					
<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
38.2	+0.6	+13.8	52.6	+0.9	-8.8	44.7

Budget Activity 2 funds the Defense Logistics Agency (DLA) Warstoppers Program -- a program that procures supply items and preserves critical industrial capabilities that do not have a peacetime demand sufficient to maintain an industrial base to support a mobilization surge in requirements. Items purchased include medical supplies, chemical protective clothing, nerve agent antidotes, and the equipment to produce tray packs and meals ready-to-eat (MRE). The program also purchases and stores Halon 1301 as part of the Ozone Depleting Substances (ODS) Reserve Program.

From FY 2001 to FY 2002, the Mobilization budget activity reflects a net reduction of \$7.9 million. This includes price growth of \$0.9 million and a real program reduction of \$8.8 million (-16.4 percent).

Other Programs Changes (\$-8.8 million):

DLA Mobilization (\$-7.6 million) – The chemical protective clothing program decreases with the completion of the FY 2001 procurement of long lead-time fabric liner components and other industrial actions.

DLA Mobilization (\$-2.5 million) – The ODS funding decrease reflects a planned reduction in the procurement of Halon 1301 for the reserve program. The purchase of the remaining reserve program is to be completed by FY 2003.

Medical Readiness (\$+1.8 million) – Medical Readiness is increased for expansion of the Corporate Exigency Contracts and Vendor Managed Inventory programs and stock rotation industrial readiness measures that provide DoD with a ready stock of wartime medical supplies without having to own and manage the stocks. These programs are aimed at reducing the approximately \$780 million wartime planning shortfall in available stocks of medical supplies.

Total Other BA-2 Net Program Changes (\$-0.5 million)

OPERATION AND MAINTENANCE, DEFENSE-WIDE

Budget Activity 3: Training and Recruiting

FY 2000	Price	Program	(\$ in Millions)	Price	Program	FY 2002
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
227.4	+5.4	+26.5	259.3	+5.6	+6.6	271.5

Budget Activity 3 funds the following schools; the organization responsible for the school is identified also:

- Defense Information School – American Forces Information Service (AFIS)
- Defense Acquisition University (DAU)
- Defense Contract Audit Institute – Defense Contract Audit Agency (DCAA)
- Defense Leadership and Management Program (DLAMP) – DHRA
- Joint Recruiting and Advertising Program (JRAP) - DHRA
- DoD Polygraph Institute – Defense Security Service (DSS)
- Defense Nuclear Weapons School (DNWS) – DTRA
- Financial Management and Executive Training Program (FMET) - Defense Finance and Accounting Service (DFAS)
- Special Operations Related Education and Training – USSOCOM
- Special Operations Medical Training Center (SOMTC) – USSOCOM
- The Naval Special Warfare Center (NSWCEN) – USSOCOM
- The USAF Special Operations School (USAFSOS) – USSOCOM
- The Special Operations Forces (SOF) Language Training School – USSOCOM
- The Naval Small Craft Instruction and Technical Training School - USSOCOM
- United States Army John F. Kennedy Special Warfare Center (USAJFKSWC) - USSOCOM
- Joint Special Operations University (JSOU) - USSOCOM

From FY 2001 to FY 2002, the Training and Education budget activity increases by \$12.2 million. The increase includes price growth of \$5.6 million and a program increase of \$6.6 million (+2.5 percent).

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Functional Transfers Out (\$-6.0 million):

DFAS FMET program (\$-6.0 million) - Transfers \$6.0 million from DFAS direct funding to the DFAS' Working Capital Fund rates in accordance with the incremental transfer of the FMET to the Defense Working Capital Fund by FY 2003.

One-Time Congressional Adjustments (\$-4.0 million): FY 2001 DoD Appropriations Act congressional adds not continued in FY 2002.

DHRA --Joint Recruiting and Advertising Program (JRAP) (\$-2.0 million)

DAU – Information Technology (IT) Organizational Composition Research (\$-2.0 million).

Other Program Changes (\$+16.6 million):

Education (\$+14.2 million): Provides funds to standup the DLAMP instructional facility at Sturbridge, MA and increases funding for the DLAMP core program to support the phased increase in student load, instructor course development and delivery, facility operations, student travel, rotational assignments, and participant backfill (\$+14.4 million) and other education program adjustments (\$+0.7 million).

Partially offsetting these increases is a reduction in funding for student travel as a result of savings generated by distance learning programs (\$-1.0 million).

Readiness (\$+1.0 million): Provides additional funding to support a DoD-wide military recruiting market research and advertising initiative, JRAP, which provides educators of youth to increase their likelihood of recommending military service as a viable alternative (\$+1.0 million).

Total Other BA-3 Net Program Changes (\$+1.4 million)

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Budget Activity 4: Administration and Servicewide Activities

	(\$ in Millions)					
FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
9,746.2	+241.7	+175.3	10,163.2	+289.2	-28.6	10,423.8

Budget Activity 4 funds the following:

- Overall management of the Department of Defense - The Office of the Secretary of Defense (OSD), TJS, Washington Headquarters Services (WHS), and Defense Legal Services Agency (DLSA)
- Contract audit and administration - DCAA and the Defense Contract Management Agency (DCMA)
- National Industrial Security Program - DSS
- Nuclear and advanced weapons effects expertise, treaty verification, and technology security – DTRA
- Education of Military Dependents - Department of Defense Dependents Education Activity (DoDEA)
- Communications activities controlling worldwide strategic communications services - DISA
- Central management of Prisoner of War/Missing Personnel affairs within the DoD - DoD Prisoner of War/Missing Personnel Office (DPMO)
- Civilian Personnel Management - DHRA
- Information, audiovisual, and visual information activities – AFIS
- Technical and financial assistance to communities affected by base closures – Office of Economic Adjustment (OEA)
- Defense-Wide Logistics Services - Defense Logistics Agency (DLA)
- Program management and implementation support to humanitarian assistance and demining programs - Defense Security Cooperation Agency (DSCA)
- Intelligence functions and other classified activities - DIA, NSA, NIMA, and Special Programs.
- Outreach and service programs benefiting communities and youth - Civil Military Programs (CMP)

The net change from FY 2001 to FY 2002 for Budget Activity 4 is \$260.6 million and includes price growth of \$289.2 million and a net program decrease of \$28.6 million (-0.3 percent).

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Functional Transfers (\$-0.2 million):

Transfers In (\$+38.6 million):

Transfers \$3.8 million from the White House Communications Agency to the DISA for transportation of personnel and equipment by the Air Force.

Transfers \$5.9 million from the Defense Health Program to the DHRA for the Universal Beneficiary Card.

Transfers \$0.2 million from the Office of the Inspector General (OIG) to the DHRA for an audit of the Military Retirement Trust Fund.

Transfers \$3.7 million from the Overseas Contingency Operations Transfer Fund (OCOTF) to the DTRA's O&M,D-W appropriation. The OCOTF is used to finance contingency operations that are so variable in scope, duration, and intensity that they cannot be financed via DoD Component appropriations without causing a readiness impact. The Southwest Asia (SWA) operation has become stable enough to finance via DoD Component appropriations. Therefore, beginning in FY 2002 SWA requirements will cease to be funded via the OCOTF.

Transfers \$12.1 million from DTRA's RDT&E, D-W appropriation to its O&M,D-W appropriation for the Terrorist Device Defeat program (\$7.5 million) and for balanced survivability assessments (Counterproliferation) (\$4.6 million).

Transfers \$5.6 million from the Services to TJS for Joint Warfighting Capabilities Assessment (JWCA).

Transfers \$4.5 million to DLA's RDT&E, D-W appropriation to its O&M, D-W appropriation for the Defense Property Accountability System for software upgrades.

Other Transfers In - \$2.8 million.

Transfers Out (\$-38.8 million):

Transfers \$3.9 million from the DISA to the Air Force for the USSPACECOM for Computer Network Defense.

Transfers \$6.5 million from the DHRA to the Navy, the executive agent for the Defense Integrated Military Human Resources System (DIMHRS), to properly align the funding with the appropriate agency and appropriation.

Transfers \$9.0 million from OSD to the Army for the operation of various environmental information management programs.

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Transfers \$5.0 million from OSD’s O&M, D-W appropriation to its RDT&E, D-W appropriation for proper execution of the Command Information Superiority Architecture program.

Transfers \$0.9 million from TJS’s O&M, D-W appropriation to the Services’ O&M appropriations to backfill the CINCs for military billets transferred to USSPACECOM.

Transfers \$2.5 million from TJS’s O&M, D-W appropriation to the Military Construction, Defense-Wide appropriation to finance the Pentagon Athletic Center.

Transfers \$11.0 million from the DISA to their customers for the Universal Services Fee (USF) subsidy that is no longer included in the budget.

FY 2001 Congressional Adds (Excludes Classified Activities) (\$-228.9 million): The FY 2002 estimate for Administration and Servicewide Activities reflects a decrease of \$228.9 million for congressional adds funded in FY 2001 but not continued in FY 2002, as listed below:

CMP – Individual Readiness Training	-10.4	OSD – Pacific Command Regional Initiative	-20.3
CMP – Youth Development and Leadership Opportunities	-0.5	OSD – Center for Preservation of Democracy	-20.3
CMP – STARBASE	-4.1	OSD – Legacy Resource Management	-12.2
DFAS – Mechanization of Contract Administration Service (MOCAS)	-1.0	OSD – Indian Lands Mitigation	-10.2
DLA – Aging Aircraft Program	-4.1	OSD – Measurement and Signals Intelligence Feasibility	-10.2
DLA – Generalized Emulation of Microcircuits	-2.2	OSD – Grant to United Services Organization (USO)	-7.6
DoDEA – Impact Aid	-35.5	OSD – Commercial Tech for Maint Activities	-6.1
DoDEA – Special Education Support	-5.1	OSD – Grant to Red Cross	-5.1
DoDEA – High Desert Partnership	-5.1	OSD – Command Information Superiority Architecture	-5.0
DoDEA – Galena International Distance Education of Alaska	-4.1	OSD – Energy Savings Performance Contracts	-4.1
DoDEA – Youth at Risk – Family Advocacy Program	-2.0	OSD – Facilities Infrastructure and Engineering	-4.1

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			System Data Capture Program	
DoDEA – Math Program Skill Set Kits	-0.6	OSD –	D-Day Museum	-2.1
DoDEA – Math Leadership	-0.6	OSD –	Bosque Redondo Memorial	-2.0
OEA – Fitzsimmons Army Hospital	-10.2	OSD –	Oakland Military Institute (no-year)	-2.0
OEA – Charleston Naval Shipyard	-10.2	OSD –	Clara Barton Center	-1.5
OEA – Adak Reuse Support	-7.1	OSD –	Middle East Security Issues	-1.0
OEA – Naval Air Station Cecil Field	-3.0	OSD –	National Flag Foundation	-1.0
OEA – Pico Rivera	-2.0	OSD –	Commercial Tech for Maint Activities	-0.8
			Wearable Computers	
OEA – Marine Corps Air Station El Toro	-1.5	TJS –	Joint Multi-Dimensional Education and	-3.0
			Analysis System (JMEANS)	
OEA – Fort Greely	-1.0			

Other Program Changes (\$+200.5 million):

Classified Programs (\$+142.6 million):

Intelligence Agencies (NIMA, DIA, & NSA) (\$+357.4 million)

Special Programs (\$-214.8 million) - Reflects reduced funding resulting from the execution of the remaining funds from the FY 1999 Emergency Supplemental Appropriation (P.L. 106-31) in FY 2001 (\$-212.8 million) and a reduction in Special Access Programs (\$-2.0 million).

Business Practice and Financial Management Improvements (\$+19.7 million):

DHRA (\$+2.4 million) – Funds increased enhancements and sustainment of the modern Defense Civilian Personnel Data System (DCPDS) including PKI requirements (\$+6.5 million), and the workforce screening project to reduce the backlog of personnel security investigations (\$+1.0 million). Partially offsetting these increases is a reduction in funding for the termination of the Defense Integrated Travel Relocation Solutions Office (DITRS) (\$-2.5 million) and a reduction in requirements for Common Access Card stock that will be procured by the Components (\$-2.6 million).

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WHS (\$+22.6 million) - Funds the completion of operational and scalability testing of the Defense Travel System (DTS) and deployment of the DTS to pilot and high volume sites.

OSD (\$+1.6 million) – Increases funding for the Commercial Practices Initiative to improve the performance of acquisition workforce personnel.

DCMA (\$+0.7 million) – Increases funding for the Standard Procurement System program to achieve full operational capability across DoD by FY 2003.

DoDEA (\$-7.7 million) – Reduces civilian personnel for above school level administrative staffing (-54 FTEs) and management headquarters (-3 FTEs).

TJS (\$+1.4 million) – Funds an increase for the Joint Deployment and Distribution Process Improvements initiative (\$+0.9 million) and the Focused Logistics program (\$+0.5 million).

DLA (\$-4.7 million) – Reduces funding for the Joint Total Asset Visibility program (\$-1.1 million) and the Defense Property Accountability System (\$-3.6 million) due to reduced requirements.

Other Business Practices and Financial Management Improvements Net Program Changes (\$+3.4 million)

Information Technology (IT) and Security Initiatives (\$+4.2 million):

DHRA (\$+13.9 million) – Increases funds for the development of the infrastructure to integrate Smart Card technology into the DEERS/RAPIDS infrastructure and to add 2 million records to the DEERS database. Funding will allow for the test and deployment of software that will allow local registration authorities to issue the common access card, with PKI token, as the DoD identification card for military, civilian, and contractor personnel. Further, this increase reflects additional DEERS database requirements created by the growth in military healthcare programs.

WHS (\$+5.2 million) - Supports outsourcing of IT support services and facilities maintenance (\$+1.9 million), operation and maintenance of the new U.S. Exports System (USEXPORTS) (\$+1.1 million), and DoD's requirement to fund a portion of the FIRSTGov.gov and the Federal Chief Information Officer Council (\$+2.2 million).

OPERATION AND MAINTENANCE, DEFENSE-WIDE

DISA (\$+4.1 million) – Funds increased engineering support to implement state of the art technologies necessary to provide rapid growth in global information transfer capabilities, including initial implementation of Multi-Protocol Label Switching (\$+1.1 million). Also adds funding to provide education and training products for DoD Information Assurance. This initiative includes the development of training and awareness materials such as Computer Base Training and Systems Administrator training and certification (\$+3.0 million).

DISA (\$+6.6 million) – Funds sustainment costs required for the integration of Advanced Concept Technology Demonstration (ACTD) tools with existing ACTD components and upcoming releases of the Global Combat Support System (\$+2.9 million). It also funds replacement of White House Communications Agency equipment that is beyond repair and the upgrade and replacement of the Secure Video Teleconferencing System (\$+3.7 million).

DISA (\$-5.4 million) – Reduces funding because of less reliance on Federally Funded Research and Development Centers and increased usage of in-house expertise (\$-1.1 million) and the completion of the program to enhance features in local exchange carrier networks of the Government Emergency Telecommunications Service with full operating capability achieved in FY 2001 (\$-3.3 million). This reduction also reflects a decrease in personnel background investigation requirements (\$-1.0 million).

TJS (\$+3.4 million) – Increase funding for TJS Information Network transition from the Joint Staff Action Processing System and its follow-on successor and for the expansion of the system to accommodate additional users and the increased quantity and size of applications on the system.

DSS (\$-42.4 million) – Reduces funding due to a reduction in requirements related to the backlog of periodic background reinvestigations for contractor personnel (National Industrial Security Program).

OSD (\$+2.1 million) – Increases funding for the Technical Security Countermeasure Program (TSCM) to support the new requirements for the Joint Security Consortium, workforce screening, evaluation of the Department of Energy Foreign Visitor system, and the OSD Security Awareness effort (\$+2.1 million).

OSD (\$+12.3 million) – Increased funding for classified cryptographic activities.

Other IT and Security Net Program Changes (\$+4.4 million)

OPERATION AND MAINTENANCE, DEFENSE-WIDE

Education (\$+26.9 million):

DoDEA (\$+16.5 million) – Continues implementation of the full-day kindergarten and reduced pupil-teacher ratios educational initiatives.

DoDEA (\$+14.5 million) – Adds funds for critical repair and maintenance projects for overseas schools (\$+11.9 million) and growth in the Permanent Change of Station program to accommodate unanticipated increased airfare costs for teacher reassignments, renewal agreement travel, student travel, and the teacher transfer program (\$+2.6 million).

DoDEA (\$+9.0 million) – Funds classroom technology purchases (\$+2.6 million), tuition payments for the attendance at non-DoD dependent schools due to the opening of new embassies, consulates, and NATO headquarters in former Soviet Republics, the Middle East, and Africa (\$+3.2 million), and classroom supplies for overseas schools to accommodate the implementation of full day kindergarten, educational initiatives, and the purchase of replenishment instructional support materials and workbooks (\$+3.2 million).

DoDEA (\$-7.8 million) – Reflects closure of Linwood Elementary School at Warner Robins AFB, Georgia (\$-2.4 million) and the termination of a leased facility resulting from completion of the Anderson Elementary School (GUAM) MILCON project (\$-5.4 million).

DoDEA (\$-13.1 million) – Reflects reduction in facility maintenance to support the DoDDS teacher pay raise.

DoDEA (\$-3.1 million) – Reflects a one-time program decrease for administrative support to the Troops-to-Teachers Program that was transferred-in from the Department of Education in FY 2001.

CMP (\$+5.6 million) – Increases the total number of STARBASE academics from 26 to 39.

Other Education Net Program Changes (\$+5.3 million)

Command and Control (\$+37.5 million):

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DISA (\$+28.4 million) – Increases funding for computer network defense to upgrade servers to monitor cyber intruders and defend the Defense Information Infrastructure.

DISA (\$+9.9 million) – Increases funding to infuse mission application capabilities into the Global Command and Control System (GCCS) (\$+8.4 million) and to sustain operational hardware and software maintenance of the GCCS (\$+1.5 million).

DISA (\$+5.4 million) – Supports the Global Broadcast System (GBS) transponder lease (\$+4.2 million) and increased contractual support for allied coordination for the Joint Warrior Interoperability Demonstrations (JWID) (\$+1.2 million).

DISA (\$-1.8 million) – Reduces funding for the Standard Tactical Entry Point program based on revised Teleport program funding requirements.

DISA (\$-2.4 million) – Reduces funding due to the completion of the Military Strategic and Tactical Relay Satellite voice conferencing project.

DISA (\$-3.5 million) – Reduces funding due to lower costs for the Global Broadcast System (GBS).

DCMA (\$+3.9 million) – Increases funding for the lifecycle replacement of automation hardware and software.

WHS (+2.0 million) – Increases funding for replacement of worn-out White House Military Office communications equipment.

Other Command and Control Net Program Changes (\$-4.4 million)

Threat Reduction (\$18.3 million):

DTRA (\$+3.0 million) – Funds additional program requirements for arms control treaty assumptions and timeline adjustments. Programmatic planning has been phased for treaty implementation based upon official treaty assumptions. However, the annual funding for treaty enter-into-force dates is based upon more realistic timeline assumptions. Increased costs for START, Chemical Weapons, Conventional Armed Forces in Europe Treaty, Plutonium Production Reactor Agreement, Biological Weapons, Open Skies, and other missions (\$+8.6 million). The increases are offset partially by a decrease in the number of Intermediate-Range Nuclear Forces Treaty missions (\$-5.6 million).

OPERATION AND MAINTENANCE, DEFENSE-WIDE

DTRA (\$+12.5 million) – Provides funding for an increase in the number of arms control monitoring stations in Russia (\$+6.0 million) to significantly enhance DoD's ability to assess compliance with treaty requirements, and for the expanded International Counterproliferation (ICP) programs to stem the proliferation of weapons of mass destruction. Also provides additional funding to allow DTRA to expand activities to secure border security and train law enforcement personnel (\$+6.5 million).

DTRA (\$+3.6 million) – Funds requirements for the Nuclear Test Personnel Review program to determine the radiological impact of nuclear atmospheric test on U.S. veterans participating in the tests (\$+1.8 million) and the Nevada test site remediation costs (\$+1.8 million).

DTRA (\$-6.7 million) – Reflects decreases for relocation costs of moving DTRA operations from the Dulles airport facility to temporary modular buildings at Ft. Belvoir (\$-3.1 million), for relocation costs for moving DTRA European operations from Rhein-Main to Darmstadt, Germany (\$-2.1 million), and for GSA rent cost due to delays in relocation within the National Capital Area (\$-1.5 million).

DTRA (\$-5.0 million) – Reflects a decrease in the funding requirement for a project in the Republic of Georgia to eliminate existing Russian ammunition and armament stockpiles. This project will be completed by the end of FY 2001.

DTRA (\$+7.5 million) – Reflects an increase in funding for a classified program.

Other Threat Reduction Net Program Changes (\$+3.4 million)

Readiness (\$+8.4 million):

DSCA (\$+7.1 million) – Increases funding for Partnership for Peace exercises and seminars and International Programs Security Requirements.

TJS (\$1.3 million) – Increases funding for the Combating Terrorism Readiness Initiative Fund to address findings and recommendations of the USS COLE Commission's review of the recent terrorist attack.

Special Programs (\$-40.7 million) - Reflects execution of the Vieques multiyear funding appropriated in the FY 2000 Supplemental Appropriations Act (P.L. 106-246) and brought forward in FY 2001.

Pentagon Maintenance & Renovation (\$-25.9 million):

OPERATION AND MAINTENANCE, DEFENSE-WIDE

TJS (\$-11.0 million) – Reduces funding for payment to the Pentagon Reservation & Maintenance Revolving Fund consistent with changes in the renovation schedule, swing-space leases, furnishings, and above-standard requirements.

TJS (\$+3.0 million) – Increases funding for payment to the Pentagon Reservation & Maintenance Revolving Fund for the construction of the Pentagon Athletic Center (\$+2.5 million), and Pentagon security requirements (\$+0.5 million).

WHS (\$-17.9 million) - Funding decreases for payment to the Pentagon Reservation & Maintenance Revolving Fund consistent with changes in the renovation schedule, swing-space leases, furnishings, and above-standard requirements.

Total Other BA-4 Net Program Changes (\$+9.4 million)

FY 2002 Amended Budget Submission

American Forces Information Service (AFIS)



June 2001

**American Forces Information Services
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 APPROPRIATION HIGHLIGHTS**

(Dollars in Thousands)

	FY 2000 <u>Actual</u>	Price Change	Program <u>Change</u>	FY 2001 Estimate	Price Change	Program <u>Change</u>	FY 2002 Estimate
<u>Appropriation Summary:</u>							
BA-3	11,000	225	-205	11,020	232	-117	11,135
BA-4	92,041	1,922	-1,236	92,727	1,842	2,068	96,637
Total	103,041	2,147	-1,441	103,747	2,074	1,951	107,772

Description of Operations Financed:

Budget Activity 3:

Training and Recruiting

Summary: A major mission of the American Forces Information Service (AFIS) is to train all the military and civilian public affairs, broadcast, and visual information professionals in the Military Services and the Department. This mission was transferred from the Military Services to AFIS and the Services' three public affairs and visual information schools were relocated and consolidated as the Defense Information School (DINFOS). The school trains approximately 4,000 military, DoD civilian, and international students annually in broadcasting, media relations, journalism, Combat Camera, still and video photography, electronic imaging, visual information, graphics, and related equipment maintenance. This joint service training is, and will remain, in high demand because of the increasing reliance by the military on the use of complex, highly technical computing, video-graphic, satellite transmission, and digital broadcasting equipment. Training is provided not only at entry-level for recruits and cross training of specialties, but also at the intermediate level to update the career fields in fast-paced changes in technology and its application. The DINFOS also provides contracted advanced level training in public affairs, photo- and broadcast journalism, and photography. DINFOS has made major strides in introducing technology-enhanced instruction and is focusing on significantly increasing its distance learning capabilities to offset major reductions in staff and faculty.

**American Forces Information Services
FY 2002 Amended Budget Submission
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APPROPRIATION HIGHLIGHTS**

Budget Activity 4:

Administration and Servicewide Activities

Summary: The American Forces Information Service (AFIS) provides high-quality news, information, and entertainment to U. S. forces worldwide in order to promote and sustain unit and individual readiness, quality of life, and morale. Through its news production and worldwide distribution operations, AFIS serves as the primary tool for the Secretary of Defense to communicate to the internal audiences. In addition, AFIS provides visual and public information support and products supporting a wide range of internal and external DoD missions. AFIS also provides communications services, including training, equipment engineering, and procurement, in direct support of the information needs of commanders and combat forces through the entire range of military operations and contingencies, and oversees and manages the OSD publicly accessible websites. Since 1993, AFIS has undergone extensive consolidation of internal information training; photography collection, storage, and distribution activities; and newspaper production. Through these consolidations, AFIS now provides additional cost-effective internal and visual information support to the Department and overseas commands. In an age of high-speed communications demanding instant communications responses, AFIS is leveraging technology to compensate for downsizing and continuing to transition to state-of-the-art web and satellite communications, production, and distribution activities to automate activities, improve productivity, expedite delivery, and meet the ever increasing demand for its products and services.

Narrative Explanation of Changes:

AFIS continues to downsize, leverage technology, and aggressively streamline its operations to gain efficiencies and economies whenever and wherever possible.

As result of streamlining at the Defense Information School, decreases in program growth have been sufficient to offset or more than offset increases in price growth. Thereby, the BA-3 level decreased between FY 2000 and FY 2001 and is expected to remain relatively constant between FY 2002 and FY 2003.

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APPROPRIATION HIGHLIGHTS**

Narrative Explanation of Changes (Cont.):

As a result of streamlining and downsizing elsewhere in AFIS, the BA-4 net increase is attributed solely to price growth between FY 2000 and FY 2001. Streamlining and downsizing continue into FY 2002. The primary reason for the net increase between FY 2001 and FY 2002 is program growth resulting from the functional transfer to AFIS of mission and associated resources from multiple OSD activities and other DoD organizations for the consolidated oversight, management, and operation of the OSD Publicly Accessible Websites Program including the DefenseLink.

American Forces Information Service
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Summary of Increases and Decreases
 (Dollars in Thousands)

	Budget Activity - 3	Budget Activity - 4	Budget Activity - 3&4
1. FY 2001 President's Budget Request	10,999	94,525	105,524
2. Congressional Adjustment (Undistributed)			
a. HQ Personnel Reduction		(80)	
b. CAAS		(283)	
c. DJAS		(172)	
d. Pentagon Renovation Unob Balance		(2)	
3. Total Congressional Adjustment (Undistributed)		(537)	(537)
4. Congressional Earmarks			
a. Section 8047 Indian Lands Mitigation		(127)	
b. Section 8139 Mid-East Regional Security Issues		(13)	
c. Section 8142 Bosque Redondo Memorial		(25)	
5. Total Congressional Earmarks		(165)	(165)
6. FY 2001 Appropriated Amount	10,999	93,823	104,822
7. FY 2001 Rescission		(230)	(230)
8. Price Change		0	0
9. Program Increase to realign BA-3	21		21
10. Program Decrease			
a. Civilian FTE Reduction		(341)	
b. Program Growth Reduction in Supplies and Materials		(503)	
c. Enhanced Defense Financial Management Training		(1)	
d. Realign BA-4		(21)	

American Forces Information Service
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 Summary of Increases and Decreases
 (Dollars in Thousands)

	Budget Activity - 3	Budget Activity - 4	Budget Activity - 3&4
11. Total Program Increases		(866)	(866)
12. Revised FY 2001 Current Estimate	11,020	92,727	103,747
13. Price Growth	232	1,842	2,074
14. Program Increases			
a. Benefits to Former Employees		50	50
b. Voluntary Separation Incentive		200	200
c. Disability Compensation		39	39
d. Pentagon Reservation Maintenance	0	190	190
e. Defense Finance & Accounting Svcs	0	104	104
f. Purchased Utilities	0	111	111
g. Purchased Communications	0	2,203	2,203
h. Supplies & Materials (Non-DWCF)	6	39	45
i. Equipment Maintenance By Contract	0	55	55
j. Facility Maintenance By Contract	0	39	39
k. Equipment Purchases (Non-DWCF)	9	644	653
l. Other Contracts	0	685	685
m. Nominal Increases	26	1	27
15. Total Program Increases	41	4,360	4,401

American Forces Information Service
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Summary of Increases and Decreases
 (Dollars in Thousands)

	Budget Activity - 3	Budget Activity - 4	Budget Activity - 3&4
16. Program Decreases			
a. General Schedule		(2,255)	(2,255)
b. Supplies & Materials (Non-DWCF)	0	0	0
c. Equipment Maintenance	(49)	0	(49)
d. Facility Maintenance By Contract	(64)	0	(64)
e. Other Contracts	(45)	0	(45)
f. Nominal Decreases		(37)	(37)
17. Total Program Decreases	(158)	(2,292)	(2,450)
18. FY 2002 Current Estimate	11,135	96,637	107,772

**American Forces Information Service
 FY 2002 Amended Budget Submission
 Operation And Maintenance, Defense-Wide
 Personnel Summary**

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Military End Strength (E/S)</u>				
Officer	46	47	45	- 4
Enlisted	303	294	277	<u>-15</u>
Total	349	341	322	-19

Narrative: The FY 2000 figures are actual active duty military personnel assigned including surplus and overage personnel. The surpluses are those personnel whose slots have been deleted but are completing their stabilized tours. The overages are those personnel who have arrived on station prior to the PCS of their predecessors. These surplus and overage personnel are expected to depart by the end of FY 2001. According to our records the AFIS authorized active duty military end strength for FY 2000 is 363. The decreases from FY 2000 through FY 2003 are a result of directed QDR cuts.

<u>Civilian End Strength</u>				
U.S. Direct Hire	299	295	263	-32

Narrative: The decrease between FY 2001 and FY 2002 is the result of directed downsizing requirements and streamlining initiatives.

Although the WHS 113A Report indicates a civilian end-strength of 299, AFIS actually had 308 civilians on board as of 30 September 2000. AFIS is working with ODA&M and WHS to resolve this and future discrepancies.

<u>Military Average Strength(A/S)</u>				
Officer	46	47	43	- 4
Enlisted	303	294	279	<u>-15</u>
Total	349	341	322	-19

<u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	295	295	271	-24

Narrative: FY 2001 estimated FTEs remain constant. The decrease in FTEs between FY 2001 and FY 2002 is due to directed downsizing requirements and streamlining initiatives.

AMERICAN FORCES INFORMATION SERVICE
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 SUMMARY OF PRICE AND PROGRAM CHANGES - FY 2001
 (DOLLARS IN THOUSANDS)

Budget Activity - 3 & 4

	FY 2000 PROGRAM	PRICE	GROWTH	PROGRAM GROWTH	FY 2001 PROGRAM
		PERCENT	AMOUNT		
<u>CIVILIAN PERSONNEL COMPENSATION</u>					
101 EXECUTIVE, GENERAL & SPECIAL SCHEDULE	20,003		766	(1,262)	19,507
103 WAGE BOARD	846		34	(22)	858
106 BENEFITS TO FORMER EMPLOYEES	0		0	106	106
107 VOLUNTARY SEPARATION INCENTIVE PAYMENT	0		0	425	425
111 DISABILITY COMPENSATION	52		0	(4)	48
199 TOTAL CIVILIAN PERSONNEL COMPENSATION	20,901		800	(757)	20,944
<u>TRAVEL</u>					
308 TRAVEL OF PERSONS	909	1.6	15	168	1,092
<u>REVOLVING FUND SUPPLY AND MATERIALS</u>					
<u>PURCHASES</u>					
417 LOCALLY PROCURED DWCF MANAGED SUP & MA	0	1.6	0	9	9
<u>REVOLVING FUND EQUIPMENT PURCHASES</u>					
502 ARMY DWCF EQUIPMENT	0	-4.2	0	0	0
<u>OTHER REVOLVING FUND PURCHASES</u>					
672 PENTAGON RESERVATION MAINTENANCE	100	1.5	2	8	110
673 DEFENSE FINANCE & ACCTG SVCS	977	4.9	48	621	1,646
699 TOTAL OTHER REVOLVING FUND PURCHASES	1,077		50	629	1,756
<u>TRANSPORTATION</u>					
771 COMMERCIAL TRANSPORTATION	833	1.6	13	422	1,268

AMERICAN FORCES INFORMATION SERVICE
OPERATION AND MAINTENANCE, DEFENSE-WIDE
SUMMARY OF PRICE AND PROGRAM CHANGES - FY 2001
(DOLLARS IN THOUSANDS)

OTHER PURCHASES

912	RENTAL PAYMENTS TO GSA LEASES (SLUC)	1,303	2.0	26	195	1,524
913	PURCHASED UTILITIES (NON-DWCF)	466	1.6	7	84	557
914	PURCHASED COMMUNICATIONS (NON-DWCF)	15,927	1.6	255	1,270	17,452
915	RENTS (NON-GSA)	49	1.6	0	3	52
917	POSTAL SERVICES (U.S.P.S.)	272	0.0	0	(9)	263
920	SUPPLIES & MATERIALS (NON-DWCF)	2,978	1.6	48	(588)	2,438
921	PRINTING AND REPRODUCTION	2,532	1.6	40	(855)	1,717
922	EQUIPMENT MAINTENANCE BY CONTRACT	6,751	1.6	108	(379)	6,480
923	FACILITY MAINTENANCE BY CONTRACT	995	1.6	16	226	1,237
925	EQUIPMENT PURCHASES (NON-DWCF)	9,474	1.6	152	(1,633)	7,993
989	OTHER CONTRACTS	38,574	1.6	617	(226)	38,965
999	TOTAL OTHER PURCHASES	79,321		1,269	(1,912)	78,678
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9999	TOTAL	103,041		2,147	(1,441)	103,747

AMERICAN FORCES INFORMATION SERVICE
OPERATION AND MAINTENANCE, DEFENSE-WIDE
SUMMARY OF PRICE AND PROGRAM CHANGES - FY 2001
(DOLLARS IN THOUSANDS)

Budget Activity - 3 & 4

	FY 2001 PROGRAM	<u>PRICE</u> PERCENT	<u>GROWTH</u> AMOUNT	PROGRAM GROWTH	FY 2002 PROGRAM
<u>CIVILIAN PERSONNEL COMPENSATION</u>					
101 EXECUTIVE, GENERAL & SPECIAL SCHEDULE	19,507		736	(2,229)	18,014
103 WAGE BOARD	858		31	(19)	870
106 BENEFITS TO FORMER EMPLOYEES	106		0	50	156
107 VOLUNTARY SEPARATION INCENTIVE PAYMENT	425		0	200	625
111 DISABILITY COMPENSATION	48		0	39	87
199 TOTAL CIVILIAN PERSONNEL COMPENSATION	20,944		767	(1,959)	19,752
<u>TRAVEL</u>					
308 TRAVEL OF PERSONS	1,092	1.7	18	(7)	1,103
<u>REVOLVING FUND SUPPLY AND MATERIALS PURCHASES</u>					
417 LOCALLY PROCURED DWCF MANAGED SUP & MA	9	1.7	1	(1)	9
<u>REVOLVING FUND EQUIPMENT PURCHASES</u>					
502 ARMY DWCF EQUIPMENT	0	-2.5	0	0	0
<u>OTHER REVOLVING FUND PURCHASES</u>					
672 PENTAGON RESERVATION MAINTENANCE	110	9.1	10	190	310
673 DEFENSE FINANCE & ACCTG SVCS	1,646	-4.7	(77)	104	1,673
699 TOTAL OTHER REVOLVING FUND PURCHASES	1,756		(67)	294	1,983
<u>TRANSPORTATION</u>					
771 COMMERCIAL TRANSPORTATION	1,268	1.7	21	(1)	1,288

AMERICAN FORCES INFORMATION SERVICE
OPERATION AND MAINTENANCE, DEFENSE-WIDE
SUMMARY OF PRICE AND PROGRAM CHANGES - FY 2001
(DOLLARS IN THOUSANDS)

OTHER PURCHASES

912	RENTAL PAYMENTS TO GSA LEASES (SLUC)	1,524	2.0	30	(6)	1,548
913	PURCHASED UTILITIES (NON-DWCF)	557	1.7	9	111	677
914	PURCHASED COMMUNICATIONS (NON-DWCF)	17,452	1.7	296	2,203	19,951
915	RENTS (NON-GSA)	52	1.7	0	1	53
917	POSTAL SERVICES (U.S.P.S.)	263	0.0	0	0	263
920	SUPPLIES & MATERIALS (NON-DWCF)	2,438	1.7	41	45	2,524
921	PRINTING AND REPRODUCTION	1,717	1.7	29	(3)	1,743
922	EQUIPMENT MAINTENANCE BY CONTRACT	6,480	1.7	111	6	6,597
923	FACILITY MAINTENANCE BY CONTRACT	1,237	1.7	21	(25)	1,233
925	EQUIPMENT PURCHASES (NON-DWCF)	7,993	1.7	136	653	8,782
989	OTHER CONTRACTS	38,965	1.7	661	640	40,266
999	TOTAL OTHER PURCHASES	78,678		1,334	3,625	83,637
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9999	TOTAL	103,747		2,074	1,951	107,772

**American Forces Information Service
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide**

Budget Activity-3 Training and Recruiting

I. Description of Operations Financed:

The American Forces Information Service (AFIS) trains public affairs, broadcast, and visual information professionals. In carrying out its mission, AFIS operates the Defense Information School (DINFOS) which provides all training in public affairs and visual information specialties for Department of Defense (DoD) and other personnel.

AFIS' Training and Recruiting Budget Activity include:

- **Consolidated training of all DoD public affairs and visual information specialists.**

AFIS trains more than 4,000 military, DoD civilian, and international personnel annually in broadcasting, journalism, media relations, Combat Camera, still and video photography, electronic imaging, visual information, graphics, and related equipment maintenance. This consolidated, joint service training provided by the Defense Information School (DINFOS) is and will remain in high demand because of the increasing dependence by the military on the use of high technology computing, video-graphic, satellite transmission, and digital broadcasting equipment. DINFOS training is not only at the entry level, but also at the mid-career level. Periodic mid-career refresher/update training is required in the career fields taught at DINFOS due to the fast-paced changes in technology and the cross training of military into consolidated career fields.

II. Force Structure Summary: All of the functions performed by AFIS are in direct support of the entire worldwide DoD force structure--all active, reserve and guard service members, their families, and the DoD civilian workforce.

**American Forces Information Service
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide**

Budget Activity-3 Training and Recruiting

III. Financial Summary (O&M: \$ in Thousands):

		<u>FY 2001</u>			
A. <u>Subactivities:</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Budget</u> <u>Request</u>	<u>Appropriation</u>	<u>Current</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
BA-3 Training & Recruiting	11,000	10,999	10,999	11,020	11,135

B. <u>Reconciliation Summary:</u>	<u>Change</u> <u>FY2001/FY2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
1. Baseline Funding	10,999	11,020
2. Appropriated Amount (Subtotal)	10,999	0
3. Price Change	0	232
4. Program Changes	+21	-117
5. Current Estimate	11,020	11,135

C. <u>Reconciliation of Increases and Decreases (O&M \$ in Thousands)</u>	
1. FY 2001 President's Budget Request	10,999
2. FY 2001 Appropriated Amount	10,999
3. Price Change	0
4. Program Increase	21
5. Revised FY 2001 Current Estimate	11,020
6. Price Growth	232

**American Forces Information Service
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Budget Activity-3 Training and Recruiting

III. Financial Summary (O&M: \$ in Thousands):

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands) (Cont.)

7. Program Increases		
a. Supplies & Materials (Non-DWCF): Increased costs for the procurement of photographic supplies and neutralizing chemicals associated with the disposal of hazardous materials.	6	
b. Equipment Purchases (Non-DWCF): Slight increase between FY 2001-2002 due to replacement in FY 2001 of digital video editing system is required for Advanced Electronic Journalism Course taught at the Defense Information School.	9	
c. Nominal Increases: General Schedule.	26	
Total Program Increase		41
8. Program Decreases		
a. Equipment Maintenance: A new contract beginning in FY 2001 for audiovisual equipment maintenance came in lower than the previous provider.	-49	
b. Facility Maintenance By Contract: Final bid accepted to repaint the interior of the Defense Information School was lower than originally estimated.	-64	

**American Forces Information Service
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide**

Budget Activity-3 Training and Recruiting

III. Financial Summary (O&M: \$ in Thousands):

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands) (Cont.)

c. Other Contracts: The Defense Information School no longer has a requirement for information technology (IT) training as the school is now contracting for most of its IT support. -45

Total Program Increase -158

9. FY 2001 Budget Request 11,135

IV. Performance Criteria and Evaluation Summary:

CONSOLIDATED TRAINING OF ALL DOD PUBLIC AFFAIRS AND VISUAL INFORMATION SPECIALISTS	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Student Load	4,014	4,002	4,089

Description: The Defense Information School (DINFOS) provides joint-service training to Department of Defense military and civilian personnel and international students in the public affairs, visual information, and broadcasting career fields. The student loading for the school is based on actual attendance to date and projections by the Military Services for attendance through FY 2002. Programmed funds pay for all base operating support, except those costs directly related to student support (e.g., housing, messing, PCS/TDY travel, and etc.), for the variable costs of operating the school under the student load shown above.

**American Forces Information Service
 FY 2002 Amended Budget Submission
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Budget Activity-3 Training and Recruiting

IV. Performance Criteria and Evaluation Summary (Cont.):

Budgeted funds pay for consumable supplies and repair parts used in instruction; for the support services required to operate the school; and equipment to support the student load based on Military Service projections provided to the school at the annual Structure and Manning Decision Review.

The Defense Information School directly contributes to DoD corporate-level performance goals 1.2 and 2.1 by maintaining qualitative superior and highly ready joint forces by providing professional training in both the public affairs and visual information career fields to more than 4,000 officers, enlisted personnel and civilians from all the Services. This training provides the capability to directly enhance the ability of military leaders to communicate to both internal and external audiences across the spectrum of warfare under the most demanding military situations. This ability to communicate to both internal and external audiences also supports DoD corporate-level performance goals 1.2 and 2.1 by providing commanders and senior DoD civilian leadership the ability to articulate U.S. and DoD priorities, goals, and policies to both U.S. and international audiences and thereby influencing or shape the international environment.

V. <u>Personnel Summary</u> :	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
<u>Military End Strength (E/S)</u>				
Officer	29	27	23	-4
Enlisted	230	222	207	<u>-15</u>
Total	259	249	230	<u>-19</u>

**American Forces Information Service
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Budget Activity-3 Training and Recruiting

V. Personnel Summary (Cont.):

Narrative: The FY 2000 figures are actual personnel assigned including surplus and overage military personnel. The surpluses are those personnel whose slots have been deleted but are completing their stabilized tours. The overages are those personnel who have arrived on station prior to the PCS of their predecessors. These surplus and overage personnel are expected to depart by the end of FY 2001. According to our records the DINFOS authorized end strength for FY 2000 is 265. The decreases from FY 2000 through FY 2003 are a result of directed QDR cuts.

Civilian End Strength

U.S. Direct Hire	35	35	35	0
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	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
<u>Military Average Strength (A/S)</u>				
Officer	29	27	23	-4
Enlisted	230	222	207	<u>-15</u>
Total	259	249	230	-19

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
<u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	34	34	34	0

**American Forces Information Service
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Budget Activity-3 Training and Recruiting

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

	<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			
	<u>FY 2000 Actuals</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2001 Estimate</u>	<u>Price Growth</u>	<u>Program Growth</u>	
101 General Schedule	2,069	82	336	2,487	88	26	2,601
103 Wage Board	0	0	0	0	0	0	0
106 Benefits to Former Employees	0	0	0	0	0	0	0
107 Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
111 Disability Compensation	0	0	0	0	0	0	0
308 Travel of Persons	113	2	15	130	2	0	132
417 Locally Procured DWCF Managed Supplies & Materials	0	0	0	0	0	0	0
672 Pentagon Reservation Maintenance	0	0	0	0	0	0	0
673 Defense Finance & Acctg Svcs	0	0	0	0	0	0	0
771 Commercial Transportation	6	0	-2	4	0	0	4
912 Rental Payments to GSA Leases (SLUC)	0	0	0	0	0	0	0
913 Purchased Utilities (Non- DWCF)	0	0	0	0	0	0	0
914 Purchased Communications (Non-DWCF)	11	0	2	13	0	0	13
915 Rents (Non-GSA)	0	0	0	0	0	0	0
917 Postal Svcs (U.S.P.S.)	0	0	0	0	0	0	0
920 Supplies & Materials (Non-DWCF)	805	13	93	911	15	6	932
921 Printing & Reproduction	65	1	0	66	1	0	67

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Budget Activity-3 Training and Recruiting

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

	FY 2000 <u>Actuals</u>	Change from <u>FY 2000 to FY 2001</u>		FY 2001 <u>Estimate</u>	Change from <u>FY 2001 to FY 2002</u>		FY 2002 <u>Estimate</u>
		Price <u>Growth</u>	Program <u>Growth</u>		Price <u>Growth</u>	Program <u>Growth</u>	
922 Equipment Maintenance By Contract	3,623	58	-1,059	2,622	45	-49	2,618
923 Facility Maintenance By Contract	294	5	108	407	7	-64	350
925 Equipment Purchases (Non-DWCF)	2,114	34	-343	1,805	31	9	1,845
989 Other Contracts	1,900	30	645	2,575	43	-45	2,573
9999 Total	11,000	225	-205	11,020	232	-117	11,135

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

I. Description of Operations Financed:

The mission of the American Forces Information Service (AFIS) is to provide high-quality news, information, and entertainment to U. S. forces worldwide in order to promote and sustain unit and individual readiness, quality of life, and morale. Through its news production and television, radio, newspaper, print news service, and World Wide Web (WWW) distribution services and facilities, AFIS is the primary tool for the Secretary of Defense and senior Joint Staff and Department of Defense (DoD) leaders to communicate important messages, news, and information about DoD programs and activities to U.S. Service Members, their families, and DoD civilians stationed around the world. In addition, AFIS provides visual and public information support and products supporting a wide range of internal and external DoD missions. AFIS also trains public affairs, broadcast, and visual information professionals, and provides communications services to support the information needs of commanders and combat forces through the entire range of military operations and contingencies and oversees and manages the OSD publicly accessible websites.

Since 1993, AFIS has assumed control of, and consolidated, several former Military Department and U.S. Combatant Command-owned and operated internal information training; photography collection, storage, and distribution activities; broadcasting and visual information engineering and procuring activities; and newspaper production activities. These consolidations coupled with its existing capabilities has positioned AFIS as the preeminent provider to the Department of high quality and cost-effective internal and visual information products, services, and support.

In carrying out its mission, AFIS:

- Produces and distributes command information news, sports, imagery, and current event information overseas and to ships at sea via satellite-transmitted radio, television, Stars and Stripes newspapers and the WWW and to U.S. based forces and overseas installations via

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

I. Description of Operations Financed (Cont):

the web-based DoD News Service which provides news for redistribution via more than 900 base, camp, and station command information newspapers. These efforts reach an internal audience of 1.4 million active, 1.3 million Reserve Component, and 695 thousand DoD civilians.

- Manages the DoD Visual Information, Combat Camera, and Audiovisual Programs; serves as the only joint service collection and distribution facility in the Pentagon for real-time Combat Camera imagery from overseas operations and activities, provides the centralized management, storage, and dissemination of selected DoD still and motion imagery and audiovisual training products; and directs audiovisual and visual information policy for the Department.
- Manages, stores, and disseminates selected DoD still and motion imagery and audiovisual training products; and directs audiovisual and visual information policy for the Department.
- Operates the Defense Information School (DINFOS) which provides all training in the Department for DoD and other personnel in public affairs, broadcasting, and visual information specialties;
- Provides engineering, acquisition and life-cycle management of off-the-shelf radio and television broadcast equipment and systems for all American Forces Radio and Television Service (AFRTS) stations worldwide, and for visual information and audiovisual equipment and systems for DoD and other government activities.
- Operates and publishes the Stars and Stripes newspaper which serves U.S. forces deployed in the European and Pacific theaters.
- Manages, operates, and sustains DoD's official public website, the DefenseLINK and approximately 100 other OSD publicly accessible websites.

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

I. Description of Operations Financed (Cont):

As communications technology continues to evolve at break-neck speed, the world is becoming accustomed to instantly available information through the WWW, radio, television, and print sources. Consequently the role of AFIS has become increasingly important as the Department's primary tool for both informing our forces and countering erroneous sources of information through the release of timely and accurate news and information about issues and programs that are important to the Department and the DoD internal audiences. To meet these challenges, AFIS has increased the number and timeliness of its internal and command information products, has significantly improved the dissemination and availability of those products its customers, and is developing new products and services to meet the increasing internal information requirements of the DoD.

AFIS is also responding to DoD-directed downsizing and significantly reducing its workforce and therein its ability to respond to these needs. To overcome the challenge of increasing mission and decreasing resources, AFIS continues to increase its reliance on and resources for leveraging technology and automating its operations.

- AFIS has a multi-year effort underway to automate a large portion of its broadcast operations at its Radio and Television Service-Broadcast Center.
- AFIS has expanded its use of the WWW, compact disks, and related technology to more quickly and easily distribute textual and imagery products.
- AFIS is increasing its implementation and usage of technology enabled instruction at DINFOS and is developing distance learning capability to export its training.

The amount and extent of distribution of AFIS' products continues to grow, as the products become increasingly available. This trend is expected to continue in the future.

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

I. Description of Operations Financed (Cont):

AFIS' major functions include:

- **Radio and television broadcasting** of command information, news, current events, sports, and entertainment overseas and to ships at sea for military, DoD civilians, and their families via over 700 American Forces Radio and Television Service outlets in 170 countries and on 300-plus ships. Associated with this function is the commercially contracted production of command information announcements, which replace commercial radio and television advertisements in broadcast programming aired overseas.

- **News Production and web-based distribution** of internal and command information (news) stories and products. The AFIS news service provides the primary means for the Secretary and senior-level Defense officials to communicate information worldwide to the DoD internal audience about significant issues and policies. The news service gathers information, writes, produces, edits, and publishes on the Web hundreds of command information products which are then used by more than 900 base, camp, and station newspaper editors in preparing their local publications as well as by military and civilian leadership in further explaining the activities of the Department to their personnel. Select, high priority, DoD issues are further emphasized by being developed into "Web Page Specials". All of these products are available to the Department and all Web users. Also associated with this function is the production and distribution of the Current News "Early Bird" and related publications directly supporting senior DoD leadership.

- **Processing and distributing real-time, operational imagery.** AFIS serves as the only joint collection and distribution site in the Pentagon for Combat Camera digital, still, and motion imagery of current military operations and activities. This imagery, received via satellite from deployed units, is used by the National Command Authority, Joint Staff, Combatant Commands, Military Departments, and other organizations in support of decision making, time-critical planning and information requirements, battlefield situational

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

I. Description of Operations Financed (Cont.):

awareness, information warfare, training, public affairs, and legal and historical documentation.

- **Engineering, procurement, and life-cycle management** of off-the-shelf radio and television broadcast equipment, transmitters, and systems for all of the Military Services' radio and television stations worldwide, as well as for audiovisual and visual information equipment and systems for DoD and other government activities.

- **Collection, cataloging, temporary storage, management, replication, and distribution** of general purpose DoD motion video and still imagery of significant U.S. military operations and activities. This joint service imagery is used by the Combatant Commands, DoD Components, the government, and private sector in support of operations, training, operational and equipment evaluations, environmental and legal documentation, battlefield damage assessments, and as a primary source of historical data.

- **Collection, cataloging, temporary storage, management, replication, and distribution** of DoD audiovisual productions and other visual information products for use by all DoD Components. These major products are used in support of training, operations, and internal information.

- **DefenseLINK/publicly accessible websites.** In August 2000, AFIS was tasked, through an Assistant Secretary of Defense (C3I) tasking, to consolidate, establish policies and procedures for, and oversee and manage the OSD publicly accessible websites.

II. Force Structure Summary: All of the functions performed by AFIS are in direct support of the entire worldwide DoD force structure--all active, reserve and guard service members, their families, and the DoD civilian workforce.

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

III. Financial Summary (O&M: \$ in Thousands):

	FY 2000	FY 2001			FY 2002
		<u>Actuals</u>	<u>Budget Request</u>	<u>Appropriation</u>	
A. <u>Subactivities:</u>					
BA-4 Administration & Servicewide Activities	92,041	94,525	93,823	92,727	96,637

B. <u>Reconciliation Summary:</u>	Change	
	<u>FY 2001/FY2001</u>	<u>FY 2001/FY2002</u>
1. Baseline Funding	94,525	92,727
Congressional Adjustments (Undistributed)	-537	
a) Congressional Earmarks	-165	0
2. Appropriated Amount (Subtotal)	93,823	0
3. Price Change	0	1,842
4. Program Changes	-866	2,068
5. Current Estimate	92,727	96,637

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands):

1. FY 2001 President's Budget Request	94,525
2. Congressional Adjustments (Undistributed):	
a. HQ Management Personnel Reduction	-80
b. CAAS	-283
c. DJAS	-172
d. Pentagon Renovation Unob Balance	-2

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

III. Financial Summary (O&M: \$ in Thousands) (Cont.):

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands) (Cont.)

Total Congressional Adjustment (Undistributed)	-537
3. Congressional Earmarks	
a. Section 8047 - Indian Lands Mitigation	-127
b. Section 8139 - Mid-East Regional Security Issues	-13
c. Section 8142 - Bosque Redondo Memorial	-25
Total Congressional Earmarks	-165
4. FY 2001 Appropriated Amount	93,823
5. FY 2001 Rescission	-230
6. Price Change	0
7. Program Decrease	
a. Civilian FTE reduction	-341
b. Program growth reduction in Supplies and Materials	-503
c. Enhanced Defense Financial Management Training	-1
d. Realignment of Budget Activity 4	-21
Total Program Decreases	-866
8. Revised FY 2001 Current Estimate	92,727

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

III. Financial Summary (O&M: \$ in Thousands) (Cont.):

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands)(Cont.)

9. Price Growth	1,842
10. Program Increases	
a. Benefits to Former Employees	50
b. Voluntary Separation Incentive	200
c. Disability Compensation	39
d. Pentagon Reservation Maintenance - AFIS increased funding in accordance with PDM I, which directed customers to fund PRMRF costs of real property operations as well as the renovation at the level approved in the Defense Planning Guidance.	190
e. Defense Finance & Accounting Svcs - Adjustment to AFIS' billable hours resulted in significant increase in the annual cost for services provided by DFAS-IN. The Client Executive Group, which handles all client issues across the board, will research this issue.	104
f. The increase in Utilities is from additional funds to assist with significant growth in the cost of electricity and natural gas.	111

III. Financial Summary (O&M: \$ in Thousands) (Cont.):

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands)(Cont.)

10. Program Increases (Cont.)

- | | |
|---|-------|
| g. Purchased Communications - This increase is necessitated by expiration of a ten year contract for the Pacific portion of the American Forces Radio and Television Service Satellite Network. Significantly higher costs are anticipated for the renewal of this contract due to an agency requirement to provide higher powered satellite signals to deliver TV direct to home for Japan and Korea off base service members. Higher power was not available under the previous contract, but is now available in the new generation of satellites. The new OSD Publicly Accessible Websites Programs will require T-1/T-3 lines and other telecommunication devices to support access to DefenseLink and the related OSD public web servers. | 2,203 |
| h. Supplies & Materials - The new OSD Publicly Accessible Websites Program will require additional software products/licenses to support the operation of the OSD public web servers to include DefenseLINK. | 39 |
| i. Equipment Maintenance By Contract - Maintenance costs increase will cover requirement to maintain all of the hardware used in support of the OSD public web servers to include DefenseLINK. | 55 |

III. Financial Summary (O&M: \$ in Thousands) (Cont.):

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

C. Reconciliation of Increases and Decreases (O&M \$ in Thousands) (Cont.)

10. Program Increases (Cont.)

- | | |
|--|-----|
| j. Facility Maintenance by Contract - A modest increase is caused by the planned installation of a satellite dish and installation of equipment parking pads, both at the American Forces Radio and Television Service-Broadcast Center in Riverside, California. | 39 |
| k. Equipment Purchases (Non-DWCF) - The increase is due to required funding for the upgrade and future needs of digital motion systems at the Defense Visual Information Center. Digitized motion video will be hampered along with still imagery if both are stored, processed, and delivered on the current system. Higher amounts of storage, wider bandwidth, and other resources are needed to provide customers with high quality digitized motion media. Additional hardware items will be required to support the OSD Publicly Accessible Websites Program, to include server upgrades, workstations, printers, memory, disk drives etc. | 644 |
| l. Other Contracts - The new OSD Publicly Accessible Websites program will need contractor support to develop new applications, maintain existing applications, and to operate the computer systems supporting the OSD Web Servers to include DefenseLINK. | 685 |

III. Financial Summary (O&M: \$ in Thousands) (Cont.):

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C. Reconciliation of Increases and Decreases (O&M \$ in Thousands) (Cont.)

m. Nominal Increases: Rents.	1	
Total Program Increases		4,360
11. Program Decreases		
a. General Schedule Payroll	-2,255	
b. Nominal reduction to Wage Grade, Travel, locally procured DWCF managed supplies and materials, commercial transportation, rental payments to GSA leases(SLUC), and printing and reproduction.	-37	
Total Program Decrease		-2,292
12. FY 2002 Current Estimate		96,637

IV. Performance Criteria and Evaluation Summary:

RADIO & TELEVISION BROADCASTING	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Countries receiving radio and TV programming	167	170	170
Navy ships receiving radio & television programming	300	300	300
Hours of radio news, sports & info, 24 hours/day (2 channels)	17,520	17,520	17,520

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

Hours of radio music service, 24 hours/day (8 channels)	70,080	70,080	70,080
Hours of TV programming, 24 hours/day (4 channels)	35,040	35,040	35,040
TV & radio news programs produced by AFRTS NewsCenter	2,184	2,184	2,184
Number of radio/TV internal information spots produced	350	350	350

Description: AFRTS provides American radio and television products and services to U.S. forces overseas and on-board Navy ships. Both recorded and satellite delivered live radio and television programming is used in support of this mission. The internal information provided to US Navy ships has been significantly enhanced by the live reception of AFRTS satellite (TV-Direct to Ship (DTS)) transmissions which provide two channels of television, three radio services, and textual products such as *Stripes Lite* via a 128 kbps data channel. Radio and internal information spots and news products are used to replace commercials in programming and provide DoD level information and news to the soldiers, sailors, airmen, Marines, DoD civilians and their families stationed overseas. The number of countries receiving AFRTS programming increased during FY 2001.

SUPPORTING DoD CORPORATE LEVEL GOALS

AFRTS measurably contributes to the DoD corporate goals 1 and 2 by keeping the forces informed and prepared for their mission; situational awareness. Additionally the value of the news, sports and entertainment programming brought by AFRTS to DoD personnel is a significant contributor to the quality of life for personnel stationed overseas and aboard deployed U.S. Navy ships. Commanders in the field use AFRTS radio and television services to provide internal command information to their military communities. It is a combination of "corporate" information that a major corporation disseminates to their employees along with information that a city mayor, county executive, sheriff, fire department, school board, parks commission, prosecutor, transportation department, and, emergency civilian preparedness

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

office disseminates to their constituents using their regional/local media. It is the very heart and soul of AFRTS' worldwide operation.

The importance of the content and timeliness of Command Information (CI) or internal information "spots" is shown in the famous example of the Army helicopter that crashed in North Korean territory a few years ago. During this incident, the helicopter crash-landed in North Korea killing one of the crewmembers on impact. The other crewmember was held captive for a few days before being repatriated. When that person was debriefed, he said that he remembered how he was to conduct himself in that type of situation from the Code of Conduct radio and TV spots aired on the AFRTS affiliate in Korea. Obviously that was not the only training that this helicopter crew member had in the Code of Conduct, but the AFRTS spots served as discernible "reminders" that were recalled when necessary. A similar example involving a captured pilot came out of the Iraqi campaign.

The primary mission of AFRTS is to provide command information as well as news, sports and entertainment materials for DoD personnel stationed overseas and aboard U.S. Navy ships at sea. It is undoubtedly true that the entertainment aspect of AFRTS broadcasts contributes greatly to the morale and well-being of DoD personnel and their families in remote and overseas locations. However, equally important is the situational awareness and command pipeline AFRTS provides to the troops. As stated by General Ellis, a former CINC USAFE "the AFRTS is absolutely essential for the effective management of our Air Forces in Europe. Any possibility of a loss of AFRTS as a command resource would seriously jeopardize our ability to communicate with the men and women of USAFE. Broadcasting is the single most important mass communications medium available to this command." General Ellis went on to say "While AFRTS provides entertainment, it more importantly serves as a command communications tool. It is vital for emergency communications to insure the safety and welfare of our people....." CINC PACOM said, "AFRTS outlets perform a valuable role in emergency conditions, alerts,

IV. Performance Criteria and Evaluation Summary (Cont.)

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recalls and training. They provide a medium for commanders to communicate with personnel." Similar expressions regarding AFRTS have been provided by other military commanders.

AFRTS has played a vital role in every major troop deployment from its beginnings in World War II through the Korea Conflict, Vietnam, Beirut, Panama, Desert Shield/Desert Storm, Somalia, Haiti, and into the present day where AFRTS provides service to the deployed forces in Bosnia, Macedonia, Kosovo, and Southwest Asia (Kuwait, Saudi Arabia, Bahrain, Egypt, etc.). During these deployments, as well as the multitude of local crises affecting peoples' daily lives all around the world, AFRTS has been there as the voice of the Commander.

AFRTS is a vital link between the DoD leadership, commands at all levels and the soldiers, sailors, airmen, Marines and their families serving worldwide and as such markedly contributes to situational awareness, personnel readiness, retention and quality of life expressed in DoD goals 1 and 2.

NEWS PRODUCTION AND WEB-BASED DISTRIBUTION	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Number of command information publications printed	180,000	180,000	180,000
Number of electronic accesses of photographs on the DefenseLINK	5,657,252	5,757,252	5,857,252
Number of AFRTS television news reports posted to the DefenseLINK	260	260	260
Number of AFRTS radio news reports posted to the DefenseLINK	520	520	520
Number of electronic accesses of AFRTS radio news reports on the DefenseLINK	59,753	79,753	99,753
Number of Web Specials posted to the DefenseLINK	21	25	30

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

Number of electronic accesses of Web Specials	1,975,416	2,100,000	2,200,000
Number of electronic accesses of the Defense Almanac	3,577,563	3,777,563	3,977,563
Number of news products posted to the DefenseLINK	693	793	893
Number of electronic accesses of electronic news products	945,208	965,208	985,208
Number of electronic news products distributed	12,194,721	12,294,721	12,394,721
Number of Early Birds, Supplements, and Dialogs posted	252	252	252
Number of electronic accesses of the Early Bird, Early Bird Supplement, and Radio/TV Dialog	4,897,527	5,097,527	5,297,527

Description: AFIS news, photography, command information (CI), and associated products are the primary means by which the Secretary of Defense and other senior defense officials communicate DOD goals, missions, personnel policies and programs and other critical or important messages to all DoD internal audiences worldwide. These products contribute significantly to the readiness, morale, and welfare of servicemembers, DoD civilian employees, and their families and consequently are distributed to them by the most rapid means available.

AFIS has excelled in moving its textual news and CI products to a paperless environment. During FY 1999, AFIS transitioned virtually all news and CI publications from traditional hard-copy paper products to electronic distribution via the Internet's World Wide Web including the principal DoD information World Wide Web site, the DefenseLINK; electronic mail; and computer bulletin boards. The number of accesses of products is based on the number of accessions, or "hits", from computer systems from within and outside of Department of Defense sites. These numbers indicate customer accesses to either the World Wide Web site

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

upon which our products reside, or individual products or pages on one of our World Wide Web sites.

In FY 1999, AFIS developed a new World Wide Web product designed solely for electronic distribution called "Web Special". There are two types of Web Specials (special feature home pages and extended, in-depth, subject-specific World Wide Web sites). The number of Web Specials developed represents the compilation of a series of multiple electronic products targeted to convey a specific DoD theme, policy, or message. These two products were been well received in FY 2000. In FY 2001 through FY 2002 the need for additional products will increase as will our customers' reliance on the Internet. Also added during FY 1999 was the popular Defense Almanac. This was previously an annual print product of statistics concerning DoD. It will be updated, as new information becomes available.

The American Forces Information Service (AFIS) now produces only one printed (hard copy) command information product - The Defense Billboard. It is a poster, and therefore needs to be printed as a hard copy product. However, it is also available electronically via the World Wide Web for those who can use it in that format. AFIS plans to have a Defense Billboard Collection available for distribution on CD-ROM in FY 2001 and is scheduled to produce six Billboard posters per year with an average of 30,000 copies printed per issue.

AFIS also makes available for public access a collection of cleared imagery from the DoD Imagery Server via the DefenseLINK website. Through this website, military and public World Wide Web users are able to view screen resolution photos and associated caption information and download high resolution photos from a collection of DoD images which has been cleared for public release. The number of imagery accesses is expected to increase in the outyears.

Other AFIS products currently available on the DefenseLINK include near-real time operational and other photography of DoD activities and radio and television news reports, which are also

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IV. Performance Criteria and Evaluation Summary (Cont.)

broadcast on AFRTS. The use of video streaming technology made it possible to start regular television feeds at the very end of FY 2000 (the impact will not be totally apparent until FY 2001). The number of AFRTS accesses is expected to increase in the outyears.

There are many internal information stories and associated news products created and published by AFIS' press service as well as commercially produced products carried in the Current News' Early Bird, Early Bird Supplement, and Radio/TV Dialog. The number of radio and television news reports, news products, Early Bird and associated products posted to the DefenseLINK is expected to remain constant though FY 2002. The number of news products posted to the DefenseLINK is expected to increase in the outyears.

The significant increase in electronic accesses for Photography, Radio News Reports, Web Specials, Defense Almanac, Electronic News Products, Early Bird, Early Bird Supplement, and Radio/TV Dialog can be directly attributed to an increased production of web specials and increased reliance upon web products for news and information.

The demand for AFIS' news and other web based products distributed through both the DefenseLINK and other electronic means is expected to continue to increase as more and more DoD and other authorized audiences become aware of their availability, gain the means to access the web, and become more reliant upon web-based products for news and information.

AFIS news, photography, CI, and associated products support all of the DoD corporate-level goals by informing all DoD personnel of DoD policies, goals, and objectives and thereby enabling those personnel to more actively and knowingly support them. However, performance goals 2.1, 2.4 and 2.5 best reflect the objectives of the organization. Our various information dissemination outlets are the principle vehicles used to implement the goals and objectives of the internal information program by providing all echelons of command a means to communicate with the Department of Defense's internal audiences. All of these products

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IV. Performance Criteria and Evaluation Summary (Cont.)

directly contribute to the aforementioned performance goals by supporting DoD personnel and unit readiness, improving morale, and quality of life initiatives. Also, our news and CI products directly to support our internal audience of military personnel, their families, and DoD civilian employees by directly communicating pertinent and up to-date information that affects their daily lives and careers. Keeping our forces informed of their leaders' goals and efforts is vital to maintaining a highly motivated, effective, and ready fighting force.

PROCESSING AND DISTRIBUTING REAL-TIME, OPERATIONAL IMAGERY	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Number of Images Accessed	11,378,948	17,000,000	17,500,000
Number of Images Added Processed	23,000	25,500	27,500

Description: The DoD Joint Combat Camera Center (JCCC) provides the only single-source for electronic still and digital video imagery of current joint military operations for use by the National Command Authority, Joint Staff, Combatant Commands, Military Departments, and other organizations. This organization has the capability to instantaneously receive electronic imagery from around the world, process, and electronically distribute it to its national security customers within minutes of the occurrence of an event. The number of images received is directly linked to the type, nature, and number of military operations occurring during any specific time frame. Over the past several years, the number of images accessed and received from field units has increased as the need for visual information from military operations in the field has increased. Image access figures from FY 2000 fell short of previous years due to fewer contingency operations. Trend analysis from prior years suggests that the image accesses for FY 2001 and the outyears will return to their normal levels. We expect the trend of incoming imagery to increase in the outyears as the Military

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IV. Performance Criteria and Evaluation Summary (Cont.)

Services expand the number of Combat Camera teams and equip their Reserve Components with digital cameras.

JCCC imagery supports DOD corporate-level goals 1.1 and 1.2 by supporting U.S. security alliances through military to military contacts and by providing the United States with the ability to shape international security through time critical decision making imagery. JCCC provides information requirements, battlefield awareness, information warfare, training, public affairs, legal and historical documentation for battlefield commanders. JCCC imagery also supports goal 2.1 by providing almost real-time visual documentation of DoD activities, which can be used for analysis of operations, activities, and procedures. This provides the Department a means to immediately access and respond to any operational, material or training deficiencies and significantly enhances individual and unit readiness. The transition of this critical resource to a fully electronic capability supports DOD corporate goal 2.2 and 2.4 by achieving a 21st century electronic still and motion photography infrastructure, reducing costs while maintaining and in fact enhancing required military capabilities, and improving force management procedures throughout the DOD.

ENGINEERING PROCUREMENT, AND LIFE-CYCLE MANAGEMENT	FY 2000	FY 2001	FY 2002
Purchase requests processed	5,000	4,500	4,500
Material release orders	7,000	6,800	6,600
Number of Military Standard Requisitioning System Process (MILSTRIP) requisitions	8,000	7,800	7,600
Catalog items (management control number assignments)	7,600	7,400	7,400

Description: The Television-Audio Support Activity (T-ASA) serves as the designated source throughout the Department of Defense for immediate and unique broadcast and visual information equipment and supplies. T-ASA provides engineering, acquisition, logistics and

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

commodity management support for normal and contingency broadcast and visual information operations of DoD, the Military Services, and the Combatant Commands. Simplified acquisition and better business practices have been implemented throughout the organization to reduce the organization's support costs while simultaneously providing Service customers with mission essential equipment at best value prices. Due to the increased use of the International Merchant Purchase Authorization Card in the field, increased bulk buys (i.e., video compression, Air Force Broadcasting Service projects, Army Reserve and National Guard Public Affairs systems), T-ASA use of direct shipment procedures vice warehouse operations, and the continued reduction in customer funding, the number of MILSTRIP Requisitions and Material Release Orders processed are projected to decrease from FY 2000 to FY 2001 and FY 2001 to FY 2002 respectively and then remain fairly constant in the outyears. The number of Purchase Requests processed decreased between FY 2000 and FY 2001 but is expected to remain constant in the outyears. Simultaneous with the overall decreases, T-ASA is receiving more highly complex single line item requests with higher dollar values. So while there appears to be a work load decrease in volume of activities, that has been replaced by more highly complex projects. This trend is expected to continue into the outyears. The number of Catalog Items decreased due to an extensive review of items (inventory listings) carried in the catalog and the number of items being reduced. The final reduction in catalog listings is expected in FY 2001 and then the number of listings will remain relatively constant in the outyears.

The engineering, procurement, and installation services provided by T-ASA directly contribute to DoD corporate-level goals 2.3 and 2.4. T-ASA researches and evaluates the leading technology in both broadcasting and visual information and works with its customers to ensure they are able to accomplish their mission and achieve their goals by equipping them with modern, reliable, and capable equipment for now and the 21st century. This also impacts on goal 2.2 by providing the means by which other communicators and educators influence personnel and unit readiness, morale, and quality of life.

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IV. Performance Criteria and Evaluation Summary (Cont.)

DEFENSE VISUAL INFORMATION CENTER	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Minutes of Motion picture film accessioned	500	500	500
Minutes of videotape reviewed for accessioning	77,352	120,000	120,000
Customer requests completed	12,215	12,700	13,200
Minutes of motion picture film to videotape transfer	3,000	3,000	3,000
Minutes of videotape duplication(all formats)	479,207	214,360	214,360
Still Images reviewed for Accessioning	21,710	15,600	15,600
Still Images Reproduced	74,575	105,000	110,000
CD-ROMs	17,746	200	200

Description: The Defense Visual Information Center (DVIC) is the official DoD central records center for the storage and preservation of visual information records depicting DoD operations and other activities. It provides these products to customers from the DoD, Federal and state agencies, and American public until such time as the records are either transferred to the National Archives and Records Administration or disposed of in accordance with applicable Federal records schedules. A large portion of the DVIC's holdings have been digitized to enable remote electronic access and plans are to digitize the majority of its holdings.

The DVIC's performance criteria reflects the evolution of imagery processes from film to digital technology. It includes the number of imagery items reviewed for accessioning into DVIC holdings as a measure of the DVIC's efforts to meet its statutory requirements as a DoD Records Center; the number of customer requests completed as a measure of the customers who received DVIC products and services; and imagery items requested by and delivered to

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IV. Performance Criteria and Evaluation Summary (Cont.)

customers as a measure of the DVIC's output. An imagery item is described as a motion media minute, a still or photographic image, or a CD-ROM. The performance criteria provides a better measure of DVIC's efforts to accession and manage DoD record imagery and to satisfy customer's demands for products and services. With the amount of DVIC materials increasingly available on the WWW, the trend of increasing customer demand is expected to continue for the foreseeable future. These products are used to directly support military operations, training, information activities, public affairs activities, and many other functions within the Department.

Motion Picture Film Accessioned (minutes converted from feet) - For the last several years the amount of motion picture film accessioned has steadily decreased to the point that it is now leveling out and is a small part of the DVIC operation. The decline of motion picture film accessioned was a result of the DoD increasing reliance on videography with a corresponding decrease in motion picture photography. Motion picture photography is still being used to support certain types of DoD research, development, test, and evaluation activities. This photography and the workload associated with its accessioning is now and should continue to be fairly constant from year to year.

Videotape Reviewed for Accessioning (minutes) - Greater reliance upon the DVIC by the DoD Components as the central DoD repository facility for selected general purpose still and motion media products, and increased DoD conversion of motion picture film to videotape have resulted in a continuing increase of videotape materials to be accessioned.

Customer Requests Completed - Customer requests continued to grow during FY 2000 as DoD customers continued to increase their confidence in and reliance upon DVIC's ability to satisfy their imagery requirements. This growth is expected to continue in the future. These numbers do not reflect downloaded images from the DVIC web site. A method of tracking those images is being researched.

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IV. Performance Criteria and Evaluation Summary (Cont.)

Motion Picture Film to Videotape Transfer (minutes) - Overall customer demand for the older, motion picture footage remains relatively constant.

Videotape Duplication (minutes) - These figures decrease dramatically between FY 2000 and FY 2001 with the migration of duplication from the Defense Visual Information Center (DVIC) to the DoD Joint Visual Information Services Distribution Activity (JVISDA). They are expected to level off in the outyears.

Still Images Reviewed for Accessioning - The number of images produced is directly affected by a number of circumstances including the number and extent of military operations and contingencies. The increase in FY 2000 was a one time scanning project. The number of images produced are expected to remain constant from FY 2001 thru the outyears.

Still Images Reproduced - Demand for DVIC still imagery holdings is rising as the DoD increases its usage of VI products and as the DoD Components increase their reliance upon the DVIC. Through the Internet, the DVIC is providing more imagery to customers in a digital format and reducing, or keeping constant the number of "hard" copies provided. The increase between FY 2000 and FY 2001 is due to increased customer accessibility to computers and the Internet which has increased the digital imagery being requested. The numbers here do not reflect downloaded images from the DVIC website. Future reporting of website downloads, including motion files, is being pursued.

CD-ROMs - CD-ROM distribution is being migrated to the DoD JVISDA. DVIC will keep a small capability (200) of CD-ROM replication/distribution in the future contract in order to respond to emergency service on an as needed basis.

The DVIC directly contributes to DoD corporate-level goals 1, 1.2 and 2, 2.1, 2.2, 2.4, and 2.5. The extensive record holdings of still and motion imagery of DoD operations are

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

IV. Performance Criteria and Evaluation Summary (Cont.)

essential to maintaining ready forces by supporting training needs. Military academies and schools integrate DVIC products into their training aids allowing for analysis of past operations and activities and developing new plans, equipment, and procedures. These products also aid in adapting military theories for the transformation of U.S. military forces for the future. Internal and external use of these products enhances the morale, motivation, recruitment, and retention of personnel by informing them of mission expectations and results. Improved information management techniques allow for rapid access to DVIC products at reduced costs and allow for public enlightenment, through the media, about relevant DoD operations and activities. These products also provide a permanent visual record of DoD heritage that can assist in strengthening unit morale and identity through visually enhanced histories.

COLLECTION, CATALOGING, TEMPORARY STORAGE, MANAGEMENT, REPLICATION, AND DISTRIBUTION	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Number of Titles of AV Productions Distributed	8,150	8,175	8,200
Number of Copies of AV Productions Distributed	275,693	280,000	285,000
Number of Titles of Visual Information Products Distributed	537	550	575
Number of Copies of Visual Information Products Distributed	204,429	228,800	235,800
Minutes of videotape duplication (All Formats)	6,884,000	7,265,640	7,265,640

Description: The DoD Joint Visual Information Services Distribution Activity (JVISDA) is the DoD central distribution activity for audiovisual productions (primarily training) and other visual information products. Requests for audiovisual (AV) productions and visual information (VI) products, primarily in compact disk and VHS formats, continue to increase each year.

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

II. Performance Criteria and Evaluation Summary (Cont.)

This trend is also expected to grow in the outyears. The increase in the number of AV Production titles and copies, and VI product titles and copies is the result of the ease of accessibility for Military Departments to access these products on the Defense Automated Visual Information System (DAVIS) catalog on-line via the World Wide Web. The increase in Visual Information Products Distributed between FY 2000 and FY 2001 as well as the outyears reflects the CD-ROM workload migrated from the DVIC.

The increase in the minutes of videotape duplication is due to migration of tape duplication work to JVISDA from Defense Visual Information Center (DVIC) designed to capitalize on excess capacity at JVISDA while maintaining aggregate services contractor workload at the DVIC at or below contractual projections.

The DoD JVISDA products, by design, are training, educational, internal information, and recruiting, and directly contribute to DoD corporate level goals 1.2 and 2.1 by maintaining ready forces and ensuring they have the training necessary to provide the United States with the ability to shape the international security environment and respond to a full spectrum of crises. These products also directly support the DoD with the capabilities to recruit, retain, and develop personnel to maintain a highly skilled and motivated force capable of meeting tomorrow's challenge.

<u>V. Personnel Summary:</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Military End Strength (E/S)</u>				
Officer	17	20	20	0
Enlisted	73	72	72	<u>0</u>
Total	90	92	92	0

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

III. Personnel Summary (Cont.)

Narrative: The FY 2000 figures are actual active duty military personnel assigned including surplus and overage personnel. The surpluses are those personnel whose slots have been deleted but are completing their stabilized tours. The overages are those personnel who have arrived on station prior to the PCS of their predecessors. These surplus and overage personnel are expected to depart by the end of FY 2001. According to our records the authorized active duty military end strength for AFIS activities other than DINFOS for FY 2000 is 98. The decreases from FY 2000 through FY 2002 are a result of directed QDR cuts.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Civilian End Strength</u>				
U.S. Direct Hire	264	260	228	-32

Narrative: The decrease between FY 2001 and FY 2002 is the result of directed downsizing requirements and streamlining initiatives.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Military Average Strength</u>				
<u>(A/S)</u>				
Officer	17	20	20	0
Enlisted	73	72	72	<u>0</u>
Total	90	92	92	0
 <u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	261	262	237	-31

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BUDGET ACTIVITY 4 - Administration and Servicewide Activities

V. Personnel Summary (Cont.)

Narrative: The increase between FY 2000 and FY 2001 is due to unanticipated authorized vacancies taking longer to fill. The decrease in FTEs between FY 2001 and FY 2002 is due to directed downsizing requirements and streamlining initiatives.

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

	FY 2000 <u>Actuals</u>	Change from <u>FY 2000 to FY 2001</u>			Change from <u>FY 2001 to FY 2002</u>			FY 2002 <u>Estimate</u>
		Price <u>Growth</u>	Program <u>Growth</u>	FY 2001 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>		
101 General Schedule	17,934	684	-1,598	17,020	648	-2,255	15,413	
103 Wage Board	846	34	-22	858	31	-19	870	
106 Benefits to Former Employees	0	0	106	106	0	50	156	
107 Voluntary Separation Incentive Payments	0	0	425	425	0	200	625	
111 Disability Compensation	52	0	-4	48	0	39	87	
308 Travel of Persons	796	13	153	962	16	-7	971	
417 Locally Procured DWCF Managed Supplies & Materials	0	0	9	9	1	-1	9	
672 Pentagon Reservation Maintenance	100	2	8	110	10	190	310	
673 Defense Finance & Acctg Svcs	977	48	621	1,646	-77	104	1,673	
771 Commercial Transportation	827	13	424	1,264	21	-1	1,284	
912 Rental Payments to GSA Leases (SLUC)	1,303	26	195	1,524	30	-6	1,548	

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

	<u>FY 2000 Actuals</u>	<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>		
		<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2001 Estimate</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2002 Estimate</u>
913 Purchased Utilities (Non-DWCF)	466	7	84	557	9	111	677
914 Purchased Communications (Non-DWCF)	15,916	255	1,268	17,439	296	2,203	19,938
915 Rents (Non-GSA)	49	0	3	52	0	1	53
917 Postal Svcs (U.S.P.S.)	272	0	-9	263	0	0	263
920 Supplies & Materials (Non-DWCF)	2,173	35	-681	1,527	26	39	1,592
921 Printing & Reproduction	2,467	39	-855	1,651	28	-3	1,676
922 Equipment Maintenance By Contract	3,128	50	680	3,858	66	55	3,979
923 Facility Maintenance By Contract	701	11	118	830	14	39	883
925 Equipment Purchases (Non-DWCF)	7,360	118	-1,290	6,188	105	644	6,937
989 Other Contracts	36,674	587	-871	36,390	618	685	37,693
9999 Total	92,041	1,922	-1,236	92,727	1,842	2,068	96,637

FY 2002 Amended Budget Submission

Civil Military Programs (CMP)



June 2001

**Office of the Secretary of Defense
Civil Military Programs
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide**

I. Description of Operations Financed:

Civil Military Programs. DoD Civil Military Programs encompass outreach/service programs identified as: 1) the National Guard Challenge Program authorized under 32 U.S.C. 509; 2) the DoD Innovative Readiness Training Program authorized under 10 U.S.C. 2012; and 3) the DoD STARBASE Program currently authorized under 10 U.S.C. 2193b.

The National Guard Challenge Program (32 U.S.C. 509) is a youth development program managed by the National Guard Bureau, under the auspices of the Assistant Secretary of Defense, Reserve Affairs. The goal of this program is to improve the life skills and employment potential of participants by providing military-based training and supervised work experience, together with the core program components of assisting participants to receive a high school diploma or its equivalent, leadership development, promoting fellowship and community service, developing life coping skills and job skills, and improving physical fitness, health and hygiene. It is currently operating in 25 states and one territory in accordance with agreements between the National Guard Bureau, the Governors, and Adjutant Generals of those 26 locations. The seventeen-month program consists of three phases: a two-week pre-Challenge residential phase, a 22-week residential phase, and a 12-month post-residential phase.

The Innovative Readiness Training Program (IRT) (10 U.S.C. 2012) operates in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, and provides expanded military readiness training, as well as improvements to local communities by means of selected infrastructure, health care, and environmental projects. Every day citizen-soldiers, sailors, airmen, Marines and Coast Guardsmen, who provide a critical link between the military and civilian communities, perform these projects. Units and individuals benefit by training in a more realistic hands-on setting that enhances morale and contributes to recruiting and retention. The community benefits by receiving needed health care, engineering, and infrastructure support, thus providing the tax-payer added value for tax dollars spent. Examples are the Alaskan Road Project and the Benedum Airport Road, West Virginia Project; both projects provide important military engineer and construction training, while simultaneously building a needed transportation artery.

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Civil Military Programs
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I. Description of Operations Financed (Continued):

The DoD STARBASE Program (10 U.S.C. 2193) is managed by the Assistant Secretary of Defense, Reserve Affairs, and operated by the military services. The program is to improve knowledge and skills of students in kindergarten through twelfth grade in mathematics, science, and technology. The program targets "at risk" (minority, female, and low socio-economic) students and utilizes instruction modules specifically designed to meet the state's math and science objectives. A motivational module is included to teach children how to set and achieve goals, take positive action in their lives, and build strong self-esteem. The program currently operates in 39 locations throughout the United States. The Air National Guard, Air Force Reserve, Navy and Marine Corps participate in the program.

The Outdoor Odyssey Youth Development and Leadership Academy Program is operated through a grant under the auspices of the Assistant Secretary of Defense, Reserve Affairs. Located at Roaring Run Camp, Somerset County, Pennsylvania, the program is designed to target "at-risk" youths and provide them the opportunity to participate in exercises and activities which develop self-esteem, confidence, respect and trust in others. The program was initially appropriated \$300,000 under H.R. 3579 for FY 1998. \$400,000 was appropriated for the program in FY 1999, \$300,000 was appropriated in FY 2000 and \$500,000 is appropriated for FY 2001.

II. Force Structure Summary: N/A

Office of the Secretary of Defense
Civil Military Programs
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III. Financial Summary (O&M: \$ in thousands):

A. <u>Subactivity Group</u>	FY 2000 Actuals	FY 2001			FY 2002 Estimate
		Budget Request	Appro- priation	Current Estimate	
1. ChalleNGe	59,635	62,036	62,149	61,923	62,500
2. Starbase	4,724	6,395	10,000	10,000	11,596
3. IRT	11,617*	20,000	30,000	30,000	20,000
4. Outdoor Odyssey	300	-0-	500	500	500
5. America's Promise	<u>2,410</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	78,686	88,431	102,649	102,423	94,596

B. Reconciliation Summary:

	Change <u>FY 2001/FY 2001</u>	Change <u>FY 2001/2002</u>
Baseline Funding	88,431	102,423
Congressional Adjustments (Dist.)	14,569	-0-
Congressional Adjustments (Undist.)	-180	-0-
Congressional Earmarks	-171	-0-
Across-the-board rescission	-226	-0-
Price Change	-0-	1,741
Functional Transfer	-0-	-0-
Program Changes	-0-	-9,568
Current Estimate	102,423	94,596

*Does not include \$8,693,000 reprogrammed to military pay and allowances for IRT projects.

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Civil Military Programs
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III. Financial Summary (O&M: \$ in thousands) Cont'd):

C. <u>Reconciliation of Increases and Decreases:</u>	
1. FY 2001 President's Budget Request	88,431
2. Congressional Adjustments (Distributed)	
a. Innovative Readiness Training	10,000
b. Starbase	4,069
c. Youth Development and Leadership Program	500
3. Total Congressional Adjustments (Distributed)	14,569
4. Congressional Adjustments (Undistributed)	
a. CAAS	-2
b. DJAS	-178
5. Total Congressional Adjustments (Undistributed)	-180
6. Congressional Earmarks	
a. Indian Lands Mitigation	-132
b. Mid East Regional Security Issues Program	-13
c. Bosque Redondo Memorial	-26
7. Total Congressional Earmarks	-171
8. FY 2001 Appropriation Enacted	102,649
9. FY 2001 Rescission	-226
10. Proposed Supplementals	-0-
11. Transfers In	-0-
12. Transfers Out	-0-
13. Price Growth	-0-
14. Program Increases	
a. Annualization of New FY 2001 Program	-0-
b. One-Time FY 2001 Costs	-0-
c. Program Growth in FY 2001	-0-
15. Total Increases	-0-
16. Program Decreases	
a. Annualization of New FY 2001 Program	-0-
b. One-Time FY 2001 Costs	-0-
c. Program Growth in FY 2001	-0-
17. FY 2001 Current Estimate	102,423
18. Price Growth	1,741
19. Transfers In	-0-
20. Transfers Out	-0-

Office of the Secretary of Defense
 Civil Military Programs
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III. Financial Summary (O&M: \$ in thousands) Cont'd

C. Reconciliation of Increases and Decreases (Continued):

21. Program Increases		
a. Annualization of New FY 2001 Program		-0-
b. One-Time FY 2002 Costs		-0-
c. Program Growth in FY 2002		
(1) Starbase - to fund 39 academies	5,550	
(2) Outdoor Odyssey - funding provided to reflect Congressional intent.	500	
22. Total Increases		6,050
23. Program Decreases:		
a. One-Time FY 2001 Costs		
(1) Innovative Readiness Training - one-time Congressional add in 2001 to accomplish project backlog.	-10,510	
(2) Starbase - Congressional add to fund 39 academies.	-4,124	
(3) Outdoor Odyssey - one-time Congressional add to fund program.	-508	
b. Annualization of FY 2001 Program Decreases		
c. Program Decreases in FY 2002		
(1) ChalleNGe - aligns funding to approved funding level of \$62,500,000.	-476	
24. Total Decreases		-15,618
25. FY 2002 Budget Request		94,596

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IV. Performance Criteria and Evaluation Summary:

The Office of the Assistant Secretary of Defense for Reserve Affairs has policy oversight and control over the Department of Defense Civil Military Programs. Control and management of the DoD Civil Military Programs is maintained through the establishment of policies, directives, and funding controls. Evaluation of the program is made by the Secretary, Deputy Secretary, the Under Secretary of Defense (Personnel and Readiness) and the Assistant Secretary of Defense (Reserve Affairs).

Challenge Youth Program Target Enrollment by fiscal year:

<u>STATE</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Alaska	200	200	200
Arkansas	200	200	200
Arizona	224	224	224
California	200	200	200
Florida	-	200	200
Georgia	600	600	600
Hawaii	200	200	200
Illinois	800	800	800
Kentucky	200	200	200
Louisiana	550	550	550
Maryland	200	200	200
Michigan	200	200	200
Missouri	200	200	200
Mississippi	248	248	248
Montana	200	200	200
North Carolina	200	200	200
New Jersey	200	200	200
New York	200	200	200
Oklahoma	200	200	200
Oregon	200	200	200
Puerto Rico	200	200	200
South Carolina	200	200	200
Texas	200	200	200

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IV. Performance Criteria and Evaluation Summary (Continued):

Virginia	200	200	200
Wisconsin	200	200	200
West Virginia	<u>200</u>	<u>200</u>	<u>200</u>
TOTALS	6,382	6,582	6,582

V. Personnel Summary: N/A

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

	Change from FY 2000 to FY 2001			FY 2001 Estimate	Change from FY 2001 to FY 2002		
	FY 2000 Actuals	Price Growth	Program Growth		Price Growth	Program Growth	FY 2002 Estimate
989 Other Contracts							
ChalleNGe	59,635	954	1,334	61,923	1,053	-476	62,500
Starbase	4,724	76	5,200	10,000	170	1,426	11,596
IRT	11,617*	186	18,197	30,000	510	-10,510	20,000
Outdoor Odyssey	300	5	195	500	8	-8	500
America's Promise	<u>2,410</u>	<u>39</u>	<u>-2,449</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTALS	78,686	1,260	22,477	102,423	1,741	-9,568	94,596

*Does not include \$8,693,000 reprogrammed to military pay and allowances for IRT projects.

FY 2002 Amended Budget Submission

Defense Acquisition University (DAU)



June 2001

DEFENSE ACQUISITION UNIVERSITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 3: Recruitment and Training

I. Description of Operations Financed:

The Defense Acquisition University (DAU) is a corporate University providing mandatory, assignment specific, and continuing education courses for military and civilian personnel serving in 11 acquisition career fields. Its mission is to educate and train professionals for effective service in the Defense acquisition system. Authorized by 10 U.S.C. 1746, and chartered by DoD Directive 5000.57, the DAU began operating on August 1, 1992.

The DAU coordinates the DoD acquisition education and training program to meet the training requirements of more than 145,000 personnel serving in acquisition positions. Through its campuses, the DAU sponsors acquisition curriculum and instructor training to provide a full range of basic, intermediate, and advanced courses to support the career goals and professional development of the acquisition workforce. In addition, the DAU fosters research, publications, symposia, and consulting in areas related to the acquisition functional areas.

Dramatic economic and political changes have forced America and the DoD to re-think our business processes. The Defense Acquisition University (DAU) is restructuring in order to meet this rapidly changing business and acquisition environment. It is critical that we prepare the Acquisition, Technology and Logistics Workforce (AT&LWF) for new ways of doing business by improving acquisition training to develop better business practices.

Adaptability, speed, and customer-targeted training are qualities valued by the AT&LWF. Our strategic plan is focused on aggressively management, and the transition to a case-based training environment. Through the strategic plan, we are building an organizational culture that empowers the DAU workforce, encourages innovation, and establishes strategic alliances and partnerships with the private sector and field organizations. The result should be a more responsive and agile DAU organization. We are now implementing these initiatives, including case-based training; faculty renewal and development; distance learning; and improved, targeted training. To move DAU forward, establish a collaborative and teaming environment, and improve the efficiency of our existing

DEFENSE ACQUISITION UNIVERSITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 3: Recruitment and Training

I. Description of Operations Financed (Cont'd):

and proposed training, the following Fast-Track Initiatives have been developed to offer a renewed vision and organizational structure:

DAU HQ/DSMC Collocation at Fort Belvoir The relocation of headquarters personnel from Alexandria to Fort Belvoir will result in improved efficiency, more synergistic teamwork, and facility cost savings. It will also allow us to avoid duplication of staff functions. These improvements, along with the transition in staff functions, facilitate speed, quality, and better responsiveness in a dynamic acquisition environment.

Revision of PM Training Curriculum Distance learning/web-based training will be applied to the Program Management (PM) career field wherever appropriate. The ACQ-101 course is currently offered in distance-learning format. The new PMT-2XX PM Tools Course and the ACQ-201 Intermediate Systems Acquisition Course are being designed and developed in a web-based training format. The new PMT-3XX Program Management Course and revised PMT-302N Advanced Program Manager's Course (APMC) will also employ technology-based learning formats. In the future, the APMC will be attended by a highly select group of students. It will consist of a case-based training format that is better focused and clearly targeted for senior acquisition leaders.

Thinking and Case-Based Curriculum Critical thinking will be a central theme throughout all DAU courses, especially level III courses. The curriculum will be scenario-based and/or case-based and will depict contemporary and emerging problems students will encounter on the job. The source for the problems will be program management offices and senior acquisition leadership. Our goal is to ensure that we provide the AT&LWF with the right knowledge and skill sets to consistently shape smart business deals.

Faculty Development and Currency DAU faculty will undergo an intense and thorough development program to obtain case-study writing skills, facilitation skills, applied research skills, and targeted consulting skills. We will do more consulting and research to ensure that faculty members stay current within their respective areas and abreast of the contemporary and emerging problems. We will aggressively recruit to maintain a world-class faculty.

Budget Reassessment and Realignment DAU is faced with a tough budget environment as are all DoD organizations. In response to new priorities established by the acquisition senior

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Budget Activity 3: Recruitment and Training

I. Description of Operations Financed (Cont'd):

leadership, we must reprioritize our requirements within the existing budget framework. These new priorities will be debated and coordinated as we move forward. The AT&LWF training requirements will be reassessed in light of changing needs to ensure that DAU is aligned with our customers' needs. The move to a case-based training environment, increased emphasis on distance learning, and job-specific targeted training will require shifting priorities and the reallocation of funding.

FIPT/OIPT Jump-Start Successfully "jump-starting" the Functional Integrated Process Team/Overarching Integrated Process Team (FIPT/OIPT) is a top priority. With increased momentum, we will promote teamwork and a collaborative atmosphere for this advisory process, which is critical to the development of training in a dynamic and rapidly changing environment. Meetings will be held among all key stakeholders to move the FIPT/OIPT processes forward. Roles and responsibilities will be mapped out and assigned. Periodic reviews and continuous teaming and coordination will be conducted to ensure progress as we improve the quality of all AT&LWF training.

Supporting the New "5000" Changes DAU curriculum will be revised to reflect changes in the "5000," and these changes will be reflected on websites and publications, as well. Internal and external forums will be conducted to help disseminate the changes. Targeted consulting will be offered to program offices to demonstrate how the new changes may/will impact acquisition strategies.

Knowledge Management DAU will work closely with OSD and the Services to establish an Acquisition Knowledge Management Center (AKMC) with key Communities of Practice (CoP). We have already initiated baseline actions and look forward to teaming with the Air Force, Army, Navy, and key functional leaders. For example, the Defense Systems Management College will develop and maintain the Program Management CoP, and we are teaming with the Director of Defense Procurement, OSD, in establishing the contracting CoP.

Change Management Center DAU is the "natural fit" for the strategic alliance initiative and continuation of the Change Management Center. We will work aggressively with the current Change Management Center to develop a corporate university structure that will operate as a

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catalyst for change. The move will allow DAU and the acquisition community to take full advantage of the facilities and other resources at DSMC.

I. Description of Operations Financed (Cont'd):

Strategic Alliances DAU will form strategic alliances with key partners throughout the DoD and commercial enterprises. Alliances will be formed with key partners in price-based acquisition, alternate dispute resolution, training development and delivery, benchmarking/metrics, performance-based services contracting, business-case development, reduced total ownership cost, and others. The goal is to team with best-in-class partners.

II. Force Structure Summary: N/A

III. Financial Summary (\$ in Thousands):

A. Subactivities:

		FY 2001				
	FY 2000	Budget		Current	FY 2002	
	<u>Actual</u>	<u>Request</u>	<u>Appropriated</u>	<u>Estimate</u>	<u>Estimate</u>	
DAU	100,747	100,331	101,977	101,753	101,169	

B. Reconciliation Summary:

	Change	Change
	<u>FY 01/01</u>	<u>FY 01/02</u>
1. Baseline Funding	100,331	101,753
Congressional Adjustments (Undistributed)	2,000	0
Congressional Adjustments (Distributed)	-229	0
Congressional Earmarks	-125	0
2. Appropriated Amount	101,977	0
FY 2001 Government-Wide Rescission	-224	0
3. Price Change		2,383
4. Program Changes		-2,940
5. Current Estimate	101,753	101,169

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III. Financial Summary (\$ in Thousands) (Cont'd):

C. Reconciliation of Increases and Decreases (\$ in Thousands):

FY 2001 President's Budget Request		100,331
Congressional Adjustments (Distributed):		
IT Organizational Composition Research	2,000	
Total Congressional Adjustments (Distributed)		2,000
Congressional Adjustments (Undistributed):		
CAAS	-99	
DJAS	-130	
Total Congressional Adjustments (Undistributed):		-229
Congressional Earmarks:		
Congressional Earmarks - Bill Payers	-125	
Total Congressional Earmarks:		-125
FY 2001 Appropriated Amount		101,977
FY 2001 Recission		-224
Revised FY 2001 Current Estimate		101,753
Price Change		2,383
Program Increases - Adjustment to Paid Days		117
Program Decreases		-3,057
Civilian Workforce Restructure	-74	
Savings to travel through distance learning	-949	
One-time IT Organizational Composition Research (Congressional Add)	-2,034	

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Budget Activity 3: Recruitment and Training

FY 2002 Budget Request

101,196

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IV. Performance Criteria and Evaluation Summary:

	FY 2000	Workload FY 2001	FY 2002
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Number of Offerings	1,184	1,079	1,056
Resident Offerings	704	588	568
On Site Offerings	447	461	395
Web-based	20	30	93
Satellite	13		
Number of Students Trained	40,842	45,526	44,556
Army	9,342	10,337	9,264
Navy	12,509	14,106	10,381
Air Force	12,569	12,515	13,798
DoD	5,242	6,887	8,206
Other	1,180	1,681	2,967
Distance Learning Trainees (Memo)	12,993	18,035	18,962

V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/02</u>
Active Mil End Strength (Total)	115	115	115	0
Officer	78	78	78	0
Enlisted	37	37	37	0
Civilian End Strength (Total)	420	433	433	0
U.S. Direct Hire	420	433	433	0
Active Mil FTEs (Total)	115	115	115	0
Officer	78	78	78	0
Enlisted	37	37	37	0
Civilian FTEs (Total)	420	433	433	0
U.S. Direct Hire	420	433	433	0

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VI. OP 32 Line Items (Dollars in Thousands):

	FY 2000 <u>Act</u>	<u>Change FY 2000/FY 2001</u>			<u>Change FY 2001/FY 2002</u>		
		<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2001 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2002 Est</u>
101 Executive, General & Special Schedule	34,130	1,357	1,236	36,723	1,332	42	38,097
103 Wage Board	398	15		413	15	1	429
199 Total Civilian Personnel Compensation	34,528	1,372	1,236	37,136	1,347	43	38,526
308 Travel of Persons	35,516	568	-7,254	28,830	490	-949	28,371
399 Total Travel	35,516	568	-7,254	28,830	490	-949	28,371
633 Defense Publication and Printing Services	839	96	787	1,722	-33		1,689
699 Total Other Fund Purchases	839	96	787	1,722	-33		1,689
914 Purchased Communications (non SF)	441	7		448	8		456
920 Supplies and Materials (non SF)	5,490	88	-1,378	4,200	71		4,271
932 Mgt and Prof Suprt Svcs	3,344	54	846	4,244	72		4,316
989 Other Contracts	15,199	243	9,731	25,173	428	-2,034	23,567
999 Total Other Purchases	24,474	392	9,199	34,065	579	-2,034	32,610
9999 Total	95,357	2,428	3,968	101,753	2,383	-2,940	101,196

FY 2002 Amended Budget Submission

Defense Contract Audit Agency

(DCAA)



June 2001

DEFENSE CONTRACT AUDIT AGENCY
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Summary:

(Dollars in Thousands)

FY 2000	<i>Price</i>	<i>Program</i>	FY 2001	<i>Price</i>	<i>Program</i>	FY 2002
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
319,173	+11,385	+9,158	339,716	+11,018	+7,447	358,181

The Defense Contract Audit Agency (DCAA) is a worldwide, single mission Agency responsible for assisting Department of Defense (DoD) acquisition authorities in achieving sound contract pricing. This is done by evaluating contractor forward pricing proposals; providing contracting officers with accounting and financial advisory services useful to "could cost" and "should cost" assessments and negotiations; verifying the propriety and acceptability of costs charged by contractors to flexibly priced Government contracts; and deterring contractors' inefficient practices which, if not detected and corrected, could lead to excessive costs and contract prices.

DCAA's workload originates primarily from the effort required to audit and monitor DoD acquisitions of equipment, materials, and/or services from civilian contractors and universities by expenditure of Procurement, and Research, Development, Test and Evaluation (RDT&E) funds appropriated by Congress each year. Other factors affecting contract audit workload are (i) DoD procurement policies, (ii) the implementation of existing Cost Accounting Standards (PL 100-679), (iii) audits performed for the military departments in connection with the Foreign Military Sales (FMS) Program, (iv) the interest by DoD officials and the Congress in the nature of costs charged to defense contracts, (v) audits for economy and efficiency, and (vi) requests for contract audit support from the Defense Procurement Fraud Unit and U.S. attorneys during the conduct of investigations and prosecution of perpetrators of contract fraud.

Projected staffing requirements are commensurate with planned changes in DoD procurement levels, departmental acquisition streamlining initiatives, and required effort to complete

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audits of prior year contract expenditures. These staffing levels also reflect incorporation of previous Quadrennial Defense Review recommendations and related DoD initiatives.

Narrative Explanation of Change

Budget Activity 3

(Dollars in Thousands)

<u>FY 2000</u> <u>Actual</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2002</u> <u>Estimate</u>
0	0	+3,725	3,725	+107	+1	3,833

Defense Contract Audit Institute (DCAI) The increase in funding for DCAI is primarily due to Price Change. The nominal program increase is associated with increases in supplies and materials (including items purchased with the IMPAC government credit card).

Budget Activity 4

(Dollars in Thousands)

<u>FY 2000</u> <u>Actual</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2002</u> <u>Estimate</u>
319,173	+11,385	+5,433	335,991	+10,911	+7,446	354,348

The net increase in BA-4 is primarily due to Price Change. The balance, Program Change, is associated with an additional paid day, increase of 12 direct Workyears, promotions, and increases in: disability compensation, overtime, travel, communications, supplies and materials (IMPAC), ADP services and computer purchases.

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Summary of Increases and Decreases

	<u>BA-3</u>	<u>BA-4</u>	<u>TOTAL</u>
1. FY 2001 President's Budget	0	348,658	348,658
2. Congressional Adjustments	0	-2,896	-2,896
3. FY 2001 Appropriated Amount	<u>0</u>	<u>345,762</u>	<u>345,762</u>
4. Congressional Recission	0	-760	-760
5. Price Change	0	0	0
6. Program Increases	3,725	0	3,725
7. Program Decreases	0	-9,011	-9,011
8. FY 2001 Current Estimate	<u>3,725</u>	<u>335,991</u>	<u>339,716</u>
9. Price Change	107	10,911	11,018
10. Program Increases	1	7,446	7,447
11. Program Decreases	0	0	0
12. FY 2002 Estimate	<u><u>3,833</u></u>	<u><u>354,348</u></u>	<u><u>358,181</u></u>

Force Structure Summary: N/A

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OP 32 Line Items as Applicable (Dollars in Thousands):

	FY 2000 Actuals	Change From FY 2000 - FY 2001		FY 2001 Estimate	Change From FY 2001 - FY 2002		FY 2002 Estimate
		Price Growth	Program Growth		Price Growth	Program Growth	
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
Executive, General & Special Schedules	264,809	10,486	3,746	279,041	10,156	3,675	292,872
Wage Board	58	3	-	61	2	-	63
Foreign National Direct Hire (FNDH)	49	2	-	51	2	-	53
Separation Liability (FNDH)	-	-	-	-	-	-	-
Benefits to Former Employees	31	1	(19)	13	-	-	13
Voluntary Separation Incentive Payments	100	-	(50)	50	-	-	50
Disability Compensation	1,165	-	(10)	1,155	-	217	1,372
Total Civilian Personnel Compensation	266,212	10,492	3,667	280,371	10,160	3,892	294,423
<u>TRAVEL</u>							
Travel of Persons	11,827	189	313	12,329	209	532	13,070
Total Travel	11,827	189	313	12,329	209	532	13,070
<u>OTHER FUND PURCHASES</u>							
Defense Financing & Accounting Service	1,854	91	-	1,945	(92)	1	1,854
Total Purchases	1,854	91	-	1,945	(92)	1	1,854
<u>TRANSPORTATION</u>							
Commercial Transportation	550	7	(1)	556	7	1	564
Total Transportation	550	7	(1)	556	7	1	564
<u>OTHER PURCHASES</u>							
Rental Payments to GSA (SLUC)	7,904	158	(13)	8,049	161	15	8,225
Purchased Utilities (Non-Fund)	41	1	(1)	41	1	-	42
Purchased Communications (Non-Fund)	3,796	61	1,565	5,422	92	444	5,958
Rents (Non-GSA)	677	11	(1)	687	12	-	699
Postal Services (U.S.P.S.)	125	2	-	127	2	-	129
Supplies & Materials (Non-Fund)	7,696	123	473	8,292	140	1,125	9,557
Printing & Reproduction	5	-	1	6	-	-	6
Equipment Maintenance by Contract	86	1	43	130	3	(1)	132
Equipment Purchases (Non-Fund)	4,259	68	1,012	5,339	91	978	6,408
Other Contracts	11,324	180	2,101	13,605	231	460	14,296
Other Costs	2,817	1	(1)	2,817	1	-	2,818
Total Other Purchases	38,730	606	5,179	44,515	734	3,021	48,270
<u>TOTAL</u>	319,173	11,385	9,158	339,716	11,018	7,447	358,181

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Operations and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity-3 Training and Recruiting

I. Description of Operations Financed:

The Defense Contract Audit Institute (DCAI), an element of the Defense Contract Audit Agency, develops and delivers training for approximately 3,400 auditors in the contract auditing field and is an affiliated member of the Defense Acquisition University. The Institute directs and controls the development and delivery of classroom courses, one and two-day seminars, and computer based self-study courses. The Institute has program management responsibility for training and career development in the Defense Contract Audit Agency. It assures that Programs of Instruction, courses, and training materials meet DoD standards and Generally Accepted Government Auditing Standards (GAGAS). DCAI provides policy guidance to the regional offices and field audit offices, where appropriate, regarding training and education, and provides overall monitoring and evaluation of Agency training not conducted by the Institute. Development of new classroom courses, seminars, and self-study courses, as well as maintenance of established courses, is a key responsibility. In addition, the Institute produces videos to support training and for the Agency to provide basic information or highlight current events. The Institute, located on the south campus of the University of Memphis, often serves as a meeting center for various Agency groups. The Institute is co-located with the DCAA Information Technology Division and Technical Audit Services Center in Memphis, Tennessee.

II. Force Structure Summary: N/A

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Operations and Maintenance, Defense-Wide
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Budget Activity-3 Training and Recruiting

IV. Performance Criteria and Evaluation Summary:

The Defense Contract Audit Institute's primary mission is to design, develop, and deliver courses for essential contract audit training. DCAI assures appropriate technical content of the courses, instructional methods, and techniques and performs cost effectiveness analyses for new or existing training to include identifying the selection of an appropriate training delivery system. The Institute gathers training requirements and prepares an Annual Training Plan and Budget. The Institute monitors accomplishment of training programs within the approved training budget and conducts on-site surveys of regional training programs to evaluate program effectiveness and ensure compliance with Agency policies, plans, and objectives. Administration of a training attendance program and maintenance of an Agency-wide database of completed training assists in monitoring the Institute's evaluation criteria. Metrics include: number of personnel trained, number of resident and on-site courses offered, number of self-study courses taken, average instructor platform hours, average hours of training per employee, training expenditures per employee, number of courses revised and/or developed and cost per training hour.

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Budget Activity-3 Training and Recruiting

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Budget Activity Group</u>	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
DCAA Operations	0	0	0	3,725	3,833
DCAA Communications	0	0	0	0	0
DCAA Management HQ	0	0	0	0	0
TOTAL	0	0	0	3,725	3,833

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2001 / FY 2001</u>	<u>FY 2001 / FY 2002</u>
1 Baseline Funding	0	3,725
a) Distributed Congressional Adjust.		
b) Undistributed Congressional Adjust.		
c) General Provision Congressional Adj.		
d) Congressional Earmarks		
e) Congressional Earmarks Billpayers		
2 Appropriated Amount (Subtotal)	0	
a) Adjustments to Meet Cong. Intent		
b) Across-the-board Reduc. (Rescission)		
c) Approved Reprogrammings/Transfers		
3 Price Change		107
4 Program Changes	3,725	1
5 Current Estimate	3,725	3,833

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Budget Activity-3 Training and Recruiting

1. Congressional Adjustment(s)		
a) Distributed Adjustment		
i) Civilian Personnel Underexecution	0	
b) Undistributed Adjustment(s)		
i) Congressional Action - Initial Allocation	0	
ii) P25 - Additional HQ Personnel Reduction	0	
c) Adjustments to meet Congressional Intent		
d) Earmark Billpayers	0	
FY 2001 Appropriated Amount (subtotal)		0
2. Program Increases and Decreases		
a) Transfers		
b) Program Increases		
i) One-Time Costs		
ii) Program Growth		
c) Program Decreases/Increases		
i) One-Time Costs		
Rescission -- P.L. 106-554, FY 2001 Consolidated Appn	0	
ii) Program Reductions/Increases		
P26 Enhanced Defense Financial Mgmt Training	0	
PBD 085 -- OSD directed breakout of BA3 Funds	3,725	
Baseline Funding (subtotal)		
3. Reprogramming/Supplemental		
a) Anticipated Supplemental		
b) Reprogrammings (Requiring 1415 Actions)		
i) Increases		
ii) Decreases		
Revised FY 2001 Estimate		3,725
4. Price Change	107	
5. Program Growth --		
Supplies and materials -- Includes IMPAC Government Credit Card	1	
FY 2002 Budget Request		3,833

DEFENSE CONTRACT AUDIT AGENCY
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Budget Activity-3 Training and Recruiting

V. <u>Personnel Summary</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 01/FY 02</u>
<u>Civilian End Strength (Total)</u>	0	33	33	0
U.S. Direct Hire	0	33	33	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	0	33	33	0
Foreign National Indirect Hire (Reimbursable Civilians Included in Above (Memo))	0	0	0	0
 <u>Civilian FTEs (Total)</u>	 0	 33	 33	 0
U.S. Direct Hire	0	33	33	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	0	33	33	0
Foreign National Indirect Hire (Reimbursable Civilians Included in Above (Memo))	0	0	0	0

DEFENSE CONTRACT AUDIT AGENCY
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Budget Activity-3 Training and Recruiting

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

	FY 2000 <u>Actuals</u>	Foreign Currency <u>Rate Diff</u>	Change FY 2000 - FY 2001		
			<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2001 Estimate</u>
CIVILIAN PERSONNEL COMPENSATION					
Executive, General & Special Schedules	0		0	2,319	2,319
Total Civilian Personnel Compensation	<u>0</u>		<u>0</u>	2,319	2,319
TRAVEL					
Travel of Persons	0		0	210	210
Total Travel	<u>0</u>		<u>0</u>	210	210
OTHER FUND PURCHASES					
Defense Finance and Accounting Services	0		0	16	16
Total Purchases	<u>0</u>		<u>0</u>	16	16
OTHER PURCHASES					
Rental Payments to GSA (SLUC)	0		0	380	380
Supplies & Materials (Non-Fund)	0		0	650	650
Equipment Purchases (Non-Fund)	0		0	10	10
Other Contracts	0		0	140	140
Other Costs	0		0	1,180	1,180
Total Other Purchases	<u>0</u>		<u>0</u>	1,180	1,180
TOTAL	<u><u>0</u></u>		<u><u>0</u></u>	3,725	3,725

DEFENSE CONTRACT AUDIT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 Budget Estimates

Budget Activity-3 Training and Recruiting

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

	FY 2001 <u>Actuals</u>	Foreign Currency Rate Diff	Change		FY 2002 <u>Estimate</u>
			Price Growth	Program Growth	
CIVILIAN PERSONNEL COMPENSATION					
Executive, General & Special Schedules	2,319		84	1	2,404
Total Civilian Personnel Compensation	<u>2,319</u>		<u>84</u>	<u>1</u>	<u>2,404</u>
TRAVEL					
Travel of Persons	210		3	0	213
Total Travel	<u>210</u>		<u>3</u>	<u>0</u>	<u>213</u>
OTHER FUND PURCHASES					
Defense Finance and Accounting Services	16		(1)	0	15
Total Purchases	<u>16</u>		<u>(1)</u>	<u>0</u>	<u>15</u>
OTHER PURCHASES					
Rental Payments to GSA (SLUC)	380		8	(1)	387
Supplies & Materials (Non-Fund)	650		10	1	661
Equipment Purchases (Non-Fund)	10		0	0	10
Other Contracts	140		3	0	143
Other Costs					
Total Other Purchases	<u>1,180</u>		<u>21</u>	<u>0</u>	<u>1,201</u>
TOTAL	<u><u>3,725</u></u>		<u><u>107</u></u>	<u><u>1</u></u>	<u><u>3,833</u></u>

DEFENSE CONTRACT AUDIT AGENCY
Operations And Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity-4 Administration and Servicewide Activities

I. Description of Operations Financed:

1. Narrative Description: The Defense Contract Audit Agency (DCAA) is a worldwide, single mission Agency responsible for assisting Department of Defense (DoD) acquisition authorities in achieving sound contract pricing. This is done by evaluating contractor forward pricing proposals; providing contracting officers with accounting and financial advisory services useful to "could cost" and "should cost" assessments and negotiations; verifying the propriety and acceptability of costs charged by contractors to flexibly priced Government contracts; and deterring contractors' inefficient practices which, if not detected and corrected, could lead to excessive costs and contract prices.

DCAA's workload originates primarily from the effort required to audit and monitor DoD acquisitions of equipment, materials, and/or services from civilian contractors and universities by expenditure of Procurement, and Research, Development, Test and Evaluation (RDT&E) funds appropriated by Congress each year. Other factors affecting contract audit workload are (i) DoD procurement policies, (ii) the implementation of existing Cost Accounting Standards (PL 100-679), (iii) audits performed for the military departments in connection with the Foreign Military Sales (FMS) Program, (iv) the interest by DoD officials and the Congress in the nature of costs charged to defense contracts, (v) audits for economy and efficiency, and (vi) requests for contract audit support from the Defense Procurement Fraud Unit and U.S. attorneys during the conduct of investigations and prosecution of perpetrators of contract fraud.

Projected staffing requirements are commensurate with planned changes in DoD procurement levels, departmental acquisition streamlining initiatives, and required effort to complete audits of prior year contract expenditures. These staffing levels also reflect incorporation of previous Quadrennial Defense Review recommendations and related DoD initiatives.

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I. Description of Operations Financed (Continued):

2. Performance Measures and Results: DCAA has entered into a performance contract with the Defense Management Council that sets performance standards for its two major product lines - forward pricing and incurred cost audits. The contract includes deliverables of average cost per million dollars audited and dollars audited per work year. This budget submission contains the following values for the contracted metrics.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Forward Pricing:			
Cost per million dollars audited	\$ 548	\$ 711	\$ 730
Million dollars audited per work year	\$136.1	\$111.3	\$115.3
Incurring Cost:			
Cost per million dollars audited	\$1,207	\$1,240	\$1,292
Million dollars audited per work year	\$ 61.8	\$ 63.8	\$ 65.1

In addition to the unit cost and productivity standards, the contract also has measures for customer responsiveness and a requirement to complete customer surveys. DCAA has a goal to achieve an agency-wide average of 30 days or less audit cycle time on forward pricing audits. It also has a goal to complete the audits of at least 92% of adequate incurred cost submissions within 12 months of receipt at major contractors and corporate offices and within 24 months of receipt for all other adequate incurred cost submissions. These goals were established to meet contracting office needs for awarding and closing out contracting actions.

It should be noted that savings to the Government, as a result of contract audit services, far exceed the cost of DCAA operations. For example, in FY 2000 the Agency audited \$90.9 billion of incurred cost and reviewed 9,874 forward pricing proposals amounting to \$93.9 billion. Approximately \$2.4 billion in net savings were reported during the year. When compared to the \$364 million expended for the Agency's operations, the return on taxpayers' investment in DCAA was approximately \$6.60 for each dollar invested.

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II. Force Structure Summary: The workload of DCAA is divided into the major functional categories described below:

1. Forward Pricing Effort. The Federal Acquisition Regulations (FAR) and Public Law 100-679, Cost Accounting Standards (CAS) require Department of Defense (DoD) procurement officials to comply with various administrative procedures before entering into contracts. These procedures include obtaining pertinent accounting and financial advice before making decisions related to prospective contract prices. The ultimate goal of forward pricing audit effort is to assist contracting officers in determining and negotiating fair and reasonable prices for negotiated Government contracts. Preaward services furnished to contracting officers by DCAA include:

a. Price Proposal Audits. These audits are performed to determine the reasonableness of contractors' price proposals submitted in anticipation of negotiating Government contracts. They are specifically requested by contracting officers and must be accomplished within a short period of time to avoid delaying the procurement process. DCAA has no control over the number or timing of price proposal audits and must respond to each audit request.

b. Could Cost or Should Cost Studies and Participation on Integrated Product Teams (IPTs). Should cost studies are initiated by procuring activities who organize a team of specialists and review a contractor's price proposal to determine what a particular procurement could or should cost, depending on which study is being performed. DCAA auditors participate as members of the team of specialists. Such studies usually involve large major weapon system procurements. DCAA auditors also participate on IPTs that include representatives from all appropriate organizations and functional disciplines (normally DCAA, the buying activities, DCMA, and the contractor). Working together with the team leader, the objective is to avoid rework at the end of process by identifying problems and finding potential solutions at the earliest possible point in the procurement process.

c. Forward Pricing Rate Reviews. These reviews are performed to determine the reasonableness of projected labor, overhead, and other indirect expense rates submitted

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by a contractor prior to submission of price proposals. These rates are normally separately negotiated by a contracting officer and then used by the contractor in subsequent price

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II. Force Structure Summary (Continued):

proposals. Beginning in FY 2000, DCAA is providing "rapid rates" services to major buying commands for contractors that are expected to do business with the Government during the year. The DCAA initiative is to proactively seek out and audit rate information from prospective Government contractors so that the information can be available for buying offices to use within hours of a request. This initiative supports the Department's Civil-Military Integration/Commercial Buying activities and will both reduce the procurement cycle time and provide better data within the time frames available for decision making.

d. Specific Cost Element Reviews and Agreed Upon Procedures. Specific cost element reviews are audits of only specific cost elements within a proposal (e.g., only proposed material or labor costs). Applications of agreed-upon procedures include cost realism reviews and all reviews of information other than cost or pricing data submitted in support of a price proposal.

e. System Surveys. These reviews are performed to determine the reliability, propriety, and accuracy of contractors' estimating, accounting, internal control, and other systems relating to or providing the basis for Government contract costs or pricing. Systems surveys may be either a joint team review in which the experience and capabilities of the auditor and technical specialist are combined, or they may be comprehensive reviews performed solely by auditors. Additionally, these reviews include effort to recommend corrective actions on conditions causing deficiencies disclosed in price proposal evaluations or other audit areas which require immediate reporting and resolution. This also includes the effort required to determine the status of corrective actions taken by contractors on previously disclosed deficiencies.

f. Other. This effort includes providing verbal information to procurement officials on labor rates, overhead rates, and similar factors for smaller procurements.

2. Incurred Cost Effort. The FAR requires DCAA to perform audits of claimed costs incurred and submitted by contractors for reimbursement under cost reimbursable, fixed

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price incentive, and other types of flexibly priced contracts to determine if the costs are acceptable in accordance with contract terms, FAR, and Cost Accounting Standards (CAS) rules

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II. Force Structure Summary (Continued):

and regulations, if applicable. Although the performance of these incurred cost audits and CAS compliance audits are normally self-initiated, they must be accomplished in order for the Government to make final payment to the contractor. They include reviews of direct labor and material, indirect expenses, and performance and financial controls. Although the primary purpose of incurred cost audits is to express an opinion on the acceptability of costs claimed under Government contracts, knowledge of contractors' accounting, estimating, and internal control systems gained during these audits is invaluable to the evaluation of contractors' price proposals.

3. Operations Audits. DCAA also performs a variety of economy and efficiency audits of contractor operations. DCAA operations audits are systematic reviews of contractor organizational units and functions to evaluate the reasonableness of methods and practices employed on Government contracts.

4. Special Audits. These audits are normally requested by the contracting officer and include reviews of termination claims, progress payment requests, equitable adjustment claims, hardship claims, escalation claims, and contractor financial capability. They must be accomplished within a short period of time to avoid adverse effects such as additional claims for interest on amounts due or contractor financial failure. DCAA has little control over the number or timing of these reviews and must respond to all such requests.

5. Defective Pricing Reviews. The Truth in Negotiations Act (TINA), as codified in 10 USC §2306a, requires contracting officers to obtain cost or pricing data from contractors before awarding a contract unless an exception applies. Under TINA the Government has the right to examine these records to evaluate the accuracy, completeness, and currentness of the cost or pricing data required to be submitted. DCAA is responsible for performing these reviews which assist in determining whether a contract or subcontract price was unduly increased because the contractor failed to furnish accurate, complete, or current cost or pricing information in negotiating a contract.

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II. Force Structure Summary (Continued):

6. Cost Accounting Standards. Contracts and subcontracts not qualifying for an exemption are subject to CAS coverage as a condition of Government contracting. The FAR assigns DCAA responsibility for reviewing contractors' implementation and compliance with the CAS rules and regulations.

7. Other Direct Audit Effort. DCAA's audit mission includes other audit-related activities such as providing on-site assistance to procurement and contract administration offices, contract audit coordination (CAC) programs, and negotiation support. Testing performed during development of Agency policies and procedures, and follow-up effort related to Congressional, General Accounting Office (GAO), DoD Inspector General (DoD IG), and other external requests, surveys, and reports are also a part of this activity. The major items within this activity are further described below:

a. Procurement Liaison. DoD Directive 5105.36, dated 9 June 1965, authorized the Director, DCAA to establish and maintain liaison auditors, as appropriate, at major procuring and contract administration offices. The primary functions of procurement liaison auditors are to (i) facilitate effective communication and coordination between procurement officers and auditors, (ii) provide on-the-spot personal consultation and advice in connection with contractors' cost representations and related matters, (iii) provide DCAA management with information regarding specific awards, trends in type and volume of awards, and other data impacting on immediate or long range DCAA responsibilities, and (iv) provide DCAA management with information on the adequacy, responsiveness and timeliness of audit services rendered to procurement and contract administration offices.

b. Financial Advisory Service Center. Financial advisory services positions have been established to provide on-site financial analysis and professional auditing advice to contracting officers at buying command locations. These positions were established to meet the changing needs of the procurement community as acquisition reform has changed the face of Government contracting and auditing. The shift to commercial

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pricing practices has caused a decrease in the use of audits performed at contractor locations in favor of analysis of financial data available at the procurement offices.

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II. Force Structure Summary (Continued):

c. Contract Audit Coordinator (CAC) Program. A CAC program has been established at the largest DoD contractors whose accounting functions, operations, and contract performance occur at multiple locations under the audit cognizance of multiple DCAA field offices. The program is designed to maintain effective communications and audit coordination at these contractor locations. The CAC program includes effort to (i) disseminate information, (ii) monitor and track problem areas to assure uniform resolution, (iii) arrange and attend CAC conferences, and (iv) coordinate with other DCAA personnel, contractor representatives, and cognizant procurement officials on CAC problems.

d. Negotiation Conferences. A fundamental requirement of DCAA's mission is to provide contract audit services and to be the principal accounting and financial advisor to contracting officials. Many times audit results involve complex accounting issues and/or quantitative analyses that dispute contractors' cost estimates or representations. On these occasions, the best interests of the Government are served by having auditors present at negotiations to further explain the audit position, perform analyses of additional contractor data presented at the negotiation table, and provide any other accounting and/or financial assistance the contracting officer may require during the negotiation process.

e. External Audit Interface. This activity includes effort expended to develop information and comment on reports from the GAO, DoD IG, or other government inspector general offices. This activity also includes effort related to discussions and conferences, and any interface involving any other government audit organization.

f. Suspected Irregular Conduct (SIC). This activity represents effort expended related to SIC referrals, and responses to requests from investigative agencies or the Department of Justice regarding fraud or other irregular practices. This activity includes the development of evidence for presentation to an U.S. attorney or a grand jury, and/or for use at a trial.

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II. Force Structure Summary (Continued):

g. Audit Support and Planning. This activity represents effort expended by the field to prepare annual audit requirements and program plan information as well as effort expended on projects and studies requested by the regions or Headquarters. The projects normally relate to new and/or innovative ways of performing DCAA's audit mission, and often add to the body of knowledge needed to enhance Agency mission accomplishment through the development and application of improved audit and/or audit management technology and techniques.

8. Field Support. This category includes support personnel in the five regional offices, the Information Technology Division, and the Technical Audit Services Division.

a. Regional Offices. These offices provide technical audit management and supervision, and logistical support in the form of personnel services, payroll, budgeting and accounting, and travel services to field office personnel.

b. Information Technology Division (OIT). OIT is responsible for the development, maintenance, and enhancement of DCAA's management information system hardware and software to meet management, administrative, and audit requirements. It is also responsible for operating the Agency-wide telecommunications network, and defining and controlling data management standards.

c. Technical Audit Services Division (OTS). OTS conducts research and distributes information to the field on operations audits, quantitative audit techniques, computer assisted audit techniques, and other auditing topics that have Agency-wide application. OTS also provides technical assistance to auditors in planning reviews of contractor's electronic data processing systems and engineering operations.

d. Field Administrative Support. Field administrative support personnel provide administrative and resource management services to the Field Detachment, the Defense Contract Audit Institute, and the Defense Legal Services staff assigned to DCAA.

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e. Other. This category includes personnel from the Defense Legal Service (DLS).

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II. Force Structure Summary (Continued):

9. Headquarters. DCAA Headquarters performs the work normally associated with the central office of a professional organization. It develops policy and promulgates instructions and operating directives needed to perform the Agency mission. It performs oversight reviews of regional and field office operations, and advises regional offices on resource management matters, including the recruitment and training of personnel. In addition, Headquarters personnel interface with other DoD components as well as other Government agencies and Congressional committees on contract audit matters.

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III. Financial Summary (O&M: \$ in Thousands):

A. <u>Budget Activity Group</u>	FY 2000	FY 2001		Current	FY 2002
	<u>Actuals</u>	<u>Budget Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
DCAA Operations	304,377	331,633	328,878	319,107	336,891
DCAA Communications	3,796	5,386	5,422	5,422	5,958
DCAA Management HQ	11,000	11,639	11,462	11,462	11,499
TOTAL	319,173	348,658	345,762	335,991	354,348

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2001 / FY 2001</u>	<u>FY 2001 / FY 2002</u>
1 Baseline Funding	348,658	335,991
a) Distributed Congressional Adjust.	-2,000	
b) Undistributed Congressional Adjust.	-779	
c) General Provision Congressional Adj.		
d) Congressional Earmarks		
e) Congressional Earmarks Billpayers	-117	
2 Appropriated Amount (Subtotal)	345,762	
a) Adjustments to Meet Cong. Intent		
b) Across-the-board Reduc. (Rescission)	-760	
c) Approved Reprogrammings/Transfers		
3 Price Change		10,911
4 Program Changes	-9,011	7,446
5 Current Estimate	335,991	354,348

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1. Congressional Adjustment(s)		
a) Distributed Adjustment		
i) Civilian Personnel Underexecution	-2,000	
b) Undistributed Adjustment(s)		
i) Congressional Action - Initial Allocation	-682	
ii) P25 - Additional HQ Personnel Reduction	-97	
c) Adjustments to meet Congressional Intent		
d) Earmark Billpayers	-117	
FY 2001 Appropriated Amount (subtotal)		345,762
2. Program Increases and Decreases		
a) Transfers		
b) Program Increases		
i) One-Time Costs		
ii) Program Growth		
c) Program Decreases		
i) One-Time Costs		
Rescission -- P.L. 106-554, FY 2001 Consolidated Appn	-760	
ii) Program Reductions		
P26 Enhanced Defense Financial Mgmt Training	-286	
PBD 085		
Transfer to Budget Activity Group 3 (training).	-3,725	
Adjustment to cost base.	-5,000	
Baseline Funding (subtotal)		
3. Reprogramming/Supplemental		
a) Anticipated Supplemental		
b) Reprogrammings (Requiring 1415 Actions)		
i) Increases		
ii) Decreases		
Revised FY 2001 Estimate		335,991

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4. Price Change		10,911
5. Program Growth		7,446
a) One additional paid day in FY 2002	1,000	
b) Increase of 12 Direct Workyears	1,000	
c) Promotions of entry level auditors	674	
d) Increase in Disability Compensation	217	
e) Overtime	1,000	
f) Travel and Transportation -- Due to closing / consolidation of Field Audit Offices, the geographic coverage of the remaining FAOs is expected to increase slightly.	532	
g) Communications -- To support growing reliance on agency Intranet and other growing ADP requirements including the paperless contracting initiative.	444	
g) Supplies and materials -- Includes increased payment of contracts with the IMPAC Government Credit Card.	1,101	
h) ADP Services -- To support increased technological advances within DCAA.	460	
i) Computer purchases -- To support increased ADP requirements associated with new hires.	978	
j) Other Program Growth	40	
FY 2002 Budget Request		354,348

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Notes</u>
Forward Pricing	690	677	706	1
Incurred Cost Effort:				
Regular Incurred Costs Audits	1,397	1,305	1,240	
CAS Compliance Audits	<u>74</u>	<u>89</u>	<u>79</u>	
Total Incurred Cost	1,471	1,394	1,319	2
Operations Audits	63	100	101	3
Special Audits	453	428	433	4
Defective Pricing	113	114	126	5
Cost Accounting Standards: Disclosure Statements, Cost Impact Audits, Etc.	117	118	120	6
Other Direct Audit Effort:				
Procurement Support	297	330	340	7
Audit Support & Planning	<u>357</u>	<u>351</u>	<u>358</u>	8
Total Other Direct	654	681	698	
Field Support:				
Regional Offices	309	304	304	
Field Support	<u>101</u>	<u>69</u>	<u>69</u>	
Total Field Support	378	372	372	9
Headquarters	<u>83</u>	<u>81</u>	<u>79</u>	10
Total Workyears	<u>4,054</u>	<u>3,966</u>	<u>3,955</u>	

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IV. Performance Criteria and Evaluation Summary (Continued):

Note 1 - The estimated forward pricing audit effort is based on an assessment of contracting officials' demand requirements for forward pricing assistance. This assessment includes an analysis of the actual workload accomplishments during the past several years, adjusted for anticipated productivity improvements, published changes in the DoD Procurement and RDT&E budget authority, and the estimated impact of applicable acquisition reform initiatives.

Beginning in FY 2000, DCAA is providing "rapid rates" services to major buying commands for contractors that are expected to do business with the Government during the year. The DCAA initiative is to proactively seek out and audit rate information from prospective Government contractors so that the information can be available for buying offices to use within hours of a request. This initiative supports the Department's Civil-Military Integration/ Commercial Buying activities and will both reduce the procurement cycle time and provide better data within the time frames available for decision making.

The forward pricing dollars examined and workyear estimates result in the following productivity metrics.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Amount Examined During Year (\$B)	\$ 93.9	\$ 75.4	\$ 81.4
Workyears	690	677	706
Examined Per Workyear (\$M)	\$136.1	\$111.3	\$115.3

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IV. Performance Criteria and Evaluation Summary (Continued):

Note 2 - The Federal Acquisition Regulations (FAR) require an audit of contractor costs incurred under flexibly priced contracts to determine if the costs are acceptable in accordance with contract terms, the FAR, and Cost Accounting Standards (CAS) rules and regulations, if applicable. While the performance of these incurred cost audits is normally self-initiated, they must be accomplished to facilitate the Government's final contract payment to contractors on flexibly priced contracts. However, since the incurred cost area is essentially the only major audit area over which DCAA has any control over the initiation of audit performance, budget constraints impact this area more severely than other areas.

The Agency's performance contract includes a goal of completing the audits of at least 92% of adequate incurred cost submissions with 12 months of receipt at major contractors and corporate offices and within 24 months of receipt for all other adequate incurred cost submissions. Any delay in performing these incurred cost audits will also impact DCAA's ability to provide timely support to the Department's expedited and paperless Contract Closeout Initiative and increase the probability of expiring funds.

Workload statistics for incurred cost audits are based on historical data, current field audit requirements, annual field risk assessments, productivity factors, and anticipated changes in the DoD Procurement and RDT&E outlays. The incurred cost inventory, estimated workyears and productivity are shown below.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
On Hand Beginning Of Year (\$B)	\$ 65.0	\$ 61.0	\$ 56.6
Received During Year (Adv) (\$B)	<u>86.9</u>	<u>84.5</u>	<u>84.5</u>
Dollars Subject To Audit (\$B)	\$ 151.9	\$ 145.5	\$ 141.1
Examined During Year (\$B)	<u>90.9</u>	<u>88.9</u>	<u>85.9</u>
Ending Inventory (\$B)	<u>\$ 61.0</u>	<u>\$ 56.6</u>	<u>\$ 55.2</u>
Workyears	1,471	1,394	1,319

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Examined Per Workyear (\$ M)	\$ 61.8	\$ 63.8	\$ 65.1
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IV. Performance Criteria and Evaluation Summary (Continued):

Note 3 - DCAA's operations audits are designed, in part, to evaluate the economy and efficiency of contractor functions or operations, the costs of which are reimbursed through the contractors' overhead expense rates. Because of the continuing interest in reducing the risk that excessive contractor overhead costs are priced into or reimbursed on DoD contracts, projected workyears provide staffing levels that will allow DCAA to perform required reviews.

Note 4 - Special audit activity is performed in response to requests from contracting officials. Special requests range from simple verification of costs to analyzing complex accounting issues. Contractor claims for contract price adjustments involve accounting issues requiring a high level of audit expertise and oftentimes, substantial audit effort. Oversight of DoD contract costs during contract performance by DoD management and Congressional inquiry, contract terminations, progress payment requests, financial capability audits, earned value management system reviews and other contract claims represent a substantial portion of this workload. Our estimates reflect consideration of historical experience as well as expectations for productivity improvements. We have projected several workyears of new business for FYs 2002 and 2003. As procurement practices have changes within the Government, we have been requested to become involved in new areas outside of our traditional forward pricing and incurred cost audit activity.

Note 5 - The Truth in Negotiations Act (TINA), as codified in 10 USC §2306a, requires contracting officers to obtain cost or pricing data from contractors before awarding a contract unless an exception applies. Under TINA the Government has the right to examine these records to evaluate the accuracy, completeness, and currentness of the cost or pricing data required to be submitted. DCAA is responsible for performing these reviews which assist in determining whether a contract or subcontract price was unduly increased because the contractor failed to furnish accurate, complete, or current cost or pricing information in negotiating the contract. The projected workyears will allow DCAA to perform defective pricing reviews at the required levels of effort. Contracts/subcontracts are selected for defective pricing review based on established

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selection criteria that consider contract types, dollar amounts, contractor estimating and accounting systems, historical experience,

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IV. Performance Criteria and Evaluation Summary (Continued):

and audit leads. Our estimates reflect consideration of current required audits as adjusted for anticipated productivity improvements.

Note 6 - Public Law 100-679 requires contractors to comply with Cost Accounting Standards (CAS). Contractors subject to full CAS-coverage are required to submit disclosure statements describing their significant accounting practices. In addition, any voluntary or required changes in accounting practices require DCAA to review their propriety and cost impact on negotiated Government contracts. Projected workyears reflect an anticipated level of activity required to perform reviews of disclosure statements for adequacy and audits of cost impact statements during times of a transforming defense industrial base with increased corporate mergers and acquisitions.

Note 7 - Major activities within procurement support include negotiation assistance, investigative support, the contract audit coordinator program, financial advisory service centers, and procurement liaison auditor effort. Auditors are frequently asked by Government contracting representatives to attend contract negotiation conferences to provide accounting and financial advice. DCAA is also frequently requested to provide contract audit assistance to investigative organizations from all branches of the Government in its battle to combat fraud, waste, and mismanagement. Required staffing levels are based on historical performance levels adjusted for additional financial advisory services and anticipated productivity improvements.

In FY 1999 we began locating Financial Advisory Service Centers at our major customer sites and continue to fill additional positions based on requests from our customers. Financial advisory service positions have been established to provide on-site financial analysis and professional auditing advice to contracting officers. These positions were established to meet the changing needs of the procurement community as acquisition reform has changed the face of Government contracting and auditing. The shift to commercial pricing practices has caused a decrease in the use of audits performed at contractor locations in favor of analysis of financial data available at the procurement offices.

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IV. Performance Criteria and Evaluation Summary (Continued):

Note 8 - The audit support and planning effort includes the development of DCAA's audit requirements and program plans necessary to accomplish the assigned audit mission at contractor locations. This planning effort enhances audit coverage and the quality of information available to DCAA management and DoD officials responsible for making resource/staffing decisions. Effort associated with performing process improvement projects and studies, and the processing and approval of contract payments is also included in this category. Workyears required for special projects and studies, and requirements and program planning represent the Agency's continuing efforts to improve audit quality and audit management oversight through data analyses, surveys, and the testing of new policies and operating procedures. The estimated staffing levels are based on historical performance levels adjusted for anticipated productivity improvements.

Note 9 - Estimated staffing levels for DCAA Field Support include those required for the Agency's regional offices, the Defense Contract Audit Institute (DCAI; FY 2000 only), the Information Technology and Technical Audit Services divisions, and other field support units.

Note 10 - Estimated staff levels for DCAA Headquarters reflect the 10% reduction in management headquarters personnel from FY 1999 through FY 2003 mandated by the Deputy Secretary of Defense.

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V. <u>Personnel Summary</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 01/FY 02</u>
<u>Civilian End Strength (Total)</u>	4,256	3,971	3,939	-32
U.S. Direct Hire	4,250	3,965	3,933	-32
Foreign National Direct Hire	1	1	1	0
Total Direct Hire	4,251	3,966	3,934	-32
Foreign National Indirect Hire (Reimbursable Civilians Included in Above (Memo))	5 496	5 469	5 446	0 -23
 <u>Civilian FTEs (Total)</u>	 4,005	 3,966	 3,955	 -11
U.S. Direct Hire	3,999	3,960	3,949	-11
Foreign National Direct Hire	1	1	1	0
Total Direct Hire	4,000	3,961	3,950	-11
Foreign National Indirect Hire (Reimbursable Civilians Included in Above (Memo))	5 496	5 469	5 446	0 -23

DEFENSE CONTRACT AUDIT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Budget Estimates

Budget Activity-4 Administration and Servicewide Activities

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

	Change FY 2000 - FY 2001					Change FY 2001 - FY 2002				
	FY 2000 Actuals	Foreign	Price	Program	FY 2001	FY 2001 Estimate	Foreign	Price	Program	FY 2002
		Currency Rate Diff	Growth	Growth	Estimate		Currency Rate Diff	Growth	Growth	Estimate
CIVILIAN PERSONNEL COMPENSATION										
Executive, General & Special Schedules	264,809		10,486	1,427	276,722	276,722		10,072	3,674	290,468
Wage Board	58		3	0	61	61		2	0	63
Foreign National Direct Hire (FNDH)	49		2	0	51	51		2	0	53
Separation Liability (FNDH)	0		0	0	0	0		0	0	0
Benefits to Former Employees	31		1	(19)	13	13		0	0	13
Voluntary Separation Incentive Payments	100		0	(50)	50	50		0	0	50
Disability Compensation	1,165		0	(10)	1,155	1,155		0	217	1,372
Total Civilian Personnel Compensation	266,212		10,492	1,348	278,052	278,052		10,076	3,891	292,019
TRAVEL										
Travel of Persons	11,827		189	103	12,119	12,119		206	532	12,857
Total Travel	11,827		189	103	12,119	12,119		206	532	12,857
OTHER FUND PURCHASES										
Defense Financing & Accounting Service	1,854		91	(16)	1,929	1,929		(91)	1	1,839
Total Purchases	1,854		91	(16)	1,929	1,929		(91)	1	1,839
TRANSPORTATION										
Commercial Transportation	550		7	(1)	556	556		7	1	564
Total Transportation	550		7	(1)	556	556		7	1	564
OTHER PURCHASES										
Rental Payments to GSA (SLUC)	7,904		158	(393)	7,669	7,669		153	16	7,838
Purchased Utilities (Non-Fund)	41		1	(1)	41	41		1	0	42
Purchased Communications (Non-Fund)	3,796		61	1,565	5,422	5,422		92	444	5,958
Rents (Non-GSA)	677		11	(1)	687	687		12	0	699
Postal Services (U.S.P.S.)	125		2	0	127	127		2	0	129
Supplies & Materials (Non-Fund)	7,696		123	(177)	7,642	7,642		130	1,124	8,896
Printing & Reproduction	5		0	1	6	6		0	0	6
Equipment Maintenance by Contract	86		1	43	130	130		3	(1)	132
Equipment Purchases (Non-Fund)	4,259		68	1,002	5,329	5,329		91	978	6,398
Other Contracts	11,324		180	1,961	13,465	13,465		228	460	14,153
Other Costs	2,817		1	(1)	2,817	2,817		1	0	2,818
Total Other Purchases	38,730		606	3,999	43,335	43,335		713	3,021	47,069
TOTAL	319,173		11,385	5,433	335,991	335,991		10,911	7,446	354,348

FY 2002 Amended Budget Submission

Defense Contract Management Agency (DCMA)



June 2001

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights
(\$ in Thousands)

In March of 2000 the Defense Contract Management Command was named a separate Joint Combat Support Agency and became the Defense Contract Management Agency (DCMA). As an agency, DCMA transferred associated support resources from the Defense Logistics Agency beginning in late FY 2000. As a result of this transition DCMA is now aligned under the Principal Under Secretary of Defense (Acquisition, Technology and Logistics).

The critical requirements that justified establishing DCMA as a separate Agency included: the combat support mission; the size, scope and complexity of the organization; comparable organization placement with Senior Acquisition Executives; the need for independent oversight; and the elimination of a management layer. The Agency's role as a combat support organization is the most important mission. DCMA's combat support responsibilities include: contingency and wartime planning with the CINCs; maintaining effective training and force preparation for deployed operations such as Bosnia and Kosovo; deployment with military forces to support contingency operations; support of joint exercises; and mobilizing defense industry support of CINC operations.

The Defense Contract Management Agency's operation and maintenance appropriation consists of the following activities: Defense Contract Management Districts East, West and International, the Defense Contract Management Agency Headquarters, the Business Support Unit, Special Programs, and the Standard Procurement System (SPS) totaling \$.95 billion and 11,921 full time equivalents. DCMA provides contract management services throughout the acquisition life cycle to include contractor compliance with contract terms; accepting products; providing program and technical support; and ensuring that contractors are paid. The Standard Procurement System is the new DoD-wide standard system that will replace Service and Defense Logistics Agency legacy procurement systems.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights
(\$ in Thousands)

	FY 2000	Foreign	Price	Program	FY 2001	Foreign	Price	Program	FY 2002
	Actuals	Currency	Growth	Growth	Estimates	Currency	Growth	Growth	Estimates
		Variance				Variance			
Budget									
Activity 4:	963,921		31,699	-77,736	917,884		29,233	1,815	948,932
Admin. & Serv.									
Act.									
Total	963,921		31,699	-77,736	917,884		29,233	1,815	948,932

Budget Activity 4 reflects funding in support of the Contract Management Agency as well as funding in support of the Standard Procurement System. The O&M appropriation funds the contracts, supplies, equipment maintenance, communications, salaries, awards, personnel, benefits, travel, per diem, and training in support of these programs. This budget activity's decreases are primarily attributable to decreases in the civilian personnel workforce. Increases in this budget activity are associated with the Agency's facility support requirements and its equipment replacement initiatives.

Footnote: FY00 actual obligations reflected in this submission are included in the Defense Logistics Agency FY00 base and are therefore also included in the DLA justification materials.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submit
Summary of Increases and Decreases

	<u>DCMA</u>	<u>SPS</u>	<u>Total</u>
1. FY 2001 President's Budget	0	0	0
2. Congressional Adjustments (Distributed)			
Total Congressional Adjustments (Distributed)	0	0	0
3. Congressional Adjustments (Undistributed)			
Total Congressional Adjustments (Undistributed)	0	0	0
4. Congressional Earmarks			
Total Congressional Earmarks	0	0	0
5. FY 2001 Appropriated Amount	0	0	0
6. FY 2001 Recission	-2,036	0	-2,036
7. Functional Transfers - In			
Transfer of funding from the Defense Logistics Agency associated with th			
the Defense Contract Management Agency	913,842	11,843	925,685
Total Functional Transfers - In	913,842	11,843	925,685
8. Other Transfers - In (Non-Functional)			
Total Other Transfers - In (Non-Functional)	0		0
9. Functional Transfers - Out			
Total Functional Transfers - Out			0
10. Other Functional Transfers Out			
11. Price Changes	0	0	0
12. Program Increases			
Total Program Increases	0	0	0
13. Program Decreases			
Reduction in civilian personnel funding to reflect a lower cost base	-5,765	0	-5,765
Total Program Decreases	-5,765	0	-5,765

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submit
Summary of Increases and Decreases

14.	FY 2001 Current Estimate	906,041	11,843	917,884
15.	Price Growth	29,178	55	29,233
16.	Functional Transfers - In Total Functional Transfers - In	0	0	0
17.	Functional Transfers - Out Total Functional Transfers Out	0	0	0
18.	Program Increases			
	a. Stabilization of funding associated with PC replacment and non ADP e	3,878	0	3,878
	b. Increase in SPS product maintenance	0	367	367
	c. Increase in DISA processing costs associated with SPS	0	156	156
	d. Increase in maintenance associated with the Shared Data Warehouse	0	167	167
	e. Increase in contracting costs associated with Command initiatives	2,356	0	2,356
	f. Increase in estimated labor costs	0	4	4
	Total Program Increases	6,234	694	6,928
19.	Program Decreases			
	a. Decrease associated with FTE reductions and projected change in avera e	-2,398	0	-2,398
	b. Decrease in Security Services projection to reflect actual funding le	-7	0	-7
	c. Decrease in other support costs	0	-9	-9
	d. Decrease in mission travel funding for savings initiatives associated	-2,095	0	-2,095
	e. Decrease in mission travel funding for military and civilian pay rais	-600	0	-600
	Total Program Decreases	-5,100	-9	-5,109
20.	FY 2002 Budget Request	936,353	12,583	948,936

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fy 2002 Amended Budget Submission
 PERSONNEL SUMMARY

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 00/FY 01</u>	<u>Change FY 01/FY 02</u>
<u>Civilian End Strength (Total)</u>	12,419	11,894	11,892	(525)	(2)
U.S. Direct Hire	12,312	11,787	11,785	(525)	(2)
Foreign National Direct Hire	88	88	88	0	0
Total Direct Hire	12,400	11,875	11,873	(525)	(2)
Foreign National Indirect Hire	19	19	19	0	0
(Reimbursable Civilians Included Above - Memo)	1,625	1,266	1,183	(359)	(83)
<u>Civilian Full Time Equivalent (FTE) (Total)</u>	12,367	12,099	11,921	(268)	(178)
U.S. Direct Hire	12,260	11,992	11,814	(268)	(178)
Foreign National Direct Hire	88	88	88	0	0
Total Direct Hire	12,348	12,080	11,902	(268)	(178)
Foreign National Indirect Hire	19	19	19	0	0
(Reimbursable Civilians Included Above - Memo)	1,625	1,266	1,183	(359)	(83)

Footnote: FY 00 actuals reflected in this submission are included in the Defense Logistics Agency FY 00 base.

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

	FY 2000	Foreign		Price Growth	Program	FY 2001
	Program	Rate	Currency	Percent	Growth	Program
			Difference	Amount		
<u>CIVILIAN PERSONNEL COMPENSATION</u>						
101	Executive, General & Special Schedule	0	0	0.04	0	745,315
103	Wage Board	0	0	0.04	0	387
104	Foreign National Direct Hire (FNDH)	0	0	0.04	0	3,796
105	Separation Liability (FNDH)	0	0	0.04	0	47
106	Benefits to Former Employees	0	0	0.04	0	126
111	Disability Compensation	0	0	0.04	0	3,976
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	0	0		0	753,647
<u>TRAVEL</u>						
308	Travel of Persons	0	0	0.02	0	32,711
399	TOTAL TRAVEL	0	0		0	32,711
<u>SUPPLIES & MATERIALS PURCHASES</u>						
499	TOTAL SUPPLIES & MATERIALS PURCHASES	0	0		0	0
<u>EQUIPMENT PURCHASES</u>						
599	TOTAL FUND EQUIPMENT PURCHASES	0	0		0	0
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>						
647	DISA Information Services	0	0	-0.10	0	6,098
650	DLA Information Services	0	0	0.02	0	0
671	Communication Services (DISA) Tier 2	0	0	0.16	0	8,819
673	Defense Finance and Accounting Services	0	0	0.01	0	4,983
677	Communication Services (DISA) Tier 1	0	0	0.02	0	760
678	Defense Security Service	0	0	0.02	0	461
699	TOTAL PURCHASES	0	0		0	21,121
<u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>						
771	Commercial Transportation	0	0	0.02	0	3,028
799	TOTAL TRANSPORTATION	0	0		0	3,028

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

	FY 2000	Foreign		Price Growth	Program	FY 2001
		Currency		Percent		

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

	<u>Program</u>	<u>Rate</u>	<u>Difference</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>	<u>Program</u>
<u>OTHER PURCHASES</u>							
901	Foreign National Indirect Hire (FNIH)	0	0	0.04	0	845	845
912	Rental Payments to GSA (SLUC)	0	0	0.02	0	16,594	16,594
913	Purchased Utilities (non-Fund)	0	0	0.02	0	414	414
914	Purchased Communications (non-Fund)	0	0	0.02	0	8,428	8,428
915	Rents (non-GSA)	0	0	0.02	0	1,482	1,482
917	Postal Services (U.S.P.S.)	0	0	0.02	0	745	745
920	Supplies & Materials (non-Fund)	0	0	0.02	0	10,791	10,791
921	Printing and Reproduction	0	0	0.02	0	564	564
922	Equipment Maintenance by Contract	0	0	0.02	0	1,125	1,125
923	Facility Maintenance by Contract	0	0	0.02	0	717	717
925	Equipment Purchases (non-Fund)	0	0	0.02	0	27,135	27,135
932	Management & Professional Support Services	0	0	0.02	0	1,196	1,196
933	Studies, Analysis, & Evaluations	0	0	0.02	0	492	492
989	Other Contracts	0	0	0.02	0	36,718	36,718
998	Other Costs	0	0	0.02	0	131	131
999	TOTAL OTHER PURCHASES	0	0		0	107,377	107,377
9999	TOTAL OPERATION & MAINTENANCE	0	0		0	917,884	917,884

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

		Foreign Currency		<u>Price Growth</u>		Program	FY 2002
	<u>FY 2001</u>	<u>Rate Difference</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>	<u>Program</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101	Executive, General & Special Schedule	745,315	0	0.04	27,017	(2,398)	769,934
103	Wage Board	387	0	0.04	14	0	401
104	Foreign National Direct Hire (FNDH)	3,796	0	0.04	138	0	3,934
105	Separation Liability (FNDH)	47	0	0.04	2	0	49
106	Benefits to Former Employees	126	0	0.00	0	0	126
111	Disability Compensation	3,976	0	0.00	0	0	3,976
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	753,647	0		27,171	(2,398)	778,420
<u>TRAVEL</u>							
308	Travel of Persons	32,711	0	0.02	524	(2,695)	30,540
399	TOTAL TRAVEL	32,711	0		524	(2,695)	30,540
<u>SUPPLIES & MATERIALS PURCHASES</u>							
499	TOTAL SUPPLIES & MATERIAL PURCHASES	0	0		0	0	0
<u>EQUIPMENT PURCHASES</u>							
599	TOTAL FUND EQUIPMENT PURCHASES	0	0		0	0	0
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>							
647	DISA Information Services	6,098	0	-0.06	(969)	156	5,285
650	DLA Information Services	0	0	0.00	0	0	0
671	Communication Services (DISA) Tier 2	8,819	0	0.00	1,217	0	10,036
673	Defense Finance and Accounting Services	4,983	0	0.05	(234)	0	4,749
677	Communication Services (DISA) Tier 1	760	0	0.00	0	0	760
678	Defense Security Service	461	0	0.00	7	(7)	461
699	TOTAL PURCHASES	21,121	0		21	149	21,291
<u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>							
771	Commercial Transportation	3,028	0	0.02	48	0	3,076
799	TOTAL TRANSPORTATION	3,028	0		48	0	3,076

FY 2001	Foreign Currency	<u>Price Growth</u>	Program	FY 2002
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DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

	<u>Program</u>	<u>Rate Difference</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>	<u>Program</u>
<u>OTHER PURCHASES</u>						
901	Foreign National Indirect Hire (FNIH)	845	0	0.04	31	0 876
912	Rental Payments to GSA (SLUC)	16,594	0	0.15	0	0 16,594
913	Purchased Utilities (non-Fund)	414	0	0.02	7	0 421
914	Purchased Communications (non-Fund)	8,428	0	0.02	135	0 8,563
915	Rents (non-GSA)	1,482	0	0.02	24	0 1,506
917	Postal Services (U.S.P.S.)	745	0	0.00	12	0 757
920	Supplies & Materials (non-Fund)	10,791	0	0.02	172	0 10,963
921	Printing and Reproduction	564	0	0.02	9	0 573
922	Equipment Maintenance by Contract	1,125	0	0.02	18	167 1,310
923	Facility Maintenance by Contract	717	0	0.02	11	0 728
925	Equipment Purchases (non-Fund)	27,135	0	0.02	434	4,245 31,814
932	Management & Professional Support Services	1,196	0	0.02	19	0 1,215
933	Studies, Analysis, & Evaluations	492	0	0.02	8	0 500
989	Other Contracts	36,718	0	0.02	587	2,347 39,652
998	Other Costs	131	0	0.02	2	0 133
999	TOTAL OTHER PURCHASES	107,377	0		1,469	6,759 115,605
9999	TOTAL OPERATION & MAINTENANCE	917,884	0		29,233	1,815 948,932

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

I. Description of Operations Financed:

Contract Management Services (CMS):

In March of 2000 the Defense Contract Management Command was named a separate Joint Combat Support Agency and became the Defense Contract Management Agency (DCMA). As an agency, DCMA transferred associated support resources from the Defense Logistics Agency beginning in late FY 2000. As a result of this transition DCMA is now aligned under the Principal Under Secretary of Defense (Acquisition, Technology and Logistics).

The critical requirements that justified establishing DCMA as a separate Agency included: the combat support mission; the size, scope and complexity of the organization; comparable organization placement with Senior Acquisition Executives; the need for independent oversight; and the elimination of a management layer. The Agency's role as a combat support organization is the most important mission. DCMA's combat support responsibilities include: contingency and wartime planning with the CINCs; maintaining effective training and force preparation for deployed operations such as Bosnia and Kosovo; deployment with military forces to support contingency operations; support of joint exercises; and mobilizing defense industry support of CINC operations.

The Defense Contract Management Agency (DCMA) provides customer-focused contract management services throughout the acquisition life cycle, around the clock, around the world. As DoD's independent CMS agent, DCMA represents the interests of the Government with industry, thereby protecting the rights of the Government, obtaining maximum value for taxpayers' dollars and providing responsive support to the Military Departments as well as to civilian agency customers. DCMA's major responsibilities are: ensuring contractor compliance with cost, delivery, technical, quality and other terms of contracts assigned for administration; accepting products and services on behalf of the Government; providing program and technical support; and ensuring that contractors are paid. DCMA serves as DoD's information broker in contractors' plants worldwide, providing the Military Departments and civilian agency customers with invaluable insight in both preaward and postaward contract management.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

I. Description of Operations Financed (con't):

DCMA aims to be the provider of choice for contract management for the Department of Defense and a valued customer to our suppliers. DCMA's strategic objectives include: providing the right item at the right time for the right price, teaming with our business partners to achieve customer results, accelerating acquisition excellence by applying commercial processes and practices, leveraging information technology to improve business results, investing to develop and sustain the right talent, and building and maintaining a positive work environment.

The Defense Contract Management Agency (DCMA) has made major reductions in staffing between FY 1991 and FY 2000. This budget continues that trend and reflects a reduction of 450 full-time equivalents (FTEs) from FY 2000 to FY 2002. These reductions are possible through efficiencies DCMA has achieved as a result of our activity-based management and risk management efforts. These efforts allow DCMA to recognize and resource critical mission increases, such as requirements resulting from the Space BAR, at the same time total resources are reduced. This budget also reflects changes to the cost of labor driven by locality pay increases and workforce demographics.

In FY 2001 funding associated with the transfer of DCMA reimbursed resources from DLA to DCMA resulted in the realignment of funding from the labor object class to several nonlabor categories. This adjustment has resulted in the shift of approximately \$14M from the corporate subactivity group to labor, travel, supplies, and other contracts. Also reflected in the DCMA current estimate is the substantial reduction in reimbursable earnings from FY 2000 to FY 2002 driven by decreases in Foreign Military Sales.

DCMA Initiatives:

To better support the nation's warfighters, DCMA strives to continually improve efficiency and effectiveness of its business processes. The use of Information Technology (IT) is a

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

I. Description of Operations Financed (con't):

major component of DCMA's success in this area. DCMA must provide the IT tools its workforce require to perform their job and produce superior results.

Specifically, these efforts include applications that impact such vital DoD acquisition business matters as Preaward Surveys of prospective contractors, contract price negotiation, material acceptances, contractor payment, and workload assignments and management. Visibility of key data and information at the team level supports performance based management, allowing teams to self direct the application of limited resources to the appropriate priorities.

Ultimately, DCMA's customers, the Military Departments and Agencies, benefit from these efforts because of increased access to information such as contractor delivery status, manufacturing progress, quality assurance metrics, status of negotiations with contractors, and faster and more accurate payments to contractors. DCMA customers will be better able to anticipate contract performance difficulties and work with DCMA to resolve them before they impact the war fighter.

The most significant change in the IT initiatives budget is the FY 2001 realignment of funds from Operation and Maintenance (O&M) to Research, Development, Test and Evaluation (RDT&E) and Procurement Defense-Wide (PDW). The realignment of funds was necessary to conform to Information Technology (IT) budgeting policy language contained in the FY 2000 House Appropriations Committee Report (106-244).

DCMA Infrastructure:

IT infrastructure is vital to DCMA's mission and successful implementation of its initiatives. DCMA's technical architecture defines the computing and communications environment required to meet these goals. As new mission needs and business requirements are identified, DCMA updates its technical architecture.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

I. Description of Operations Financed (con't):

IT Infrastructure covers the technical architecture (e.g., desktop computers, Local Area Networks (LANs), LAN servers, operating systems, wide area telecommunications, and system management utilities) needed to deploy, run, and productively use DoD-wide and DCMA-unique mission software applications, the Defense Messaging System, office productivity applications (e.g., Microsoft Office), and Knowledge Management and workgroup collaboration tools. As new mission needs and business requirements are identified, DCMA updates its technical architecture. An illustrative example of just such a technical architecture update is the Agency's migration from client/server applications and systems to Worldwide Web-based applications supported by a DCMA Integrated Database/Data Mart. This change will allow us to improve our Information Assurance capabilities, implement DoD's mandated X.509 Public Key Infrastructure (i.e., digital identification and signature certificates and tokens, with secure data transmission protocols), support DoD's Electronic Business/Electronic Commerce initiatives, and successfully manage the transition mandated by Defense Reform Initiative Directive (DRID) #53 from the legacy Mechanization of Contract Administration Services (MOCAS) contract management and payment environment to the "To Be" Cross Functional Procurement and Financial Management Process.

This update will also lower our database administration requirements, reduce our software deployment and maintenance costs, increase our adaptability to rapidly changing business and mission requirements, and dramatically reduce the time needed to field new functionalities. Additionally, this update will allow us to better centrally manage our systems resources for improved reliability and reduced maintenance expenses.

To keep up with the increases in computing power necessitated by successive new generations of operating systems and Commercial-Off-The-Shelf (COTS) software, as well as to facilitate our transition to Web-based applications and improved central system management, DCMA has embarked on a program to replace one-third of its desktop personal computers and LAN servers each year. This replacement cycle is completely in line with industry experience and practice, where it has been found to dramatically lower maintenance costs, improve system and

**DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management**

I. Description of Operations Financed (con't):

network reliability, and keeps up with increases in computing power required by new and expanded software missions and functionalities. (Also, many IT systems components begin routinely failing at the three year mark. By then, the replacements for the "failed" parts often represent obsolete products or technologies—which has the perverse effect of raising the replacements' prices, since they are almost always out of production and therefore relatively scarce. On the other hand, new systems usually feature three-year warranties, parts and labor included.)

DLA Corporate Allocation:

The DLA was made up of six different business areas, one of which was the DCMA. In addition to budgeting for the core mission, each business area must budgeted for an allocation of the costs for DLA's corporate organizations. The corporate organizations included the Office of the Comptroller, Civilian Personnel, Administrative Support Center, and General Council. The allocation of corporate costs was based on each business areas "earnings". In the case of DCMA, the Operations and Maintenance appropriation is considered the earnings. DCMA budgeted for 6.3 percent of DLA's corporate costs. Starting in late FY 2000, due to transfer of these support FTEs from DLA to DCMA, DCMA will no longer reimburse DLA for these costs. These costs will be encompassed within the CMS subactivity operating budget.

Contingency Operations:

Since 1993, DCMA has deployed over 400 people to efforts in Haiti, Rwanda, Bosnia, Kosovo, and many other locations. DCMA oversees the Brown and Root Sustainment contract, which provides base camp construction and maintenance in both Bosnia and Kosovo as well as surrounding countries. This contract covers water, latrines, food services, laundry, base camp maintenance, cargo and mail handling, power generation, waste management, and vehicle maintenance. Contingency funding supports civilian overtime, TDY, and pre-deployment training.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

I. Description of Operations Financed (con't):

Reimbursable Earnings:

DCMA performs Contract Management Services (CMS) on a reimbursable basis for non-DoD customers. Most of this reimbursable work, including support of Foreign Military Sales (FMS), the National Aeronautical Space Administration (NASA) and other civilian agency customers, is billed monthly at a standard annual rate. Outside CONUS (OCONUS) reimbursable work (limited in scope) is primarily reimbursed on an actual cost basis.

Contract Management Services (CMS) hours in support of FMS in the Continental United States (CONUS) are computed based on an annual ratio of FMS contract disbursements to total contract disbursements and account for 52 percent of the DCMA's reimbursable budget. In FY 1999 the FMS annual ratio was 13.23 percent. The ratio decreased to 10.2 percent in FY 2000, resulting in a decrease of approximately 400 personnel. In FY 2001, the approved FMS annual ratio is 7.27 percent less and results in further decreases in FMS earnings of approximately \$28 million between FYs 2000 and 2001. We anticipate that the FMS annual ratio for FY 2002 will continue the declining trend, resulting in further significant decreases in FMS earnings. The majority of the decrease in our FMS earnings tracks back to significant reductions in FMS disbursements on FMS sales to Saudi Arabia.

DCMA hours worked in support of the National Aeronautical Space Administration (NASA) and associated DCMC reimbursable earnings are expected to decrease in the FY 2002 budget year.

II. Force Structure Summary: N/A

**DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 President's Budget
 Budget Activity 4: Contract Management**

Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000 Actual	FY 2001		FY 2002 Estimate
		Budget Request Appropriate	Current Estimate	
1. Contract Management Services				
Personnel Comp & Benefits	829,969		840,652	857,861
Voluntary Separation Incentive	3,104		0	0
Pay	14,574		13,982	14,103
PCS	25,267		27,994	28,544
Travel	14,976		13,359	13,504
Training	9,161		9,982	11,755
Information Svcs - DISA Tele Communications	5,891		6,549	5,742
Information Svcs - DISA Processing	7,424		5,546	5,263
Finance and Accounting Services	65,831		76,213	76,533
2. Other Operating Support Costs	976,197		994,277	1,013,305
3. Subtotal	8,277		4,614	6,970
4. DCMC Initiatives	47,051		32,150	34,246
5. Infrastructure	3,414		0	0
Contingency Operations Support	22,415		0	0
DLA Corporate Allocation				

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 President's Budget
 Budget Activity 4: Contract Management

III. Financial Summary (O&M: \$ in thousands)(con't):

Total		1,031,041	1,054,52
	1,057,354		1
Reimbursable Earnings	163,561	125,000	118,172
Operation and Maintenance	893,793	906,041	936,349
Total			

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001 /</u> <u>FY 2001</u>	<u>Change</u> <u>FY 2001 /</u> <u>FY 2002</u>
1. Baseline Funding	0	906,041
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Congressional Earmarks Billpayer		
Adjustments to Meet Congressional Intent		
2. Subtotal Appropriated Amount	0	906,041
FY 2001 Rescission	-2,036	0
Approved Reprogrammings/Transfers	913,842	0
3. Price Change	0	29,178
4. Program Changes	-5,765	1,130
5. Current Estimate	906,041	936,349

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 President's Budget
 Budget Activity 4: Contract Management

C. Reconciliation of Increases and Decreases:

(\$ in Thousands)

FY 2001 President's Budget Request		0
1. Congressional Adjustment (Distributed)		
Total Congressional Adjustment (Distributed)		
2. Congressional Adjustment (Undistributed)		
Total Congressional Adjustment (Undistributed)		
3. Congressional Adjustments (General Provisions)		
Total Congressional Adjustments (General Provisions)		
4. Congressional Earmarks		
Total Congressional Earmarks		
FY 2001 Appropriated Amount (subtotal)		0
5. FY 2001 Rescission		-2,036
6. Functional Transfers-In		
Transfer of funding from the Defense Logistics Agency associated with the establishment of the Defense Contract Management Agency	913,842	
Total Functional Transfers-In		913,842
7. Program Decreases		
Reduction in civilian personnel funding due to the Restructuring of the Agency's workforce plan	-5,765	
Total Program Decreases		-5,765

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 President's Budget
 Budget Activity 4: Contract Management

C. Reconciliation of Increases and Decreases: (con't)

FY 2001 Current Estimate		906,041
8. Price Growth		29,178
9. Program Increases		
a. Increase in purchased equipment to fully fund the Agency's equipment replacement requirements	3,878	
b. Increase in contracts associated with Command initiatives	2,356	6,234
Total Program Increase		
10. Program Decreases		
a. Reduction in civilian personnel funding associated with FTE reductions and projected changes in the average annual rate	-2,402	
b. Decrease security services to reflect actual funding level	-7	
c. Decrease in mission travel funding	-2,695	
Total Program Decreases		-5,104
FY 2002 Budget Request		936,349

**DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management**

IV. Performance Criteria and Evaluation Summary:

The Draft FY 2002 Performance Contract contains eight goals for the DCMA that are associated with the Agency mission. The eight goals are as follows:

Cost Management - Reduce the cost per unit of output for contract administration by three percent annually from the FY 1998 baseline through improvements in productivity. DCMA has implemented a unit cost and activity-based management system. The forecast assumes stable contract workload and no major changes in delegation of contract authority from the military services.

Customer Responsiveness - Achieve a rating of five or greater, on a six point scale, on 90 percent of the responses on overall customer satisfaction. DCMA will conduct customer surveys each month. Primary customers to be surveyed are Acquisition Category I, II and III program managers, their respective Procurement Contracting Officers (PCOs), service logistics and item managers, and their respective PCOs. Problems identified in the surveys will be assessed for corrective action.

Contract Closeout - Improve the percentage of contracts closed out to eighty eight percent in accordance with Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement goals. Much of the documentation required to close out contracts is provided by other organizations (i.e., Defense Contract Audit Agency, Defense Finance and Accounting Service, and program offices). To attain this goal, DCMA teams with these other organizations to work systemic issues that would otherwise delay closeout.

Canceling Funds - Ensure that eighty eight percent of canceling funds to not cancel. DCMA performs the canceling funds process to ensure that customers do not pay for prior contractual obligations with funds drawn from current year's obligations. To attain this goal, DCMA teams with DFAS and the program offices to work systemic problems arising from last minute adjustments.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

IV. Performance Criteria and Evaluation Summary (con't):

On-Time Delivery - Increase on-time deliveries by five percent per year. The baseline for this is the on-time rate at the start of FY 2000. DCMA is successfully engaging all customers in improving the entire end-to-end delivery management process.

DAWIA Certifications - Increase the personnel who are DAWIA certified to Level II to ninety percent and Level III to ninety-two percent. To achieve this DAU is providing DAWIA course opportunities to DCMA employees at or above the FY 2000 levels. DCMA receives travel funding from DAU at or above the FY 2000 levels to enable employee attendance at DAWIA classes.

Training Hours Per Employee - Achieve a benchmark standard of 40 training hours per employee per year.

Standard Procurement System (SPS) Transactions Tracking - Identify the number of actions created, and dollars obligated using the SPS. DCMA relies on the Services as well as other defense agencies to provide monthly data regarding SPS usage. DCMA assumes that the current levels of responsiveness from these organizations will continue.

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

V. <u>Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	Change FY 2000/ <u>FY 2001</u>	Change FY 2001/ <u>FY 2002</u>
<u>Active Mil End Strength (Total)</u>	626	626	625	0	-1
Officer	529	529	528	0	-1
Enlisted	97	97	97	0	0
 <u>Civilian End Strength (Total)</u>	 12,414	 11,885	 11,883	 -529	 -2
U.S. Direct Hire	12,307	11,778	11,776	-529	-2
Foreign National Direct Hire	88	88	88	0	0
Total Direct Hire	12,395	11,866	11,864	-529	-2
Foreign National Indirect Hire	19	19	19	0	0
(Reimbursable Civilians -Memo)	1,625	1,266	1,183	-359	-83
 <u>Active Mil FTEs (Total)</u>	 626	 626	 626	 626	 0
Officer	529	529	529	529	0
Enlisted	97	97	97	97	0
 <u>Civilian FTEs (Total)</u>	 12,362	 12,090	 11,912	 -272	 -178
U.S. Direct Hire	12,255	11,983	11,805	-272	-178
Foreign National Direct Hire	88	88	88	0	0
Total Direct Hire	12,343	12,071	11,893	-272	-178
Foreign National Indirect Hire	19	19	19	0	0
(Reimbursable Civilians -Memo)	1,625	1,266	1,183	-359	-83

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY2000/2001</u>			<u>Change FY2001/2002</u>			FY 2002 Est
	FY 2000 Act	Price Growth	Prog Growth	FY 2001 Est	Price Growth	Prog Growth	
Executive, General & Special Schedule	733,402	29,153	-18,355	744,200	26,977	-2,402	768,775
Wage Board	372	15	0	387	14	0	401
Foreign National Direct Hire	3,651	145	0	3,796	138	0	3,934
Separation Liability (FNDH)	45	2	0	47	2	0	49
Benefits to Former Employees	1,055	0	-929	126	0		126
Voluntary Separation Incentive Pay	3,104	0	-3,104	0	0	0	0
Disability Compensation	4,038	0	-62	3,976	0	0	3,976
Total Civilian Personnel Compensation	745,667	29,315	-22,450	752,532	27,131	-2,402	777,261
Travel Of Persons	29,686	356	2,244	32,286	517	-2,695	30,108
Total Travel	29,686	356	2,244	32,286	517	-2,695	30,108
DISA Information Services	4,979	-314	538	5,203	-827	0	4,376
Communication Svcs (DISA) Tier 2	7,994	-32	857	8,819	1,217	0	10,036
Defense Finance & Accounting Svcs	6,479	317	-1,813	4,983	-234	0	4,749

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 President's Budget
Budget Activity 4: Contract Management

VII. OP 32 Line Items (Dollars in Thousands) (Cont'd):

	FY 2000 <u>Act</u>	<u>Change FY2000/2001</u>		FY 2001 <u>Est</u>	<u>Change FY2001/2002</u>		FY 2002 <u>Est</u>
		<u>Price Growth</u>	<u>Prog Growth</u>		<u>Price Growth</u>	<u>Prog Growth</u>	
Communication Svcs (DISA) Tier 1	0	0	760	760	0	0	760
Defense Security Svc	0	0	461	461	7	-7	461
Total Purchases	19,452	-29	803	20,226	163	-7	20,382
Commercial Transportation	2,735	33	260	3,028	48	0	3,076
Total Transportation	2,735	33	260	3,028	48	0	3,076
Foreign National Indirect Hire (FNIH)	813	32	0	845	31	0	876
SLUC (GSA Leases)	13,789	0	2,805	16,594	0	0	16,594
Purchased Utilities (non fund)	389	5	20	414	7	0	421
Purchased Communications (non IF)	8,353	100	-25	8,428	135	0	8,563
Rents and Leases (non GSA)	815	10	657	1,482	24	0	1,506
Postal Service (U.S.P.S)	668	8	69	745	12	0	757
Supplies and Materials (non SF)	12,375	149	-1,759	10,765	172	0	10,937
Printing & Reproduction	382	5	177	564	9	0	573
Equipment Maintenance	847	10	68	925	15	0	940
Facility Maintenance	686	8	23	717	11	0	728
Equipment Purchases & COTS	26,882	323	-5,804	21,401	342	3,878	25,621

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 President's Budget
 Budget Activity 4: Contract Management

VI. OP 32 Line Items (Dollars in Thousands) (Cont'd):

	FY 2000 <u>Act</u>	<u>Change FY2000/2001</u>		FY 2001 <u>Est</u>	<u>Change FY2001/2002</u>		FY 2002 <u>Est</u>
		<u>Price Growth</u>	<u>Prog Growth</u>		<u>Price Growth</u>	<u>Prog Growth</u>	
Mngt & Professional Svcs	904	11	-23	892	14	0	906
Studies, Analysis, & Evaluation	676	8	-192	492	8	0	500
Other Contracts	28,632	344	4,598	33,574	537	2,356	36,467
Foreign Currency Variance		0	0	0	0	0	0
Other Costs	42	1	88	131	2	0	133
Total Other Purchases	96,253	1,014	702	97,969	1,319	6,234	105,522
Total	893,793	30,689	-18,441	906,041	29,178	1,130	936,349

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Standard Procurement System

I. Description of Operations Financed:

The Standard Procurement System (SPS) program objective is deploying SPS to users in the functional area of defense contracting. There are approximately 43,000 users at approximately 1,100 sites worldwide, and the full operational capability threshold schedule date is the end of fourth quarter FY 2003. The purpose of SPS is to standardize the automated procurement functions across the Army, Navy, Air Force, Marine Corps, Defense Logistics Agency, Defense Contract Management Agency, and the other Defense Agencies. Over 745 sites and 20,894 personal computers were installed with SPS as of December 31, 2000. 17,949 users are formally trained and 16,207 are Component declared operational users. SPS provides Electronic Document Access and Electronic Data Interchange capabilities to meet paperless contracting goals.

The Program Office is responsible for: installation of the product (Procurement Defense Desktop (PD2)), licenses, training, enhancements to the Shared Data Warehouse (SDW), interfaces to the financial and other legacy systems, data conversion, and enhancements to the product to meet mission critical procurement functions.

The program decrease from FY 2000 to FY 2001 results from the realignment of funds from Operation and Maintenance to Research, Development, Test and Evaluation (RDT&E) and Procurement appropriations and the completion of most of the enhancement effort to the product. The realignment was necessary to conform to recent Information Technology budgeting policy. The decrease is also attributed to the completion of deployment to the base level contracting procurement community in FY 2000. The program now focuses on completing the remaining enhancements to fulfill weapon system and inventory control point procurement capabilities and the deployments to those communities to achieve full operational capability across DoD by end of FY 2003. In order to expand into these other DoD procurement communities, interfaces and data conversions must be created and achieved to connect with logistics and finance communities.

II. Force Structure Summary: N/A

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4: Standard Procurement System

III. Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000 Estimate	FY 2001		Current Estimate	FY 2002 Estimate
		Budget Request	Appropriated		
1. Personnel Comp & Benefits	596			1,115	1,159
2. Travel	412			425	432
3. Processing Charges	789			895	909
4. Supplies & Materials	110			26	26
5. Equipment Maintenance	163			200	370
6. Equipment Purchases & Comm Off the Shelf	11,186			5,734	6,193
7. Software Dev. & Maintenance	27,416			1,272	1,293
8. Software Conversion	7,667			0	0
9. Trng/Tstng/Studies & Implementation	21,393			1,677	1,701
8. Other Operating Support Costs	397			498	499
Total	70,128			11,843	12,583

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4: Standard Procurement System

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/2001</u>	<u>Change</u> <u>FY 2001/2002</u>
1. Baseline Funding	0	11,843
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Congressional Adjustments (General Provision)		
Adjustments to Meet Congressional Intent		
2. Subtotal Appropriated Amount	0	11,843
FY 2001 Rescission		
Approved Reprogrammings/Transfers	11,843	
4. Price Change		55
5. Program Changes		685
6. Current Estimate	11,843	12,583

C. Reconciliation of Increases and Decreases:

	<u>(\$ in Thousands)</u>	
FY 2001 President's Budget Request		0
1. Congressional Adjustment (Distributed)		
Total Congressional Adjustment (Distributed)		
2. Congressional Adjustment (Undistributed)		
Total Congressional Adjustment (Undistributed)		
3. Congressional Adjustments (General Provisions)		
Total Congressional Adjustments (General Provisions)		
4. Congressional Earmarks		
Total Congressional Earmarks		
FY 2001 Appropriated Amount (subtotal)		0

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4: Standard Procurement System

C. Reconciliation of Increases and Decreases: (con't)

5.	FY 2001 Rescission		
6.	Functional Transfers-In		
	Transfer of funding from the Defense Logistics Agency associated with the establishment of the Defense Contract Management Agency	11,843	
	Total Functional Transfers-In		11,843
	FY 2001 Current Estimate		11,843
2.	Price Change		55
3.	Program Increases		
	a. Adjustment to Paid Days	4	
	b. Increase in product maintenance	367	
	c. Increase in maintenance of the Shared Data Warehouse	167	
	d. Increase in estimated DISA processing costs	156	
	Total Program Increases		694
4.	Program Decreases		
	Reduction in other support costs	-9	
	Total Program Decreases		-9
	FY 2002 Budget Request		12,583

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Standard Procurement System

IV. Performance Criteria and Evaluation Summary:

The SPS will prepare legacy procurement system users to operationally use SPS and enable retirement decisions to be made for the 14 designated major legacy systems. The SPS funding supports functional enhancement, installation, training, data conversion and interfaces to procurement users at approved sites.

The PMO collects deployment metrics to manage performance and work load data in these major categories: users, sites, and systems. The following table presents the performance parameters identified in the SPS Acquisition Program Baseline. The values represent the percent complete to Full Operational Capability (FOC).

FY	1999	2000	2001	2002	2003
Users	34%	48%	64%	88%	100%
Sites	42%	74%	87%	97%	100%
Systems	14%	29%	43%	64%	100%

With most sites reporting, from October 1999 through December 2000, SPS users have completed 400,000 contract awards/modifications totaling \$45 billion.

DEFENSE CONTRACT MANAGEMENT AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4: Standard Procurement System

V. <u>Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	<u>Change FY 2000/ FY 2001</u>	<u>Change FY 2001/ FY 2002</u>
<u>Active Mil End Strength (Total)</u>	0	0	0	0	0
Officer					
Enlisted					
<u>Civilian End Strength (Total)</u>	5	9	9	4	0
U.S. Direct Hire	5	9	9	4	
<u>Active Mil FTEs (Total)</u>	0	0	0	0	0
Officer					
Enlisted					
<u>Civilian FTEs (Total)</u>	5	9	9	4	0
U.S. Direct Hire	5	9	9	4	

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

DEFENSE CONTRACT MANAGEMENT AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Standard Procurement System

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	FY 2000	Price	Prog	FY 2001	Price	Prog	
	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	
101 Executive, General & Special Schedule	596	24	495	1,115	40	4	1,159
103 Wage Board	0	0	0	0	0	0	0
199 Total Civilian Personnel Compensation	596	24	495	1,115	40	4	1,159
308 Travel Of Persons	412	6	7	425	7	0	432
399 Total Travel	412	6	7	425	7	0	432
647 DISA Information Services	736	-46	205	895	-142	156	909
699 Total Purchases	736	-46	205	895	-142	156	909
920 Supplies and Materials (non SF)	110	2	-86	26	0	0	26
922 Equipment Maintenance	163	2	35	200	3	167	370
925 Equipment Purchases & COTS	11,186	168	-5,620	5,734	92	367	6,193
932 Mngt & Professional Svcs	359	5	-60	304	5	0	309
989 Other Contracts	56,566	849	-54,271	3,144	50	-9	3,185
999 Total Other Purchases	68,384	1,026	-60,002	9,408	150	525	10,083
9999 Total	70,128	1,010	-59,295	11,843	55	685	12,583

Footnote: FY00 actuals reflected in this submission are included in the Defense Logistics Agency FY00 base

FY 2002 Amended Budget Submission

Defense Finance and Accounting Service

(DFAS)



June 2001

Defense Finance and Accounting Service
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights

(Dollars in thousands)

	<u>FY2000</u> <u>Actual</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY2001</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY2002</u> <u>Estimate</u>
<u>Budget Activity 3:</u>							
Training & Recruiting	16,691	250	-2,299	14,642	249	-5,991	8,900
<u>Budget Activity 4:</u>							
Administration and Servicewide Activities	17,415	261	-15,297	2,379	40	- 927	1,492
Total	34,106	511	-17,596	17,021	289	-6,918	10,392

**Defense Finance and Accounting Service
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Increases and Decreases**

(Dollars in Thousands)

	<u>BA3</u>	<u>BA4</u>	<u>TOTAL</u>
1. FY 2001 President's Budget	15,353	1,417	16,770
2. Congressional Adjustment (Dist)	0	1,000	1,000
3. Congressional Adjustment (Undist)	(678)	0	(678)
4. Congressional Adjustments (Earmark Billpayer)	(33)	0	(33)
5. FY 2001 Appropriation Enacted	14,642	2,417	17,059
6. FY 2001 Rescission	0	(38)	(38)
7. Transfers In	0	0	0
8. Transfers Out	0	0	0
9. Revised FY 2001 Estimate	14,642	2,379	17,021
10. Price Growth	249	40	289
11. Program Increases	0	89	89
12. Program Decreases	(5,991)	(1,016)	(7,007)
13. FY 2002 Budget Request	8,900	1,492	10,392

Defense Finance and Accounting Service
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Summary of Price and Program Changes

(Dollars in thousands)

		<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			
		<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
		<u>Actuals</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
923	Facility Maintenance	16,100	241	-16,341	0	0	0	0
989	Other Contracts	<u>18,006</u>	<u>270</u>	<u>-1,255</u>	<u>17,021</u>	<u>289</u>	<u>-5,064</u>	<u>10,392</u>
	Total	34,106	511	-17,596	17,021	289	-5,064	10,392

Defense Finance and Accounting Service
Operation and Maintenance, Defense-Wide
Fiscal Year (FY)2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting

I. Description of Operations Financed:

Executive and Professional Training - Provides executive, management, and technical training for the DoD Financial community to upgrade skills and understanding of newly fielded DFAS financial and accounting operating systems.

II. Financial Summary (O&M: \$ in thousands):

		<u>FY 2001</u>			
	FY 2000	Budget		Current	FY 2002
A. <u>Subactivities:</u>	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
Financial	16,691	14,642	0	14,642	8,900
Management Executive Training					
Total	16,691	14,642	0	14,642	8,900
 B. <u>Reconciliation Summary:</u>				Change	Change
				<u>FY 2001/FY 2001</u>	<u>FY 2001/2002</u>
1. Baseline Funding				15,353	14,642
a. Congressional Adj. (Dist.)				0	-0-
b. Congressional Adj. (Undist.)				-678	-0-
c. Congressional Adj. (Gen. Prov.)				-0-	-0-
d. Earmark Billpayers				-33	-0-
2. Appropriated Amount (Subtotal)				14,642	-0-
FY 2001 Rescission				0	-0-
3. Price Change				0	249
4. Program Change				0	-5,991
5. Current Estimate				14,642	8,900

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Budget Activity 3: Training and Recruiting

II. Financial Summary (O&M: \$ in thousands)(Cont'd):

C. Reconciliation of Increases and Decreases:

FY 2001 President's Budget Request	15,353
Congressional Adjustments (Distributed)	-678
Congressional Adjustments (Undistributed)	0
Total Congressional Adjustments (Undistributed)	0
Congressional Adjustments (General Provisions)	0
Congressional Earmarks	0
Congressional Earmark Billpayers	-33
Total Congressional Earmarks	0
FY 2001 Appropriated Amount	0
FY 2001 Rescission	0
FY 2001 Current Estimate	14,642
Price Growth	249
Program Decreases	-5,991
Financial Management Education Training (FMET) Program transferring Out from O&M to DWCF	
FY 2002 Budget Request	8,900

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III. Performance Criteria and Evaluation Summary:

The Financial Management Education and Training Program (FMET) focuses on meeting the training and education requirements of the Defense Department's financial management workforce through the development and delivery functional and systems training. The program currently offers over 100 courses in Accounting, Vendor Pay, Military Pay, Contract Pay, and other financial fields. Course development integrates functional processes with system processes and ensures courses reflect the current policies, processes and systems. Course delivery is training (ILT) to all required sites. Computer bases training (CBT) and Web Bases training (WBT) delivery mechanisms are also used. Evaluation criteria includes the number of personnel trained, the number of functional courses developed, and the number of courses developed.

IV. OP32 Line Items (\$ in Thousands):

		<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			
		<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
		<u>Actuals</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
989	Other Contracts	16,691	250	-2,299	14,642	249	-5,991	8,900
	Total	16,691	250	-2,299	14,642	249	-5,991	8,900

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Budget Activity 4: Administration and Servicewide Activities

I. Description of Operations Financed:

DoD Program Management - Provides for the management oversight of the DoD Overseas Military Banking Program and Travel Card Program.

Mechanization of Contract Administration Service (MOCAS) - Provides for the development of databases to expedite voucher processing and reporting requirements through system enhancements and support.

II. Financial Summary (O&M: \$ in thousands):

		<u>FY 2001</u>				
		FY 2000	Budget			FY 2002
A. <u>Subactivities:</u>	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>	
Facility Renovation	16,100	0		0		
Program Management	915	1,417	-36	1,381	1,492	
Security	400	0			0	
MOCAS	0	1,000	-2	998	0	
Total	17,415	2,417	-38	2,379	1,492	
B. <u>Reconciliation Summary:</u>				Change	Change	
				<u>FY 2001/FY 2001</u>	<u>FY 2001/2002</u>	
1. Baseline Funding				1,417	2,379	
2. Congressional Adj				1,000	0	
3. Appropriated Amount				1,417	0	
4. FY 2001 Rescission				-380	0	
5. Price Change				0	40	
6. Program Change				0	-927	
7. Current Estimate				2,379	1,492	

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Budget Activity 4: Administration and Servicewide Activities

II. Financial Summary (O&M: \$ in thousands) (Cont'd):

C. Reconciliation of Increases and Decreases:

FY 2001 President's Budget Request	1,417
Congressional Adjustments (Distributed)	1,000
Congressional Adjustments (Undistributed)	0
CAAS	0
DJAS	0
Total Congressional Adjustments (Undistributed)	0
Congressional Adjustments (General Provisions)	0
Congressional Earmarks	0
Congressional Earmark Billpayers	0
Total Congressional Earmarks	0
FY 2001 Appropriated Amount	0
FY 2001 Rescission	-38
Revised FY 2001 Estimate	2,379
Price Growth	40
Program Increases	89
DoD Program Manager Overseas Military Banking Program and Travel Card Program	
Program Decreases - MOCAS one-time Congressional Add	-1,016
FY 2002 Budget Request	1,492

Defense Finance and Accounting Service
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Budget Activity 4: Administration and Servicewide Activities

III. Performance Criteria and Evaluation Summary:

DoD Overseas Military Banking Program O&M funds provide for salaries and benefits associated with program office personnel and travel and supplies in support of the stateside banking and credit union programs.

Travel Card Program Office (TCPMO) focuses on the overall management of the Department of Defense Travel Card Program through a network of Card Program Managers, Agency/Organization Program Managers, and electronic systems. The program currently has 1.4 million users and over 5,000 central accounts spending approximately \$80M per month on transportation for travelers. Program utilizes the Electronic Account Government Ledger System (EAGLS) provided by the Card Vendor to monitor utilization, charges and payments for all travelers in DoD. Additionally, the TCPMO is responsible for the development and implementation of the policies and procedures necessary to provide this program.

IV. OP 32 Line Items (\$ in Thousands):

		<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			
		<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
		<u>Actuals</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
989	Other Contracts	17,415	261	-15,297	2,379	40	-927	1,492
	Total	17,415	261	-15,297	2,379	40	-927	1,492

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Defense Human Resources Activity (DHRA)



June 2001

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DHRA Highlights
(Dollars in Thousands)

FY 2000 Actual	Price Change	Program Change	FY 2001 Estimate	Price Change	Program Change	FY 2002 Estimate
232,384	5,018	11,315	248,717	5,271	30,359	284,347

Summary:

The scope of DHRA's mission to support the requirements of the Under Secretary of Defense (Personnel and Readiness) (USD(P&R)) is necessarily broad to provide the flexibility needed to explore and field new technologies and programs that benefit military personnel and DoD civilians. DHRA is a diverse, responsive, customer service-oriented organization with expertise in developing and improving automated systems that serve the entire DoD community. Increased funding between FY 2001 and FY 2002 reflects new and expanded missions as well as modifications to existing infrastructure to accommodate new technologies. Funds are provided in support of the execution, modification and maintenance of Departmental and Congressionally mandated programs in the benefit, readiness, research, recruiting, and force protection areas. These mandates impact the Defense Eligibility Enrollment Reporting System (DEERS), the Real-Time Automated Personnel Identification System (RAPIDS), the development and implementation of Smart Card and PKI technologies by the Common Access Card Office (CAC) and the Defense Civilian Personnel Data System (DCPDS). DHRA programs improve the effectiveness, efficiency and productivity of Personnel and Readiness operations throughout DoD.

Budget Activity 4: Administration and Service-Wide Activities

FY 2000 Actual	Price Change	Program Change	FY 2001 Estimate	Price Change	Program Change	FY 2002 Estimate
172,485	3,992	1,055	177,532	3,995	16,630	198,157

As a leader in the Department's implementation of the Common Access Card (CAC) and Public Key Infrastructure (PKI) initiatives, DHRA will be fielding the CAC to two new populations, adding over 2 million records to Defense Eligibility Enrollment Reporting System (DEERS). In FY 2002 DHRA will also produce a universally recognized, centrally produced ID card that will

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improve TRICARE service to beneficiaries as well as other initiatives supporting medical readiness. Existing infrastructure will require increased support to ensure uninterrupted telecommunications at all levels. Funding is increased to support enhancement and sustainment of DEERS, Real Time Automated Personnel Identification System (RAPIDS), and the Defense Civilian Personnel Data System (DCPDS) to allow these systems to implement mandated PKI initiatives.

DHRA's Office of the Actuary is funded in FY 2002 to perform the audit on the Military Retirement Trust Fund, as part of the Department wide effort to achieve a clean audit opinion. The Personnel Security Research Center (PERSEREC) will perform a workforce screening project to assist the Department in reducing the backlog of personnel security clearance processing.

Funding was realigned from DHRA to the Navy Program Office's appropriation to correctly and directly fund Navy support to the DIMHRS program. DHRA's Joint Requirements and Integration Office (JR&IO) received increased funding for additional workshops required to support the implementation of DIMHRS.

Funding reductions to the CAC budget reflect direct funding by the Services for the costs of card stock; the end of the Defense Integrated Travel and Relocation Solutions (DITRS) Office, as well as the end of the cycle of contract costs for the Quadrennial Review of Military Compensation (QRMC) comprise the other reductions.

Budget Activity 3: Training and Recruiting

<u>FY 2000 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2001 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2002 Estimate</u>
59,899	1,026	10,260	71,185	1,276	13,729	86,190

Program growth in FY 2002 supports the Department's military recruiting market research and advertising initiative with educators of youth to increase the likelihood these influencers will recommend military service. The Joint Recruiting and Advertising Program's (JRAP)

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DHRA Highlights
(Dollars in Thousands)

objective is to counteract the current, increasingly more difficult recruiting environment by providing clear and accurate, nationwide awareness of the opportunities available for youth in the Armed Forces. The Joint Marketing Research Program (JMRP) performs studies and surveys that provide data essential to the accurate measurement of youth attitudes toward military service. These programs benefit all of the Services during this challenging period of recruiting and address one of the top priorities establishing and maintaining the strongest possible All-Volunteer Force.

Funding also supports increased Component participation in the Defense Leadership and Management Program (DLAMP), course delivery, operations and facilities, and participant TDY and backfill costs. Additional funding is also provided to support personnel costs and the IT infrastructure modernization and sustainment at the Defense Resource Management Institute (DRMI).

Program decreases reflect a one-time Congressional add for recruiting initiatives in FY 2001.

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Summary of Increases and Decreases

	<u>BA 3</u>	<u>BA 4</u>	<u>Total</u>
1. FY 2001 President's Budget Request	78,299	184,856	263,155
2. Congressional Adjustments (Distributed)			
a. DHRA	(2,818)	(2,182)	(5,000)
b. JRAP	2,000	0	2,000
c. DLAMP	(5,000)	0	(5,000)
Total Congressional Adjustments (Distributed)	(5,818)	(2,182)	(8,000)
3. Congressional Adjustments (Undistributed)			
a. Management Headquarters Reduction	(25)	(95)	(120)
b. CAAS	(74)	(167)	(241)
c. DJAS	(130)	(290)	(420)
Total Congressional Adjustments (Undistributed)	(229)	(552)	(781)
4. Congressional Earmarks			
Congressional Earmarks Bill Payer	(125)	(279)	(404)
Total Congressional Earmarks	(125)	(279)	(404)
5. FY 2001 Appropriation Enacted	72,127	181,843	253,970
6. FY 2001 Recission	(160)	(398)	(558)
7. Transfers In	0	0	0
8. Transfers Out			
a. DFAS charges transferred to DCMA	0	(616)	(616)
b. Financial Management Training to OSD	0	(1)	(1)
Total Transfers Out	0	(617)	(617)
9. Price Change	0	0	0
10. Program Increases			
a. Realignment from BA-3 to BA-4	0	782	782
b. Locality Pay for Monterey, CA	0	1,100	1,100
c. DoD Actuary workload	0	600	600
Total Program Increases	0	2,482	2,482
11. Program Decreases			
a. Realignment from BA-3 to BA-4	(782)	0	(782)
b. Interim Personnel support costs	0	(5,778)	(5,778)
Total Program Decreases	(782)	(5,778)	(6,560)
12. Revised FY 2001 Current Estimate	71,185	177,532	248,717

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FY 2002 Amended Budget Submission
Summary of Increases and Decreases

	<u>BA 3</u>	<u>BA 4</u>	<u>Total</u>
13. Price Growth	1,276	3,995	5,271
14. Transfers In			
a. Military Retirement Trust fund from the DoDIG	0	200	200
b. Universal Beneficiary Card from DHP	0	5,900	5,900
Total Transfers In	0	6,100	6,100
15. Transfers Out			
DIMHRS to Navy to appropriate agency and appropriation	0	(6,545)	(6,545)
16. Program Increases			
a. Operations	0	277	277
b. Technical Security Center Measures research	0	1,000	1,000
c. JR&IO Business Process Reengineering	0	759	759
d. DEERS	0	7,100	7,100
e. RAPIDS	0	5,299	5,299
f. Medical Readiness	0	1,475	1,475
g. Enhanced DCPDS	0	5,778	5,778
h. DCPDS PKI	0	730	730
i. Defense Resources Management Institute	285	0	285
j. DLAMP PME support	200	0	200
k. Increase in DLAMP core program funding to support Component participation	12,947	0	12,947
m. Increase in DLAMP support for rotational assignments	1,300	0	1,300
n. Increased support for joint recruiting and advertising	1,031	0	1,031
Total Increases	15,763	22,418	38,181
17. Program Decreases			
a. Common Access Card	0	(2,593)	(2,593)
b. DITRS support ends in FY 2001	0	(2,451)	(2,451)
c. QRMC - contractual support is cyclical	0	(299)	(299)
d. FY 2001 funding included a one-time Congressional add for JRAP	(2,034)	0	(2,034)
Total Decreases	<u>(2,034)</u>	<u>(5,343)</u>	<u>(7,377)</u>
18. FY 2002 Budget Request	86,190	198,157	284,347

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Personnel Summary

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
<u>Active Military End Strength (ES) (Total)</u>	7	11	13	2
Officer	6	11	13	2
Enlisted	1	0	0	0
 <u>Civilian End Strength</u>				
U.S. Direct Hire	700	685	697	12
 <u>Active Military Average Strength (Total)</u>	7	11	13	2
Officer	6	11	13	2
Enlisted	1	0	0	0
 <u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	680	680	690	10

DEFENSE HUMAN RESOURCES ACTIVITY
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 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

	FY 2000 <u>Actuals</u>	Foreign Currency <u>Rate Difference</u>	<u>Price Growth</u> Percent	<u>Amount</u>	Program <u>Growth</u>	FY 2001 <u>Program</u>	
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101	Executive, General & Special Schedule	54,371	0	0.04	2,161	998	57,530
106	Benefits to Former Employees	255	0	0.00	0	(181)	74
107	Voluntary Separation Incentive Pay	327	0	0.00	0	(327)	0
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	54,953	0	0	2,161	490	57,604
<u>TRAVEL</u>							
308	Travel of Persons	6,266	0	0.02	100	3,909	10,275
399	TOTAL TRAVEL	6,266	0		100	3,909	10,275
<u>SUPPLIES & MATERIALS PURCHASES</u>							
416	GSA Managed Supplies & Materials	65	0	0.02	1	0	66
499	TOTAL SUPPLIES & MATERIALS PURCHASES	65	0		1	0	66
<u>EQUIPMENT PURCHASES</u>							
506	DLA Equipment	12		0.05	1	(13)	0
507	GSA Managed Equipment	19		0.02	0	(19)	0
599	TOTAL FUND EQUIPMENT PURCHASES	31		0	1	(32)	0
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>							
671	Communication Services (DISA)	48		0.00	0	57	105
673	Defense Finance and Accounting Services	792		0.00	39	(27)	804
699	TOTAL PURCHASES	840		0.00	39	30	909
<u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>							
771	Commercial Transportation	172		0.02	2	(98)	76
799	TOTAL TRANSPORTATION	172		0.02	2	(98)	76

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 Summary of Price and Program
 (Dollars in Thousands)

	FY 2000	Foreign	Price Growth		Program	FY 2001	
	<u>Program</u>	Currency	<u>Rate Difference</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>	
						<u>Program</u>	
<u>OTHER PURCHASES</u>							
912	Rental Payments to GSA Leases (SLUC)	2,822	0	0.02	54	19	2,895
914	Purchased Communications (non-Fund)	1,129	0	0.02	18	(9)	1,138
917	Postal Services (U.S.P.S.)	815	0	0.00	0	66	881
920	Supplies & Materials (non-Fund)	2,049	0	0.02	32	(744)	1,337
921	Printing and Reproduction	479	0	0.02	7	44	530
922	Equipment Maintenance by Contract	910	0	0.02	14	(781)	143
923	Facility Maintenance by Contract	19	0	0.02	0	2	21
925	Equipment Purchases (non-Fund)	196	0	0.02	4	22	222
932	Management & Professional Support Services	4	0	0.02	0	310	314
989	Other Contracts	161,614	0	0.02	2,585	8,087	172,286
998	Other Costs	20	0	0.02	0	0	20
999	TOTAL OTHER PURCHASES	170,057	0		2,714	7,016	179,787
9999	TOTAL OPERATION & MAINTENANCE	232,384	0		5,018	11,315	248,717

DEFENSE HUMAN RESOURCES ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program
 (Dollars in Thousands)

		FY 2001	Foreign	Price Growth		Program	FY 2002
		Program	Currency	Percent	Amount	Growth	Program
			Rate Difference				
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101	Executive, General & Special Schedule	57,530	0	0.04	2,085	1,074	60,689
106	Benefits to Former Employees	74	0	0.00	0	3	77
107	Voluntary Separation Incentive Pay	0	0	0.00	0	0	0
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	57,604	0		2,085	1,077	60,766
<u>TRAVEL</u>							
308	Travel of Persons	10,275	0	0.02	174	(2,066)	8,383
399	TOTAL TRAVEL	10,275	0		174	(2,066)	8,383
<u>SUPPLIES & MATERIALS PURCHASES</u>							
416	GSA Managed Supplies & Materials	66	0	0.02	1	0	67
499	TOTAL SUPPLIES & MATERIAL PURCHASES	66	0		1	0	67
<u>EQUIPMENT PURCHASES</u>							
506	DLA Fund Equipment	0	0	0.00	0	0	0
507	GSA Managed Equipment	0	0	0.02	0	0	0
599	TOTAL FUND EQUIPMENT PURCHASES	0	0		0	0	0
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>							
671	Communication Services (DISA)	105	0	-0.14	14	1	120
673	Defense Finance and Accounting Services	804	0	-0.05	(38)	51	817
699	TOTAL PURCHASES	909	0		(24)	52	937
<u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>							
771	Commercial Transportation	76	0	0.02	1	2	79
799	TOTAL TRANSPORTATION	76	0		1	2	79

DEFENSE HUMAN RESOURCES ACTIVITY
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 Summary of Price and Program
 (Dollars in Thousands)

	FY 2001	Foreign	<u>Price Growth</u>		Program	FY 2002
	<u>Program</u>	Currency	<u>Rate Difference</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>
						<u>Program</u>
<u>OTHER PURCHASES</u>						
912	Rental Payments to GSA (SLUC)	2,895	0	0.02	43	11
914	Purchased Communications (non-Fund)	1,138	0	0.02	19	(10)
917	Postal Services (U.S.P.S.)	881	0	0.00	0	15
920	Supplies & Materials (non-Fund)	1,337	0	0.02	23	(9)
921	Printing and Reproduction	530	0	0.02	9	1
922	Equipment Maintenance by Contract	143	0	0.02	2	3
923	Facility Maintenance by Contract	21	0	0.02	0	1
925	Equipment Purchases (non-Fund)	222	0	0.02	4	0
932	Management & Professional Support Services	314	0	0.02	5	(319)
989	Other Contracts	172,286	0	0.02	2,929	31,601
998	Other Costs	20	0	0.02	0	0
999	TOTAL OTHER PURCHASES	179,787	0		3,034	31,294
9999	TOTAL OPERATION & MAINTENANCE	248,717	0		5,271	30,359

DEFENSE HUMAN RESOURCES ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 3: Recruitment and Training

I. Description of Operations Financed:

Defense Leadership and Management Program

The Commission on Roles and Missions (CORM) in March 1995 called for changes in the way senior DoD civilians are trained, educated and developed. The CORM recommended mandatory rotational assignments, a structured educational system, enhanced opportunities for civilians to attend military service schools, and reimbursing DoD organizations with participants engaged in long term training via "backfill." In response, the Defense Leadership and Management Program (DLAMP) was established in April 1997, by DoD Directive 1430.16 as an executive development program to produce world-class leaders for a select group of approximately 3,000 key DoD-wide leadership positions.

The Department of Defense Human Resources Activity's (DHRA) Civilian Personnel Management Service (CPMS) is responsible for program management and stewardship of the centralized DLAMP funding. CPMS is responsible for the contract instructional staff, curriculum development and operation, administrative support, and participant backfill and TDY support.

Participants in the program are selected from General Schedule (GS) grades 13 through 15, or equivalent, and may include incumbents of DLAMP positions. In December 1997, 293 participants were selected for the first DLAMP class. As of July 2000, DLAMP participants numbered almost 1200. The development of 28 graduate courses and a capstone course was completed in FY 2000, with the overall effort shifting to course delivery.

On average, DLAMP participants are expected to take six to ten years to complete the program. Graduation from DLAMP requires successful completion of three mandatory elements:

- A career broadening rotational assignment of at least twelve months. Policies and processes for DLAMP rotational assignments have been implemented. The initial group of 9 rotations began in the summer of 1998. Through July 2000, an additional 105 participants have begun rotational assignments; 150 are projected for FY 2001 and 182 for 2002.

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Budget Activity 3: Recruitment and Training

I. Description of Operations Financed (cont'd):

- A Professional Military Education (PME) course. The DLAMP ten-month PME program will eventually enroll 200 civilians annually at DoD Senior Service Schools. The initial pilot group of 23 at Senior Service Schools completed their course of study in June 1998. Through July 2000, an additional 159 DLAMP students graduated from a ten-month PME course. Ninety-two more participants began a ten-month PME program in Academic Year (AY) 2000-2001; and 92 more in AY 2001-2002. DLAMP has also successfully developed and initiated a three-month PME course at the National Defense University, for DLAMP participants. This program has 67 graduates as of July 2000. Rapid incremental increases in the number of 3-month courses are projected as the program reaches maturity.
- A minimum of 10 advanced-level graduate courses. The DLAMP graduate curriculum consists of a total of 29 courses designed to develop mastery by Defense executives of a range of contemporary subjects and disciplines. Teams of educators and Defense experts have completed development of the 29 courses. Due to textbook changes, three courses have been revised. During FY 2001, an additional 11 courses will be revised due to changes in textbooks and in DoD business practices. Six courses are projected for revision during FY 2002.

Initial course offerings began in February 1998. As of July 2000, 139 courses were conducted; 1,915 participants attended these courses. Twenty additional classes are scheduled for the remainder of FY 2000; 120 classes are projected for FY 2001; 180 classes are projected for FY 2002.

Of critical importance to the success of the program is the provision for "backfills," whereby DLAMP provides the DoD Components with FTEs and the associated dollars to cover the salaries of DLAMP participants who are away on mandatory long-term training (i.e., the twelve-month rotational assignment or the ten-month PME course). Backfill is imperative if essential duties of DLAMP participants are to be performed while the

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I. Description of Operations Financed (cont'd):

participant is away from the job. With this in place, DLAMP will continue to attract the most highly qualified individuals from DoD organizations. Budget documentation will reflect the FTE and dollar resource transfers to support each Component in accordance with candidate participation levels.

Participants are evaluated annually. DoD Component boards will certify candidates for completion of the program. As of July 2000, 41 DLAMP participants have been selected for Senior Executive Service positions. The first program participants graduated in October 2000.

Joint Recruiting Advertising Program (JRAP)

The Joint Recruiting Advertising Program (JRAP) within the Defense Human Resources Activity's (DHRA) Defense Manpower Data Center (DMDC) is the corporate-level, recruitment advertising arm of the Department. Policy oversight for this program is provided by the Office of the Under Secretary of Defense for Personnel and Readiness (Force Management Policy)(Military Personnel Policy) (OUSD(P&R)(FMP)(MPP)). JRAP was established at the advent of the All-Volunteer Force for the purpose of providing corporate-level advertising to complement and support the individual Services' advertising programs. The primary mission of joint advertising is to increase propensity toward military service by creating a positive image of the U.S. Armed Forces among youth, their influencers, and the American public.

JRAP's functions were expanded in FY 2000 and critical functions for FY 2002 include: Purchasing mailing lists for all Services' use (e.g., managing the purchase of more than 3.1 million graduating seniors' names for use in the Services' direct mail and lead generation programs); developing and executing an influencer (e.g., parents) print advertising campaign; upgrading a new influencer internet website (todaysmilitary.com) that presents why military service is a smart choice; and developing a corporate image television advertising campaign to create a more positive image of the military with the American public. JRAP's mission also includes evaluating the effectiveness of advertising through implementation of the Department's first advertising tracking system; fielding the Magazine Advertising Credit System (MACS) to ensure the Services receive the lowest rates possible on print media buying;

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I. Description of Operations Financed (cont'd):

and managing a Selective Service monthly Joint-Service direct mail campaign to new registrants to generate recruiting leads for the Services. JRAP's mission is more critical than ever before in today's increasingly difficult military recruiting environment.

Joint Market Research Program (JMRP)

The Joint Market Research Program (JMRP) located within DHRA's DMDC, is the corporate-level, recruiting market research arm of the Department. Policy oversight is provided by OUSD(P&R)(FMP)(MPP). JMRP was established when the All-Volunteer Force was created for the purpose of providing the Office of the Secretary of Defense and the Military Services with market research and data on the youth market.

During the recent Secretary of Defense comprehensive review of military advertising and market research programs, outside experts recommended greatly expanding market research. They recommended that DoD, as the largest employer of youth, develop an exemplary market research program that tracks key data on DoD's major markets. This includes youth (prospects and pre-prospects), their influencers, adult Americans, and current Service members. Additionally, the market research program should support recruitment advertising efforts since "military advertising should be grounded in solid market research"; and JRAP's "corporate" role should be honored. To address these recommendations and strengthen support for military recruiting, in FY 2002 JMRP will continue to expand its market research capability by conducting studies that enable the Department to develop research-based communications and marketing strategies for its target markets. In particular, the educator influencer community will be studied and a strategic plan developed for it. A key component will be trimester polls of youth and adults that will probe their values, attitudes, and opinions toward the military. Additionally, JMRP will obtain private-sector data and research on these markets and will distribute this information to the Services. This market research also will be summarized for use by senior officials and used by non-technical audiences and will be made available via an e-mail/web application titled, "Defense Market Research Executive Notes." Additionally, JMRP will conduct other core research required, e.g., interview research with Active Duty and Reserve members. During FY 2001 and 2002, a

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critical Joint-Service database that supports recruiting headquarters' analysis of the youth market, the Recruit Market Information System, will be upgraded and moved to a web platform. Finally, JMRP will assist in the evaluation of advertising for JRAP's corporate image and print campaigns.

Joint Military Recruiting Studies (JMRS)

For over 25 years, the United States has relied on volunteers to satisfy military personnel requirements—approximately 350,000 new recruits annually in the active and Reserve components. Today, because of a booming economy and increased youth college enrollment, the Military Services are struggling to achieve their recruiting goals. The Army and the Navy missed their objective in FY 1998, and in FY 1999, the Army and the Air Force experienced recruiting shortfalls. Although all Services met recruiting objectives in FY 2000, recruiting still is a challenge and is likely to remain so in the future.

The recruiting challenge is made more daunting because of the need for high-quality personnel. The pool of potential enlistees is surprisingly small. Nationwide, there are about 15 million high school graduates between the ages of 17 and 21. More than 67 percent of those graduates start college immediately after high school, which reduces the pool significantly. The JMRS' program funding supports analyses of military recruiting; normally, these efforts have been directed by Congress. Recent examples include reevaluation of the DoD recruit quality benchmarks and evaluation of the military performance of "home schooled" recruits.

Starting in FY 2000 and continuing in FY 2001 and FY 2002, by Congressional direction, several tests are underway as a part of a DoD study to reengineer and privatize recruiting. These efforts will include a Joint-Service test of the effects of civilian telemarketing best business practices on recruiting productivity. A National Academy of Sciences (NAS) Committee on the Youth Population and Military Recruiting will be funded for a third year to study current recruitment challenges and long-term, social and demographic trends in the youth population. The NAS Committee is composed of social scientists, business experts, and

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I. Description of Operations Financed (cont'd):

private-sector policy analysts with expertise in marketing, communications, youth attitudes, personnel management, and military recruiting. This group will analyze implications of demographic and cultural trends on recruiting and training, and evaluate recruiting strategies for youth population segments to inform military personnel policy. An initiative to accomplish enlistment processing at locations distant from Military Entrance Processing Stations will be continued. The convenience associated with such remote processing promises to expand participation in eligibility screening. In FY 2002, studies will be undertaken to better understand the attitudes and opinions of educators about the military since youth consult with educators regarding post secondary opportunities. We will undertake studies that will evaluate the relative cost-effectiveness of the various recruiting resources (i.e., recruiters, advertising, enlistment bonuses, and education benefits) and analyses will be performed to determine if Service recruiting competition drives up the cost-per-new enlistee. In response to Congressional direction, we also will initiate a test to determine if cooperation with military recruiters by local educational agencies and institutions could be enhanced by improving the understanding of school educators about military recruiting and military career opportunities.

Defense Resources Management Institute

The Defense Resources Management Institute is a jointly staffed Department of Defense resource management educational institution operating under the supervision of a Policy Guidance Council. The Institute provides integrated professional education to selected military and civilian personnel involved in resource allocation and management functions subject to the provisions of DoD Directive 5010.16. It is located at the Naval Postgraduate School in Monterey, California.

It is DoD policy that the DRMI will have the following objectives:

- Conduct resource management courses that enhance the understanding, competence, and capabilities of the U.S. and foreign military and civilian personnel involved in the development, operation, or maintenance of DoD and other government management systems.

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I. Description of Operations Financed (cont'd):

- Emphasis shall be placed on analytical concepts and techniques drawn from the disciplines of management decision theory, economics, and quantitative methods as they apply to the allocation and utilization of financial, logistic , and manpower resources.
- Provide such courses for foreign countries and international agencies as may be requested, and as can be justified on the bases of benefit to the U.S. government, within resource constraints, subject to the approval of the Under Secretary of Defense (Policy).
- Encourage and maintain a program of research related to defense resource management methods and processes and to defense resource management education.
- Develop understanding and improve competence in techniques of analysis and decision-making as they apply to the allocation and utilization of resources.
- Develop knowledge and understanding of the concepts, applications, and techniques of resource management systems.

II. Force Structure Summary: N/A

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III. Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000 Actuals	FY 2001		Current Estimate	FY 2002 Estimate
		Budget Request	Appropriated		
DLAMP	33,487	49,664	42,256	42,109	57,261
JRAP	16,057	16,832	18,287	17,586	16,769
JMRP/Market Research	4,587	5,393	5,232	5,217	5,390
JMRS	1,997	1,998	1,939	1,934	1,996
DRMI	900	900	901	900	1,200
Labor	2,862	3,502	3,502	3,439	3,574
Operations	9	10	10	0	0
Total	59,899	78,299	72,127	71,185	86,190

B. Reconciliation Summary:

	Change <u>FY 2001 /</u> <u>FY 2001</u>	Change <u>FY 2001 /</u> <u>FY 2002</u>
1. Baseline Funding	78,299	71,185
Congressional Adjustments (Distributed)	(5,818)	0
Congressional Adjustments (Undistributed)	(229)	0
Congressional Earmark Billpayers	(125)	0
2. Appropriated Amount	72,127	0
Across-the-board Reduction (Rescission)	(160)	0
Approved Reprogrammings/Transfers	0	0
3. Price Change	0	1,276
4. Program Changes	(782)	13,729
5. Current Estimate	71,185	86,190

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C. Reconciliation of Increases and Decreases:

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Totals</u>
1. FY 2001 President's Budget Request		78,299
2. Congressional Adjustments (Distributed)		
a) DHRA	(2,818)	
b) JRAP	2,000	
c) DLAMP	(5,000)	
Total Congressional Adjustments (Distributed)		(5,818)
3. Congressional Adjustments (Undistributed)		
a) Management Headquarters Reduction	(25)	
b) CAAS	(74)	
c) DJAS	(130)	
Total Congressional Adjustments (Undistributed)		(229)
4. Congressional Earmarks		
a) Indian Lands Mitigation	(96)	
b) Mid East Regional Security Issues Program	(10)	
c) Bosque Redondo Memorial	(19)	
Total Congressional Earmarks		(125)
5. FY 2001 Appropriation Enacted		72,127
6. FY 2001 Rescission		(160)
7. Transfers-In		0
8. Transfers-Out		0
9. Price Change		0

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C. Reconciliation of Increases and Decreases (cont'd):

		<u>(\$ in Thousands)</u>	
		<u>Amount</u>	<u>Totals</u>
10.	Program Increase		0
11.	Program Decrease Realignment from BA-3 to BA-4		(782)
12.	FY 2001 Current Estimate		71,185
13.	Price Growth		1,276
14.	Transfers-In		0
15.	Transfers-Out		0
16.	Program Increases		
	a) Funding supports personnel costs and the modernization and sustainment of the computing and information technology infrastructure at the Defense Resources Management Institute.	285	
	b) DLAMP PME support	200	
	c) Increase in DLAMP core funding to support increased Component participation, course delivery, facility operations, Sturbridge facility stand-up, student TDY and participant backfill.	12,947	
	d) Increase in DLAMP support for rotational assignments.	1,300	

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C. Reconciliation of Increases and Decreases (cont'd):

	(\$ in Thousands)	
	Amount	Totals
e) Increased funding will support a DoD-wide, military recruiting market research and advertising initiative with educators of youth; purpose is to increase their likelihood of recommending military service.	1,031	
Total Program Increases		15,753
17. Program Decreases		
FY 2001 funding included a one-time Congressional add for JRAP	(2,034)	
Total Program Decreases		(2,034)
18. FY 2002 Budget Request		
		86,190

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IV. Performance Criteria and Evaluation Summary:

Defense Leadership and Management Program

The Defense Leadership and Management Program (DLAMP) was established in April 1997, as an executive development program for producing world-class leaders for a select group of approximately 3,000 key DoD-wide leadership positions. High potential civilian managers from within the Department are put through a rigorous individualized program of educational courses and training experiences which have been designed to optimize their executive leadership and managerial skills and to expand their knowledge and understanding of the Department's national security mission. DLAMP is projected to grow significantly over the next several years.

The three mandatory elements of the program that must be completed with actual and projected performance measures are shown below:

- A Twelve-Month Rotational Assignment. The objective of the rotational assignment is to afford DLAMP participants the opportunity to quickly increase the breadth and depth of their experience outside that expected in their normal career progression. It will enhance the capacity of DLAMP participants to function as true executives with broad substantive knowledge and experiences without the narrowly restricted perceptions that may result from the traditional "stovepipe" career development practiced in the Department. Policies and processes for DLAMP rotational assignments have been implemented.

- A Professional Military Education (PME) Course. Each DLAMP participant is required to complete either the traditional 10-month PME course at a Senior Service School or, given the expected scarcity of available slots in the 10-month PME courses, a 3-month PME course developed by the National Defense University for DLAMP participants. The objective of the PME course is to expand the DLAMP participant's knowledge of the Department's national security mission and foster an environment which strengthens communication between the Department's senior military

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IV. Performance Criteria and Evaluation Summary (cont'd):

and civilian leaders. The DLAMP ten-month PME program will eventually enroll 200 civilians annually at the DoD Senior Service Schools. Likewise, increased participation in the number of 3-month courses is also projected.

- Graduate Level Education. A minimum of 10 graduate-level two-week courses must be completed by each DLAMP participant. The objective is to develop familiarity with the range of contemporary subjects and issues facing Defense leaders. The DLAMP graduate curriculum consists of a total of 29 courses covering such subject areas as finance, information systems, economics, human resources, statistics, and law and public policy.

Joint Recruiting Advertising Program (JRAP)

The Defense Manpower Data Center's JRAP conducts corporate-level recruitment advertising to complement and support the individual Services' advertising programs. During FY 2002, JRAP will develop media plans and execute them. Performance in this area can be measured in several ways.

First, media plans developed and fielded will use standard advertising industry measures to ensure market targets are reached with cost effective media. These industry measures include: calculations of reach and frequency, cost-per-thousand, Gross Ratings Points (GRPs), audience composition, audited circulation data, editorial profiles, ratings, etc. Additionally, post-buy analyses will be conducted, whereby actual results can be compared to the media plan(s). In many cases, performance guarantees can be negotiated with media sources, and JRAP will pursue advertising replacements if actual performance does not meet such guarantees.

Second, JRAP will implement the Department's first Joint-Service advertising tracking study. This study will enable monitoring of the effects of military advertising on target markets - youth and adults. For example, the study will track prospects' consideration of joining the military and adults' consideration of recommending the

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IV. Performance Criteria and Evaluation Summary (cont'd):

military and link this information to advertising awareness, thereby providing the Department with information on the effects of specific advertising messages on youth propensity and adult endorsement rates. The study also can provide feedback on the quality of advertising copy - it provides measures of copy efficiency (an Awareness Index), campaign communications, empathic reactions to the ads, etc. This study was begun in March 2001 and is an on-going data collection (continuous interviews of youth and adults and posting of those interview results along with media that is being fielded) that is available via a web platform for OSD and Military Service use.

Finally, JRAP also maintains and can report on the Department's Magazine Advertising Credit System (MACS) which ensures the Services receive credit for each other's print ad insertions. This enables all Military Services to receive the lowest possible ad insertion rates.

Joint Market Research Program (JMRP)

One major FY 2002 JMRP program objective is to expand the Department's understanding of its major markets. These markets include youth (prospects and pre-prospects), their influencers (parents, educators), adults, and core supporters (those who currently serve in the military, veterans, etc.). To accomplish this, JMRP will gather, analyze and disseminate information to both OSD officials and the Military Services. The research methods employed typically are surveys, polls, interviews and focus groups, as well as purchase of data from the private sector.

Outcome measures for this program objective are several. First, since research and purchase of data will be contracted out, there will be deliverables and these will be distributed widely. Second, the extent to which information is disseminated can be documented and evaluated. Not only will deliverables and summary briefings be distributed, but summary-level information for recruiting managers and senior DoD officials also will be posted at a JMRP-sponsored website, "Defense Market Research Executive Notes." Finally, to determine if these deliverables and outputs assist the Military Service user group in better understanding the markets, DMDC will consult with the Joint Marketing and Advertising Committee (JMAC).

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IV. Performance Criteria and Evaluation Summary (cont'd):

The JMAC reports to a flag and general officer-level committee (Joint Accession Group), which is chaired by the Deputy Assistant Secretary of Defense for Military Personnel Policy. Meetings are held several times a year to review JMRP and Service market research efforts. If JMRP research does not support critical needs of the recruiting community, it is cancelled and replaced with projects that do. Third, during FY 2002, DMDC will for the first time begin synthesizing information on the major markets. Outputs will be in the form of briefings and will be distributed widely.

JMRP also is responsible for maintaining the Recruit Market Information System (RMIS). RMIS contains demographic data on the youth market that enable the Services, for example, to establish recruiting goals for their geographic recruiting areas. As a result of FY 2001 meetings with the RMIS user group (Military Services and OSD), DMDC has begun upgrading this system's platform (e.g., moving it to a web platform) and will continue to do so during FY 2002. Documentation on these upgrades can be made available. These types of joint projects also are cost effective and prevent duplication of effort and costs by all Services.

Joint Military Recruiting Studies

Each project in this study program must be documented in reports to Congress as well as in Congressional testimony by the Under Secretary of Defense (P&R) and Assistant Secretary of Defense (FMP). Evaluation of the various study initiatives centers on improved recruiting productivity. The process includes documenting the scope of the initiatives, developing test scenarios, determining appropriate measurement approaches, collecting data, and assessing the initiatives. The following results will be achieved:

- A factual determination of which initiatives contribute to increased recruiting productivity, including the nature, magnitude, and timing of the contribution.
- An understanding of successful initiatives that could be expanded within Services and/or across Services.

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IV. Performance Criteria and Evaluation Summary (cont'd):

- Insight into common issues and themes that will provide a deeper understanding of how to solve problems and exploit opportunities throughout the military recruiting function.
- Identification of new and promising initiatives that could be tested and evaluated in future studies.

Defense Resource Management Institute (DRMI)

In FY 2002, the DRMI will conduct five Defense Resources Management Courses, two International Defense Management courses, and one Senior International Defense Management courses. It will also conduct twelve Mobile International Defense Management Courses.

V. <u>Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	Change <u>FY 2001/ FY 2002</u>
<u>Active Mil End Strength (Total)</u>	5	4	4	0
Officer	4	4	4	0
Enlisted	1	0	0	0
 <u>Civilian End Strength (Total)</u>	 37	 43	 43	 0
U.S. Direct Hire	37	43	43	0
 <u>Active Mil FTEs (Total)</u>	 5	 4	 4	 0
Officer	4	4	4	0
Enlisted	1	0	0	0
 <u>Civilian FTEs (Total)</u>	 37	 43	 43	 0
U.S. Direct Hire	37	43	43	0

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VI. OP 32 Line Items (Dollars in Thousands) DLAMP:

		<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
		<u>FY 2000</u>	<u>Price</u>	<u>Prog</u>	<u>FY 2001</u>	<u>Price</u>	<u>Prog</u>	<u>FY 2002</u>
		<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estt</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>
101	Executive, General & Special Schedule	2,613	104	552	3,269	119	11	3,399
199	Total Civilian Personnel Compensation	2,613	104	552	3,269	119	11	3,399
308	Travel Of Persons	4,449	71	3,509	8,029	136	(2,066)	6,099
399	Total Travel	4,449	71	3,509	8,029	136	(2,066)	6,099
989	Other Contracts	29,938	479	3,663	34,080	579	16,502	51,161
999	Total Other Purchases	29,938	479	3,663	34,080	579	16,502	51,161
9999	Total	37,000	654	7,724	45,378	834	14,447	60,659

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VI. OP 32 Line Items (Dollars in Thousands) JRAP, JMRP/Market Research, DRMI:

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	<u>FY 2000</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Prog</u> <u>Growth</u>	<u>FY 2001</u> <u>Est</u>	<u>Price</u> <u>Growth</u>	<u>Prog</u> <u>Growth</u>	<u>FY 2002</u> <u>Est</u>
101 Executive, General & Special Schedule	249	10	(91)	168	7	0	175
199 Total Civilian Personnel Compensation	249	10	(91)	168	7	0	175
308 Travel Of Persons	9	0	(9)	0	0	0	0
399 Total Travel	9	0	(9)	0	0	0	0
989 Other Contracts	22,641	362	2,636	25,639	436	(719)	25,356
999 Total Other Purchases	22,641	362	2,636	25,639	436	(719)	25,356
9999 Total	22,899	372	2,536	25,807	442	(719)	25,531

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Budget Activity 4: Administration and Service-Wide Activities

I. Description of Operations Financed:

The Department of Defense Human Resources Activity (DHRA), is a DoD-wide Field Activity chartered to support the Under Secretary of Defense ((Personnel and Readiness)(USD(P&R))). The scope of DHRA's mission is necessarily broad to provide the flexibility needed by the USD(P&R) to successfully explore and field new technologies and programs that benefit military personnel and DoD civilians. DHRA is the central Department of Defense (DoD) activity for the collection and interaction of manpower and personnel data to support Department-wide tracking, analyses, research, studies, and a wide variety of reporting requirements. The Field Activity provides civilian personnel program support, functional information management, and civilian personnel administrative services to DoD Components and activities. Work is performed in support of the execution, modification and maintenance of Departmental and Congressionally mandated programs in the benefit, readiness, and force protection areas. DHRA has several programs that support DoD-wide financial programs that detect and eliminate fraud. Data analysis revealed \$28M in erroneous payments due to fraudulent claims made against DoD entitlements. Billions of dollars in debt (money owed to a specific Federal agency by an employee) have been identified. Debt collection programs ultimately lead to the collection or resolution of outstanding debt owed to the Federal Government. DHRA programs improve the effectiveness, efficiency, and productivity of personnel operations throughout DoD. DHRA is underfunded \$1.5M in FY 2002 and the outyears for West Coast locality pay and the information technology pay increases.

Defense Integrated Military Human Resources System (DIMHRS)

The Operations and Maintenance fund requirements for DIMHRS are changing significantly from FY 2001 to FY 2002. Subsequent to a 3rd Quarter FY 2000 review by the OSD Overarching Integrated Product Team, the program was restructured. The objective of the restructuring is to provide more rapid benefits to the warfighters and the component personnel and pay communities. The restructured program was approved by the Milestone Decision Authority in October, 2000 and the necessary changes were made through the Department's programming and budget process. The Department has funded DIMHRS personnel/pay through FY 2007. In recognition of the Navy's role as the Acquisition agency for DIMHRS, design and

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development funds were transferred to the Navy beginning in FY 2002. The Joint Requirements and Integration Office (JR&IO) retains information management and Business Process Reengineering (BPR) responsibilities and funding.

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Budget Activity 4: Administration and Service-Wide Activities

I. Description of Operations Financed (cont'd):

The JR&IO in DHRA provides functional direction for DIMHRS, which consists of three initiatives: a fully integrated military Personnel/Pay management system that will serve Service members and their families, military commanders, and the Services into the 21st century; a Manpower system, and a Training and Education system. The DIMHRS Personnel/Pay received Milestone 0 approval in FY 1998, was certified to the Congress as ready for Milestone 1 approval in June 2000, and received Milestone I approval in October 2000. The Operational Requirements Document (ORD) was approved by the Joint Review and Oversight Council (JROC) in February 2000. The ORD contains the key functional requirements and Key Performance Parameters that establish performance/evaluation criteria for the program. Business Process Reengineering workshops are being conducted in the Manpower area and are planned for the Training and Education area. DIMHRS is doing risk reduction prototypes to further define the program and move toward an accelerated MS IIA in FY 2001, which will allow for the development of an integrated active and reserve pay module that will replace legacy systems while continuing to move toward an overall program MS II. It is anticipated that development of the personnel system would begin after the program MS II.

Congress provided direction in the FY 1999 Defense Appropriations Act and Conference Report that expands the scope of DIMHRS, now described as the DIMHRS enterprise. The DIMHRS Personnel/Pay initiative consists of the ongoing effort that supports functions encompassed by the business process reengineering effort initiated in 1992 and reviewed by the Defense Science Board Task Force in 1996. The Deputy Secretary of Defense approved this program with the objective of a totally integrated pay and personnel system supporting the functional requirements of all the components.

In compliance with the Clinger-Cohen Act and the Government Performance and Results Act, the DIMHRS Personnel/Pay project is identifying "useful segments" that can demonstrate both rapid acquisition techniques and measurable functional benefits. OSD C3I certified that DIMHRS met the Clinger Cohen Act requirements under 8121 of the FY 2000 Defense Appropriation Act for Milestone I approval.

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In compliance with Congressional direction, DIMHRS began DIMHRS Manpower and DIMHRS Training initiatives in FY 1999. Scoping workshops which define the functionality of the efforts as well as anticipated benefits, will include representation from all the DoD components.

I. Description of Operations Financed (cont'd):

Manpower workshops began in FY 1999 and Training and Education workshops will be held in the future.

Defense Enrollment Eligibility Reporting System (DEERS)

On November 10, 1999 the DEPSECDEF signed a memorandum directing that the DEERS/RAPIDS infrastructure be augmented to issue the new DoD Smart Card referred to as the Common Access Card (CAC). DEERS was chosen as the authenticating database for the CAC Public Key Infrastructure as a less expensive, more secure, and more disciplined system than a local registration authority. As the authentication database, DEERS will store information related to the digital certificates held by the approximately 4 million people receiving the CAC. The DEERS program is increased by \$5.5M in FY 2002 to cover additional costs generated by the program's expanding scope and to operate, maintain and refresh existing software and hardware. In addition the CAC Program received \$8.5M in FY 2002 to augment the DEERS program in order to support other CAC associated costs such as NSA's PKI Security Profiling, GSA Interoperability for Smart Cards, testing the Services' post-issuance applications to ensure they interact appropriately with the other applications on the card in addition to the DoD PKI, and to certify new Smart Cards and Smart Card readers with all of the approved post-issuance applications.

DEERS is the Department's only modern, redesigned, cross-Service, worldwide automation system that is fully operational. It maintains enrollment and confirms eligibility for DoD entitlements and privileges. DEERS identifies all users of DoD benefits; provides a means to ensure that only eligible beneficiaries receive benefits and services; collects, maintains, and provides demographic data on eligible beneficiaries; improves the management, planning, and allocation of DoD benefits resources; and reduces fraud and abuse of DoD benefit programs. The program combines automated sponsor data provided by

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the Uniformed Services and other Federal agencies, such as the Department of Veterans Affairs, with family member information provided through the Uniformed Services identification card issuing system to provide over 900 sites with accurate and timely information about people entitled to benefits. The DEERS database contains records on over 23 million individuals and is queried approximately 1.4 million times per day by managed care support contractors, Uniformed Services medical and

I. Description of Operations Financed (cont'd):

dental treatment facilities, and personnel offices. DEERS data serve as the bases for enrollment into TRICARE.

In FY 2002, DHRA anticipates receiving \$10M from the Defense Health Program in order to develop the Tricare National Enrollment Database (NED) which will provide full healthcare portability as requested by the TRICARE Management Agency.

Real Time Automated Personnel Identification System (RAPIDS)

The FY 2002 RAPIDS program funds are to meet emerging Departmental requirements by providing a current software platform and hardware infrastructure. DHRA has program responsibility for the Real Time Automated Personnel Identification System (RAPIDS), established to automatically produce a standardized, machine-readable, tamper resistant ID card for the Uniformed Services, as well as to provide the primary update vehicle for the Defense Enrollment Eligibility Reporting System (DEERS) database. RAPIDS, as an existing worldwide Identification Card network, is the vehicle identified by the Deputy Secretary of Defense for issue of Common Access Cards to all members of the Uniformed Services, members of the Guard/Reserve Components, and civilian employees of the Department. RAPIDS is also the primary source used to validate benefits eligibility for all active, Reserve, and retired Uniformed Services members, their eligible or pre-eligible family members, and beneficiaries. RAPIDS operates in over 900 locations in 13 countries and issues over 3 million identification cards every year. RAPIDS received \$3.6M in FY 2002 to meet the expanded requirements created by the addition of the CAC/PKI.

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Regionalization and Systems Modernization

The Department is engaged in three major reforms of civilian personnel administration: (1) restructuring field level civilian personnel operations into regional service centers (concluded in FY 1999); (2) implementing the modern Defense Civilian Personnel Data System (DCPDS) (scheduled to complete DoD-wide deployment during 2001); and (3) improving and reengineering business processes. Taken together, these reforms greatly streamline personnel operations while reducing the number of required staff. These projects are being implemented

I. Description of Operations Financed (cont'd):

systematically to achieve the highest level of efficiency while ensuring that there are no adverse mission consequences.

The DHRA budget contains the resources for the maintenance, sustainment, and operation of the modern Defense Civilian Personnel Data System (DCPDS) that will be used throughout the Department. Component funding supports purchasing additional hardware and software necessary to operate the modern DCPDS. The development and operation of a single, modern civilian personnel information system under the direction of the Civilian Personnel Management Service will ensure a coherent, standardized, and cost effective system for the entire Department. The modern DCPDS is built using a commercial off-the-shelf product customized for the Federal and Defense environment. The system uses a client server environment that provides flexibility to respond to changes in the Department's civilian personnel operational requirements. In October 1999, the Department awarded a firm fixed-price contract to Lockheed Martin Systems Integration (LMSI) for the operation and maintenance of the modern DCPDS. When the system is fully deployed in 2001, the modern DCPDS will replace the legacy DCPDS. Increased efficiencies are anticipated at that time.

The Smart Card/Common Access Card (CAC)

The CAC program is funded in FY 2002 with the exception of the funding for the card stock which is in the Services PKI budget. The Access Card Office (ACO) replaced the Smart Card

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Technology Office (SCTO) in FY 2000. The budget funds the implementation of the DoD Common Access Card (CAC) directed by DEPSECDEF memo, dated 10 November 99, subject: Smart Card Adoption and Implementation. The CAC, a smart card, will be the military and civilian ID card and will be the predominant card for logical and physical access and the predominant platform for the PKI authentication token. The target population for the CAC includes active duty military, Selected Reserve (including the National Guard), DoD civilian employees, and selected contractors (approximately 4 million people). Additionally, the CAC will have space allocated on the integrated circuit chip for other approved joint applications and for Component-unique applications. The CAC will be issued using the DEERS/RAPIDS infrastructure. Policy oversight is provided by the DoD CIO.

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I. Description of Operations Financed (cont'd):

Defense Integrated Travel Relocation Solutions (DITRS) Office

The DITRS office was created in compliance with the Defense Reform Initiative Directive (DRID) No. 50, Reengineering of Relocation and Reserve component Travel, signed by the Deputy Secretary in June 1999. That DRID directed implementation of the recommendations of a task force report on reengineering permanent change of station (PCS) travel and directed DITRS as the executive secretary of the 08 Travel Reengineering Steering Group. Funding for DITRS was provided through FY 2001.

Complaint Investigations

The Office of Complaint Investigations (OCI) conducts formal Equal Employment Opportunity (EEO) investigations of alleged violations of the Civil Rights Act and other anti-discrimination laws in accordance with EEO Complaint Processing Regulations (29 CFR Part 1614). FY 2000 changes to 29 CFR 1614 place increased emphasis on Alternative Dispute Resolution in resolving EEO complaints.

The Office of the Chancellor for Education and Professional Development

The DoD Directive assigning duties and responsibilities to the Chancellor for Education and Professional Development was signed on September 27, 1999. The mission delineated for the Office of the Chancellor is "to serve as the principal advocate for the academic quality and cost effectiveness of all DoD civilian education and professional development activities." The Office of the Chancellor has been promoting academic quality and building a sense of community between institutions through on-site exchanges, the Metrics of Excellence Task Force and DoD-wide conferences held annually. The Metrics of Excellence Task Force has united members of the civilian education community, under the leadership of the Chancellor, in developing standards for academic quality and resource reporting. The Office of the Chancellor promotes and assists in the accreditation of DoD programs through the use of appropriate accrediting agencies recognized by the U.S. Department of Education.

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I. Description of Operations Financed (cont'd):

Medical Readiness

Medical Readiness programs increase in FY 2002 to broaden the capture and reporting of Immunization Tracking System (ITS) data and to redesign the TRICARE dental programs. DHRA's Defense Manpower Data Center (DMDC) supports a number of medical readiness applications, including ITS, the TRICARE Family Member Dental Program (TFMDP) and the TRICARE Selected Reserve Dental Program (TSRDP). ITS was created by augmenting DEERS data to track, worldwide, recipients of the anthrax vaccine. The scope of the ITS has expanded significantly since its inception to include members of Congress and their staffs, senior DoD and State Department officials, family members and others assigned or visiting overseas. Tracking of additional immunization programs, in addition to anthrax, is also planned. Expansion of ITS results in increased transaction volumes and requires a redesign of the reporting aspects of the Automated Information System (AIS). The two TRICARE dental programs provide services to active duty family members and members of the Selective Reserve. The Selected Reserve program was initiated following the Gulf War when dental problems prevented deployment of a number of Selected Reserve personnel called to active duty. Both dental programs are being merged into a single program with an expanded benefits population to include the family members of Selected Reservists. The single AIS for both programs will include new processes to standardize eligibility verification. The enrollment process will be enhanced through implementation of a Web portal which will allow timely and accurate enrollment by beneficiaries. Increased funding provides for development of systems enhancements and initial implementation.

Office of the Actuary

Responsibilities of the DoD Office of the Actuary (OAct) grew dramatically in the 1990s as a result of the Chief Financial Officers and Federal Financial Management Acts. OAct is responsible for calculating liabilities of the DoD Military Retirement Fund (MRF), the Education Benefits Fund, and the Voluntary Separation Incentive Fund. The MRF financial statements, prepared each year by OAct, are audited annually by the DoD IG and are the only major DoD statements that have consistently received an unqualified audit opinion.

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OAct also calculates, using methods and assumptions approved by the Retirement and Education Benefits Boards of Actuaries, DoD's and Treasury's required annual contributions into each of the

I. Description of Operations Financed (cont'd):

Funds. These amounts are needed for annual budgets. In recent years, a larger portion of OAct staffyears has been spent calculating and answering auditor requests related to the liability for future retiree health care, which is reported in the annual DoD and government-wide financial statements. A new fund for Medicare-eligible retiree health care, scheduled to begin in FY2003, has also increased OAct's workload. Congress recently expanded military benefits to active duty personnel, retirees and survivors, and reserve personnel (e.g., pay table reform, retirement benefit changes for post-1986 members, 30-year paid-up survivor benefits). OAct is responsible for adapting calculations to legislated changes and producing cost estimates for legislative proposals involving military benefits. The number of benefit changes enacted and required cost estimates is expected to continue growing.

Because of the higher demands and a smaller staff, an increasing amount of work has been done by contractors. (1) OAct let a contract to reengineer the mainframe program that computes the MRF liability and required contributions. The effort was undertaken to satisfy audit recommendations. An initial version of the program is expected in FY 2001, at which point OAct will need training and continued technical support. (2) OAct has contractor support in estimating DoD's retiree health care liability. In 1998 President Clinton and Secretary Cohen committed DoD to achieving a clean audit opinion on the liability. OAct is currently assisting the Defense Management Council in this regard. (3) The FY 2001 National Defense Authorization Act expanded health care benefits to Medicare-eligible retirees and created a trust fund that provides for accrual financing for the benefits. The Act also created a Retiree Health Care Board of Actuaries that oversees and sets major assumptions for trust fund calculations. OAct is tasked with assisting in the fund's implementation and providing support to the Board. In particular, OAct will be responsible for computing DoD's and Treasury's fund contributions for inclusion in annual budgets and for estimating the fund's liability to be reported in DoD and government-wide annual financial statements. Contractor support is needed for this

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new requirement.

The Office of the Director of the Ninth Quadrennial Review of Military Compensation

Every four years, this Office directs a review of the principles and concepts of the compensation system that overarches an annual review of the adequacy of military pay and allowances. In 1999, the QRMC initiated a strategic review of the military compensation and

I. Description of Operations Financed (cont'd):

benefits system to assess the military's ability to recruit and retain the highest quality force in the face of changing demographics, a dynamic economic environment, and the new military strategy. The Director, QRMC, ensures the review fulfills the requirements of the Presidential Charter and prepares a report for the President to submit to Congress summarizing the review and making recommendations. The QRMC anticipates submitting its findings in early FY 2001 to be followed by a documented report in December 2001.

Civilian Assistance and Re-Employment Program

Reducing the DoD workforce has been and remains one of the most difficult tasks ever presented to the Defense Department. The Civilian Assistance and Re-Employment (CARE) program has been largely successful in this effort through the innovative use of special personnel programs and incentives. To date, DoD has accounted for the majority of the downsizing of the Federal workforce. Since October 1989, DoD has reduced its civilian employment by over 400,000 positions. By September 2003, another 65,000 positions could be eliminated, if all reduction initiatives are implemented. The CARE program supports achievement of the necessary reductions with minimum workforce turbulence. CARE officials manage the operation of the Department of Defense civilian reduction and career transition assistance programs. These highly effective, award-winning programs include the:

- Priority Placement Program (PPP), which continues to place approximately 300 employees each month.

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- Separation incentive or buyout program through which DoD has avoided over 139,000 involuntary (reduction in force) separations since 1993, and,
- Voluntary early retirement program through which employees retire at a reduced age and service to help mitigate reductions in force; over 59,000 employees have retired under this program since 1993.

Since 1994, the CARE staff has conducted briefings for 87,668 employees, 6,852 managers, and 784 union representatives on the PPP and Civilian Assistance and Re-Employment programs.

I. Description of Operations Financed (cont'd):

Injury/Unemployment Compensation Program

By law, DoD civilian employees who are injured on the job are compensated for lost wages. Injury compensation claims are processed and adjudicated by the Department of Labor, which bills DoD for approved claims. For FY 2000, the Defense Department was billed \$601.5 million for injury compensation claims. In FY 1993, the Department formed a centralized, consolidated case review and claims verification process for all DoD unemployment claims. DoD civilian employees, who are separated through no fault of their own, are entitled to unemployment compensation (UC) benefits. Audits on 275,158 UC claims produced a cost avoidance of \$7.6 million for FY 1994 - FY 1999. To aid DoD liaisons and installation Injury and Unemployment Compensation managers, the DoD Injury and Unemployment Tracking System was developed. The System has been deployed to 415 activities. DoD leads the Federal Government in cost savings, reducing the injury compensation costs by 0.7 percent since 1994, with a cost avoidance of \$74.6 million.

Defense Personnel Security Research Center (PERSEREC)

The PERSEREC performs personnel security research and analysis for DoD Components and members of the intelligence community and evaluates improvements to personnel security procedures, programs, and policies. Upon request, PERSEREC provides advice and assistance to DoD Components and the intelligence community on selected security subjects. The

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Center's research program is divided into five programmatic areas: Automated Systems for Personnel Security, Vetting Systems, Continuing Evaluation and Aftercare, Utility Analyses, and Trust and Betrayal.

LABOR

Funding is for costs associated with salary and benefits for DHRA employees.

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I. Description of Operations Financed (cont'd):

OPERATIONS

Costs are associated with the operations of this Field Activity including programs that provide a wide variety of support services to offices throughout the Department of Defense and other Federal Agencies. DHRA provides civilian personnel program support, functional information management, and civilian personnel administrative services to DoD Components and Activities. The Wage and Salary Division provides 2,342 pay schedules annually and the Field Advisory Services Division provides civilian personnel advisory services in support of operations Department-wide. The Field Activity is the central DoD activity for the collection and interaction of manpower and personnel data to support tracking, analysis, research, studies and a wide variety of reporting requirements. The Military Services and the Department of Veterans Affairs rely on data storage and analysis to ensure current members and veterans receive all appropriate entitlements and protect funding for these entitlements from fraudulent claims. Operation Mongoose develops and maintains strong fraud detection and prevention programs for the Department's financial systems. Cooperation between DHRA, the Defense Finance and Accounting Service, the DoD Inspector General, and Military Investigative or Audit Agencies led to the detection of over \$28M in erroneous payments made to retirees, annuitants, Service members, DoD civilians, and commercial vendors. The Verification of Military Experience and Training (VMET) and the Transition Bulletin Board (TBB) are two major programs, mandated by Public Law 101-510, that support the transition of military and civilian personnel from DoD to the private sector. As the central processing activity for the government-wide debt collection initiative, DHRA maintains computer-matching agreements with nine non-DoD agencies to facilitate the recovery of outstanding debts to the Federal Government. In FY 1999 this program identified \$2.4 billion dollars in debt. DHRA programs support military and civilian personnel initiatives and improve the effectiveness, efficiency and productivity of operations throughout the Department and other Federal Agencies.

II. Force Structure Summary: N/A

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III. Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000	FY 2001			FY 2002
		Budget	Current		
	Actual	Request	Appropriated	Estimate	Estimate
DIMHRS	24,104	24,351	23,595	22,605	16,412
DEERS	25,938	26,603	25,792	25,715	31,763
RAPIDS	11,612	14,132	13,697	13,656	18,613
Reg/Mod	29,892	20,358	20,358	14,580	23,475
Access Card	4,384	21,740	20,896	20,833	17,806
DITRS	4,362	1,912	1,912	1,862	0
Complaint	1,345	1,446	1,446	1,361	1,425
Investigation					
Chancellor	1,281	624	591	403	413
Medical Readiness	0	3,133	3,032	3,024	4,504
Actuary	0	0	0	518	715
Universal Beneficiary	0	0	0	0	5,700
Card					
QRMC	600	299	299	299	0
CARE	228	255	255	232	235
ICUC	197	186	186	186	186
PERSEREC	412	1,786	1,753	1,741	2,697
Labor	52,091	51,572	51,572	54,167	57,192
Operations	16,039	16,459	16,459	16,350	17,021
Total	172,485	184,856	181,843	177,532	198,157

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III. Financial Summary (O&M: \$ in thousands)(cont'd):

B. <u>Reconciliation Summary:</u>	Change <u>FY 2001 /</u> <u>FY 2001</u>	Change <u>FY 2001/</u> <u>FY 2002</u>
1. Baseline Funding	184,856	177,532
a) Congressional Adjustments (Distributed)	(2,182)	0
b) Congressional Adjustments (Undistributed)	(552)	0
c) Congressional Earmark Billpayers	(279)	0
2. Appropriated Amount	181,843	0
d) Adjustments to Meet Congressional Intent	0	0
e) Across-the-board Reduction (Rescission)	(398)	0
f) Approved Reprogrammings/Transfers	(617)	(445)
3. Price Change	0	3,995
4. Program Changes	(3,296)	17,075
5. Current Estimate	177,532	198,157

C. Reconciliation of Increases and Decreases:

	(\$ in Thousands)	
	<u>Amount</u>	<u>Totals</u>
1. FY 2001 President's Budget Request		184,856
2. Congressional Adjustments (Distributed)		
DHRA	(2,182)	
Total Congressional Adjustments (Distributed)		(2,182)
3. Congressional Adjustments (Undistributed)		
a) Headquarters Personnel Reduction	(95)	
b) CAAS	(167)	
c) DJAS	(290)	
Total Congressional Adjustments (Undistributed)		(552)

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C. Reconciliation of Increases and Decreases
(cont'd):

		<u>(\$ in Thousands)</u>	
		<u>Amount</u>	<u>Totals</u>
4.	Congressional Earmarks		
	a) Indian Lands Mitigation	(215)	
	b) Mid East Regional Security Issues Program	(21)	
	c) Bosque Redondo Memorial	(43)	
	Total Congressional Earmarks		(279)
5.	FY 2001 Appropriation Enacted		181,843
6.	FY 2001 Rescission		(398)
7.	Transfers-In		0
8.	Transfers-Out		
	a) DFAS charges transferred to DCMA	(616)	
	b) Financial Management Training to OSD	(1)	
	Total Transfers Out		(617)
9.	Price Change		0
10.	Program Increases		
	a) Realignment from BA-3 to BA-4	782	
	b) Locality pay for the inclusion of Monterey, CA in the San Francisco, GA region.	1,100	
	c) DoD Actuary for additional workload associated with retiree benefits and the management or the over 65 Health Benefits program.	600	
	Total Program Increases		2,482

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11.	Program Decreases	0
	Interim personnel system support costs.	(5,778)

C. Reconciliation of Increases and Decreases
(cont'd):

		<u>(\$ in Thousands)</u>	
		<u>Amount</u>	<u>Totals</u>
12.	FY 2001 Current Estimate		177,532
13.	Price Growth		3,995
14.	Transfers-In		
	a) Military Retirement Trust Fund audit funding from OIG to correctly realign agency funds.	200	
	b) Universal Beneficiary Card transfer from the Defense Health Program to produce a universally recognized, centrally produced beneficiary ID card to improve TRICARE portability and healthcare service to beneficiaries.	5,900	
	Total Transfers In		6,100
15.	Transfers-Out		
	Transfer DIMHRS funding to Navy to correctly Align DIMHRS to the appropriate agency and appropriations.		(6,545)
16.	Program Increases		
	a) Operations and support costs associated with small increase in FY 2002 personnel.	277	
	b) PERSEREC Workforce screening project associated with reducing the backlog of	1,000	

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processing personnel security clearances.

C. Reconciliation of Increases and Decreases (cont'd):

	(\$ in Thousands)	
	Amount	Totals
c) Increase represents a planned acceleration in the number of workshops being held jointly and with the individual Services to complete the DIMHRS BPR on schedule. The ramp-up in the workshop schedule was planned to occur after the selection of the COTS product, since these workshops integrate the capabilities of the Pay/Personnel COTS selected in FY 2001 with DoD requirements to support rapid implementation of the new system with termination of multiple, expensive legacy systems and achieve productivity increases.	759	
d) DEERS. Increase supports program growth in Military Health System Federal Employees Health Benefits Program Pilot Program, TRICARE, TRICARE Prime Remote Program, TRICARE Senior Prime Program, the New Pharmacy Medicare Supplemental Program and associated increases in transaction volumes. Increase also funds the addition of 2 million records	7,100	

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to the DEERS database as a result of the issuance of CAC ID cards to two new populations - DoD civilian employees and contractors that have access to DoD facilities

or information systems. Funds also support maintaining the system to ensure full functionality and security of the sensitive data maintained in the database and used by the RAPPIDS for verification of benefits and issuance of identification cards.

C. Reconciliation of Increases and Decreases
(cont'd):

(\$ in Thousands)

	<u>Amount</u>	<u>Totals</u>
e) RAPIDS. Increase supports the additive telecommunications engineering staff, increased user help desk support, and the need for expanded initial and follow-on user training in the new complex CAC environment. These complexities are created by the addition of PKI requirements and associated need for uninterrupted telecommunications at all levels.	5,299	
f) Medical readiness increase supports the immunization tracking system and TRICARE dental program.	1,475	
g) Funding supports enhancement and sustainment of the computing and information technology for the modern DCPDS.	5,778	
h) Support for DCPDS PKI	730	
Total Program Increases		22,418
17. Program Decreases		
a) Funding decreases for that portion of the	(2,593)	

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that Common Access Card budget for card stock

FY is included in the Services PKI budgets in
 2002.

- | | |
|---|---------|
| b) Funding to support the Defense Integrated
Travel Relocation Solutions (DITRS) Office
ends in FY 2001. | (2,451) |
| c) Quarterly Review of the Military
Compensation Contractual support
requirements are cyclical. No funding is
required in FY 2002. | (299) |

Total Program Decreases	(5,343)
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18. FY 2002 Budget Request	198,157
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IV. Performance Criteria and Evaluation:

Defense Integrated Military Human Resources System (DIMHRS)

The Joint Requirements Oversight Council approved the DIMHRS Personnel and Pay Operational Requirements Document (ORD) in February 2000. Program performance criteria, which are evaluated during operational testing and subsequent performance reviews, are summarized in eight key performance parameters. These are:

1. The system shall update personnel and pay data changes (including deployment and unit affiliation data) in the corporate database within 24 hours of input (12 hours for specified information).
2. When communications are not available for transmission of data, processing of personnel and pay data will continue internal to DIMHRS (Pers/Pay) capable activities. Transmission of stored transactions will automatically begin as soon as communications are available, with priority going to Joint Personnel Asset Visibility (JPAV) system related transactions.

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3. DIMHRS (Pers/Pay) will support data accuracy, which is measured by the correctness of all information accepted into the system based on defined business rules.
4. Provide a single system, which fully integrates personnel and pay functionality across all active, guard, and Reserve component personnel and pay functions so that all data on an individual are collected and entered into the system only once. Success will be measured by the volume of transactions that require data recollection.
5. All personnel and pay data on personnel still in service (regardless of component or status) or up to 24 months after separation or retirement will be retrievable online based on a single query.
6. The personnel and pay data elements used by all Services/Components (except of precisely defined Service-specific data) shall be the same set of approved, standard data generated from common personnel processes and business rules.
7. A qualified and authorized personnel or pay specialist shall have the capability to provide members with core personnel or pay service support regardless of Service of Component affiliation.
8. The system shall provide interoperability with authorized external systems so that valid users can obtain the personnel and pay data they require. The system will interface with

IV. Performance Criteria and Evaluation Summary (cont'd):

all external systems that currently receive data from DIMHRS (Pers/Pay) legacy systems, except those eliminated as a result of BPR.

Entitlement Eligibility and Personnel Identification

The Defense Enrollment Eligibility Reporting System (DEERS) and the Real-time Automated Personnel Identification System (RAPIDS), located in DHRA's Defense Manpower Data Center (DMDC), are two closely related programs within the Department of Defense. These systems perform important DoD-wide functions in the accurate identification of our military members and their families. They also contribute to the appropriate adjudication of benefit eligibility for major DoD entitlement programs.

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Operation of a DMDC Support Office (DSO) for military beneficiaries includes a phone center to confirm eligibility and to provide customer service to military sponsors and their family members for a wide variety of programs. These programs include DEERS & RAPIDS record changes, TRICARE and Medicare eligibility, the Base Realignment and Closure (BRAC) Mail-Order Pharmacy Program, assistance in resolving claim denials, and general information. DSO analysts receive, research, resolve, and respond to problems faced by the more than 23 million people currently or potentially eligible for care under the military health care system. These cases involve record changes resulting from births, deaths, divorces, change-in-status, etc. DSO operates five separate telephone functions in addition to the DEERS Beneficiary line: the Gulf War Medical Registry line for veterans desiring enrollement in the Comprehensive Clinical Evaluation program, the Recruiter line for recruiters to confirm reenlistment eligibility, the Field Support line to assist RAPIDS users with data discrepancies on DEERS, the DEERS Eligibility line for those users who do not have access to the DEERS database and the Military Funeral Honors Program.

Performance in this functional area can be measured by the number of records accurately maintained in the database and the world-wide access times to those records, the number of ID card and eligibility transactions posted against the database, and the number of phone calls, research cases and letters handled at the Support Office. For FY 2001, an average of 23 million records will be maintained in DEERS, more than 1.4 million transactions will be

IV. Performance Criteria and Evaluation Summary (cont'd):

processed daily, up from 1.2 million transactions per day in FY 2000. The Support Office expects to handle more than 531,500 calls during FY 2001 to research over 36,800 cases and to mail over 306,530 letters to beneficiaries in response to the mail. In addition, the Support Office will mail a one time letter to 1.6 million beneficiaries to advise of new legislation. Approximately 10,000 calls will be received on the Gulf War line and more than 66,000 calls will be received by the Field Support Office RAPIDS 5.x Help lines during FY 2001. The Support Office projects 14,000 calls from Funeral Directors during the same period.

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The Montgomery GI Bill (MGIB), under Chapter 30, Title, 38, US Code, is an educational benefits program for active duty personnel in the Army, Navy, Marine Corps, Air Force, Coast Guard, Public Health Service and the National Oceanographic and Atmospheric Administration (NOAA). The MGIB under Chapter 1606, Title 10, US Code is an educational benefits program for members of the Selected Reserve Components including: Army, Navy, Marine Corps, Air Force, and Coast Guard, the Army National Guard and Air National Guard.

The MGIB System: maintains a DoD-wide file for MGIB benefit and eligibility data; performs processing to provide eligibility data to the Department of Veterans' Affairs (DVA); updates the database with DVA benefit data; provides an update mechanism to the Services preventing or reversing suspension of DVA benefits for Service members whose eligibility has been erroneously reported; and produces analytical tools for program monitoring.

Regionalization and Systems Modernization

When combined with regionalization, the modern Defense Civilian Personnel Data System (DCPDS) will allow the Department to reach a target-servicing ratio of 1:88 by the end of FY 2001. This system eliminates duplicative Component system costs associated with previously used mainframe computer operations. These benefits are reflected throughout the budgets of DHRA, the Military Departments, and the Defense agencies. Additional details may be found in the individual Military Department and Defense agency budgets concerning program accomplishments and future plans to accomplish civilian personnel regionalization and systems modernization goals.

IV. Performance Criteria and Evaluation Summary (cont'd):

The Economic Analysis (EA) for the modern DCPDS, updated in 1999, confirms annual savings of about \$200 million after the system is fully implemented across the Department and servicing ratio goals are attained. These reduced costs are attributable to reduced personnel and facilities costs, and the elimination of duplicate legacy system maintenance. The personnel savings are already reflected in the Military Department' and Defense agencies' budgets.

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The DoD Chief Information Officer provided Milestone III approval and authorized full deployment of the modern DCPDS by Acquisition Decision Memorandum, dated May 19, 2000. Sustainment, operation, and maintenance of the modern DCPDS has been transferred to Lockheed Martin Systems Integration (LMSI) under a firm fixed-price, performance-based contract. Service Level Agreements (SLAs) and system performance metrics have been established and implemented to assess contractor performance. Performance bonus payments are earned on the basis of this assessment.

Regionalization and Systems Modernization Program success is measured by systems development accomplishments, the quality of system functionality, customer feedback, and efficiencies achieved through automated process improvements. Upon regional standup, these measurement factors are assessed through customer feedback concerning the level of assistance provided and the avoidance of service disruption. Likewise, the success of the program is best measured subsequent to deployment through the evaluation of regionalization and systems modernization technical and functional benefits. The key, or bottom-line measure, for both the regionalization and modernization efforts, is improvement in the ratio of civilian HR staff to supported population across DoD.

The Smart Card/Common Access Card (CAC)

The CAC will be the military and civilian ID card, the predominant platform for physical and logical access, and the predominant platform for the PKI authentication token. The FY 2002 budget provides dollars to complete the initial issuance of the CAC to the remaining two thirds of the target population, sustain valid cards for those issued cards in FY 2001, continue to upgrade the CAC software and card management system, and provide configuration management support and program management for the CAC.

IV. Performance Criteria and Evaluation Summary (cont'd):

Performance measures include, initial card issuance to approximately 2.7 million people, and meeting implementation milestones. Additional performance measures include providing

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executive secretary support to the Smart Card Senior Coordinating Group (SCSCG), and its associated working groups through monthly meetings.

Defense Integrated Travel Relocations Solutions (DITRS) Office

The DITRS was given direction from the Deputy Secretary to reengineer the PCS travel processes that affect over 700,000 relocations each year. Funding for DITRS was provided through FY 2001.

Office of the Actuary

- Contribute to receiving a favorable audit opinion on the Military Retirement Fund's annual financial statements.
- Implement actuarial audit recommendations for the estimate of DoD's annual retiree health liability included in DoD and government-wide annual financial statements.
- Provide support to DoD Medicare-eligible Retiree Health Care Board of Actuaries in calculating DoD and Treasury required trust fund contribution amounts for annual budget preparation.
- Provide similar support to DoD Retirement Board of Actuaries for calculations related to Military Retirement Fund.
- Assist policymakers in evaluating proposed benefit changes by providing cost estimates.

Civilian Assistance and Re-Employment (CARE) Program

The Priority Placement Program (PPP) underwent a major systems change, converting from a Bulletin Board System (BBS) to full-fledged Web technology. Staff time has been significantly reduced because of this streamlined program process. Customer response and acceptance has been excellent. Other improvements are planned or under study. Recent performance assessment results indicate 91% of selecting officials and 85% of placed employees rate program operation

IV. Performance Criteria and Evaluation Summary (cont'd):

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as satisfactory or better. In order to better evaluate the program's current performance, a survey instrument of recent program placement actions is being compiled.

The CARE Division Web page went online in mid-October 1999. The site contains, for example, information on outplacement/transition assistance programs, information on displaced employees' benefits and entitlements, and very important FAQs. Since its activation, the site has been accessed approximately 6,000 times.

Injury/Unemployment Compensation Program

The success of the Injury Compensation Program is measured by cost avoidance and customer satisfaction. The customers who shape the organization's workload are the Components, installation level program managers, installation/activity commanders, employees, and the Department of Labor (DOL). Prior to consolidation, most of the Components did not have the benefit of liaison specialists collocated at DOL office to review injury cases, conduct home visits to injured employees, train, advise, and assist in reemployment efforts. By consolidating DoD liaison efforts, 10 manpower spaces were saved. Since October 1993, home visits were conducted in 43 areas with 1912 claimants visited. Actual savings over the same period totaled over \$38.3 million with potential lifetime savings exceeding \$1.335 billion. Since 1994, DoD reduced the injury compensation bill by 0.7 percent while compensation Government-wide increased by 11.6 percent, providing DoD a cost avoidance of \$74.6 million. The DoD injury compensation bill actually increased by 1.85 percent in 2000. Rising medical costs contributed to 99.3 percent of the increase in the injury compensation bill. Similar cost avoidance is expected for FY 2002 and FY 2003.

Office of Complaint Investigations (OCI)

Process improvements in OCI operations have resulted in increased efficiency over the last three years. In FY 1998, FY 1999, and FY 2000, OCI closed an average of 4252 Equal Employment Opportunity (EEO) cases per year. Processing time decreased 18 percent from FY 1998. Contract support was reduced from 12 percent in FY 1998, to 2 percent in FY 2000. These benefits are largely the result of OCI's emphasis on Alternative Dispute Resolution (ADR) in resolving EEO cases. OCI's resolution attempts on EEO cases increased to 73

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percent, and the number of cases closed through resolution increased 5 percent in FY 2000. Every time OCI is

IV. Performance Criteria and Evaluation Summary (cont'd):

successful in resolving an EEO complaint with ADR, DoD avoids estimated costs between \$40,000 and \$80,000 in case processing; and potential additional litigation costs between \$161,000 to \$310,000. OCI's 33 percent case resolution rate in FY 2000 avoided potential case processing costs of over \$85M as well as potential litigation expenses projected at well over \$200M. Millions in cost avoidance and increased productivity, in the face of a 9 percent reduction in staff, can be attributed to OCI process improvements and CPMS' investment in developing the ADR skills of its 90 certified mediators/investigators.

A significant increase in the number of resolutions is expected as a result of the Equal Employment Opportunity Commission's new regulatory emphasis on ADR, and OCI's reengineering efforts to institutionalize ADR in FY 2001. In FY 2002/2003, resolution will be attempted on 100 percent of EEO cases, over 50 percent of EEO cases will be resolved with ADR, processing time will be reduced by 10 percent, and case processing costs of well over \$120 M will be avoided by practicing ADR.

Office of the Chancellor for Education and Professional Development

A major objective of the Chancellor for Education and Professional Development is the development of DoD-wide standards for academic quality and resource reporting, applicable to those DoD institutions and programs that instruct DoD civilians. Performance criteria for the Chancellor's Office involved the accomplishment of the following milestones in FY 2000: (1) establishment of a Task Force of DoD educational institution heads to collaboratively oversee the development of DoD academic quality and resource reporting standards; (2) formation of working groups to develop both academic standards and resource reporting standards; (3) development of an initial consensus on standards; and (4) progress toward drafting a DoD Instruction incorporating the work of the Task Force on DoD civilian education standards. All of the FY 2000 milestones were met. Milestones for FY 2001 include: (1) circulation and coordination by appropriate DoD Components on draft DoD civilian education standards; (2) development, circulation and coordination of a draft

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document outlining academic quality and resource data collection procedures; (3) development and population of the prototype academic quality and resource database. While this process is taking place, an initial measure of progress will be the number or percentage of DoD civilian education institutions that are accredited by a recognized accrediting body or are actively

IV. Performance Criteria and Evaluation Summary (cont'd):

engaged in the process of candidacy for accreditation. Milestones for FY 2002 will include (1) implementation of quality standards and metrics for DoD civilian education institutions (either mandatory or voluntary as determined by higher authority): (2) approval of requirements for and initiation of development of the academic cost reporting system; and (3) development of appropriate cost effectiveness metrics.

Personnel Security Research Center

<i>Workload</i>	<i>FY 2000</i>	<i>FY 2001</i>	<i>FY 2002</i>
	<i>Actual</i>	<i>Estimate</i>	<i>Estimate</i>
Research Projects	24	24	24

<u>V. Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	FY 2003	Change FY 2001/ FY 2002	Change FY 2002/ FY 2003
<u>Active Mil End Strength</u>	2	7	9	9	2	0
(Total)						
Officer	2	0	0	0	0	0
Enlisted	0	0	0	0	0	0
<u>Civilian End Strength (Total)</u>	663	643	653	634	10	(19)
U.S. Direct Hire	663	643	653	634	10	(19)
<u>Active Mil FTEs (Total)</u>	10	10	10	10	0	0
Officer	10	10	10	10	0	0
Enlisted	0	0	0	0	0	0

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<u>Civilian FTEs (Total)</u>	643	637	647	628	10	(19)
U.S. Direct Hire	643	637	647	628	(10)	(19)

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	FY 2000 <u>Actual</u>	Price Growth	Prog Growth	FY 2001 <u>Est</u>	Price Growth	Prog Growth	FY 2002 <u>Est</u>
101 Executive, General & Special Schedule	51,509	2,047	537	54,093	1,961	1,061	57,115
106 Benefits to Former Employees	255	0	(181)	74	0	3	77
107 VSIP	327	0	(327)	0	0	0	0
199 Total Civilian Personnel Compensation	52,091	2,047	29	54,167	1,961	1,064	57,192
308 Travel Of Persons	1,808	29	409	2,246	38	0	2,284
399 Total Travel	1,808	29	409	2,246	38	0	2.284
416 GSA Managed Supplies & Materials	65	1	0	66	1	0	67
499 Total Fund Supplies & Materials	65	1	0	66	1	0	67

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506	DLA Equipment	12	1	(13)	0	0	0	0
507	GSA Equipment	19	0	(19)	0	0	0	0
599	Total Revolving Fund Equipment Purchases	31	1	(32)	0	0	0	0
671	Communication Srvcs DISA	48	0	57	105	14	1	120
673	DFAS	792	39	(27)	804	(38)	51	817
699	TOT OTHER FUND PURCHASES	840	39	30	909	(24)	52	937

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	<u>FY 2000 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2001 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2002 Est</u>
771 Commercial Transportation	172	3	(99)	76	1	2	79
799 Total Transportation	172	3	(99)	76	1	2	79
912 Rental payments to GSA (SLUC)	2,822	54	19	2,895	43	11	2,949
914 Purchased Communications	1,129	18	(9)	1,138	19	(10)	1,147
917 Postal Srvc (U.S.P.S.)	815	0	66	818	0	15	896
920 Supplies & Materials	2,049	33	(745)	1,337	23	(9)	1,351
921 Printing & Reproduction	479	8	43	530	9	1	540
922 Equipment	910	15	(782)	143	2	3	148

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	Maintenance by							
	Contract							
923	Facility	19	0	2	21	0	1	22
	Maintenance by							
	Contract							
925	Equipment Purchases	196	3	23	222	4	0	226
931	Contract	4	0	310	314	5	(319)	0
	Consultants							
989	Other Contracts	109,03	1,745	1,787	112,56	1,914	15,818	130,29
		5			7			9
998	Other Costs	20	0	0	20	0	0	20
999	Total Other	117,47	1,864	724	120,06	2,025	15,505	137,59
	Purchases	8			8			8
9999	Total	172,48	3,992	1,055	177,53	3,995	16,630	198,15
		5			2			7

FY 2002 Amended Budget Submission Defense Information Systems Agency (DISA)



June 2001

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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Summary:

(Dollars in Thousands)

FY 2000	<i>Price</i>	<i>Program</i>	FY 2001	<i>Price</i>	<i>Program</i>	FY 2002
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
877,701	+16,244	-133,349	760,501	+17,925	+24,696	803,122

Description of Operations Finances:

The Defense Information Systems Agency's operations and maintenance, Defense-Wide (O&M, D-W) appropriation consists of the following business lines: the White House and National Command; Information Systems Security Program; Information Superiority Command and Control (C2); CINC Support and Operations; Joint Test, Spectrum Management and Engineering; Combat Support/ Electronic Commerce; DOD Information Services; and Agency Management.

The O&M appropriation funds civilian salaries, operating costs and technical contractor support for all these activities including special operations efforts. The funds provided to DISA result in improved: command and control of military forces; deployment of combat support such as logistics and medical resupply; detection and prevention of network intrusions; interoperability of telecommunications across the U.S. and coalition forces world-wide. All of this must be done in an environment of high security and interoperability. To that end, DISA provides testing that ensures that hardware, software and systems achieve the desired interoperability and security needs of combatant commanders. Training and assistance is provided on-site as part of DISA's outreach to facilities at home and overseas. Educational material is produced and made available in the latest media formats (such as CD-ROM). DISA is transforming the way the Department of Defense moves, shares, and uses information to achieve decision superiority in support of Joint Vision 2020.

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Description of Operations Finances (Continued):

All DOD personnel need information whether they maintain or fly aircraft, operate a periscope, move a platoon, perform surgery, process transactions, or any of hundreds of other jobs supporting our country's defense. DISA is committed to provide flexible, reliable information infrastructure capable of supporting the evolving Global Information Grid. The Global Information Grid provides integrated environment for command and control and combat support applications and satisfies evolving warfighter requirements. The pillars of the Global Information Grid are the Defense Information System Network, the Defense Message System, the Global Command and Control System, and the Global Combat Support System. DISA is also committed to ensure Defense information resources are secure.

Increases in this budget activity are attributable to the improvement of Computer Network Defense (CND) and Defense Information Operations in support of the Defense-wide Computer Emergency Response Center (CERT) technologies, Information Technology training products and Attack Sensing & Warning tools for Information Assurance DOD-wide. Additional funds have been provided for operation and maintenance of three Defense Message System (DMS) hubs until they are phased out by the end of FY 2003. The Global Command and Control System is continuing to add mission applications and improve system security. Engineering of state-of-the-art technologies will speed the rapid growth in global information transfer, and increased real-time functionality will be available through the Common Operating Environment.

Reflected decreases are primarily attributable to completion of local exchange carrier network enhancements for the Government Emergency Telecommunications Service, and completion of parts of the Global Broadcast System, SATCOM architecture and integration, and MILSTAR NCEP Voice Conferencing programs. DISA is also lessening its reliance on Federally Funded Research and Development Centers, and working with the CINCs as they assume fiscal responsibility for their own leased communication circuits.

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Program Changes	24,696
- Increase Information Assurance training, education and awareness.	3,000
- Defense Agencies' funding for the Enhanced Defense Financial Management Training (EDFMT) Course.	379
- Funding transfer for the costs of ground transportation for personnel, travel, equipment, and maintenance from Air Force to DISA, White House Communications Agency (WHCA).	3,380
- Additional non-contingency operational requirements for the Global Broadcast System transponder lease until Wideband Gapfiller Satellites become operational.	4,200
- Defense Finance and Accounting Service costs based on workload estimates.	152
- Additional funding for Computer Network Defense (CND) and other Information Assurance operations and initiatives; upgrade servers to monitor cyber intruders and defend the Defense Information Infrastructure.	28,427
- Operation and maintenance of three Defense Message System transition hubs.	650
- Infuse mission application into the Global Command and Control System; improve Joint Operations Planning and Execution System performance and system security; increase critical user training and technical support.	8,383
- Increased contractual support for Allied coordination for the Joint Warrior Interoperability Demonstration (JWID).	1,202

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- Increased engineering support for initial implementation of Multi Protocol Label Switching, Enhanced Quality of Service and Dense Wave Division Multiplex (DWDM) optical networking. 1,128
- Increased funding for sustainment and operational hardware/software maintenance at a larger number of fielded GCSS (CINC/JTF) sites; increased Help Desk support and communications and facility operations support. 1,544
- Maintain and enhance the integrated Advanced Concept Technology Demonstration (ACTD) tools after deployment to the warfighter. 2,900
- Replacement of White House Communications Agency equipment beyond repair and Upgrade and replacement of Secure Video Teleconferencing System. 3,655
- Transfer of Computer Network Defense (JTF-CND) to USSPACECOM. (3,875)
- Lower level of O&M funding required for the Standard Tactical Entry Point program, based on revised Teleport program funding profile. (1,800)
- Decrease in Security Investigations. (1,000)
- Postpone telecomm system and equipment recapitalization efforts. (825)
- Government Emergency Telecommunications Service completes enhancement of Local Exchange Carrier network features, with final operating capability in FY 2001. (3,335)
- Decrease reliance on Federally Funded Research and Development Centers. (1,094)

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- Eliminate Universal Services Fee subsidy. (11,000)
- Complete MILSTAR National Command Authority Conferencing Enhancement Program (NCEP) Voice Conferencing project. (2,374)
- Complete Global Broadcast System and satellite communication architecture and integration projects; Information Dissemination Management funds to RDT&E appropriation. (3,548)
- CINC/Service agencies assume fiscal responsibility for their leased telecomm circuits. (2,145)
- Complete development phase of Virtual Joint Technical Architecture prototype; reduce number of technical reports, guidance, reviews for NATO working groups. (335)
- Technical and automated support to the CINCs in developing annual C4 systems readiness assessment inputs to the Joint Staff, C4 Studies and Analyses, and CINC C4 Summary Reports is completed. (541)
- Delay Defense Contract Management Agency's (DCMA) End-to-End plan until specific implementation guidance is promulgated. (505)
- Fielding data for DII COE Version 5.X extended. (1,241)
- Reduction in Pentagon space assigned to DISA and other savings for Rent and Facilities Operations and funding for increased Utilities costs. (250)
- Salary savings due to civilian workload restructure and organizational Streamlining. (436)

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I. Narrative Description:

The Defense Information Systems Agency (DISA) is the Combat Support Agency responsible for planning, developing, and providing critical command, control, computer and intelligence (C4I) systems that serve the needs of the National Command Authorities and the warfighter under all conditions of peace and war. DISA operates under the direction, authority, and control of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASDC3I). DISA's paramount mission is support to the warfighter.

DISA enables the warfighter's information superiority by building, operating, and sustaining high quality information-based products and services. To achieve the goals of the Joint Vision 2010 (JV 2010) and the Defense Reform Initiative, we aggressively implement joint warfighting and DOD-wide enterprise capabilities. The primary customer, the warfighter, needs access to valid, secure, operationally relevant information in a timely manner to ensure the success of military operations. Likewise, the DRI depends on information technology solutions (including electronic commerce and paperless contracting) to achieve the "Revolution in Business Affairs" necessary to reduce overhead and support structures to fund essential military modernization. The Global Information Grid (GIG) provides these advanced capabilities for warfighters worldwide. The GIG (which includes the components of the Defense Information Infrastructure (DII)) is the shared system of computers, communications, data, applications, security, people, training and other support structures serving DOD's local and worldwide information needs.

DISA's contributions to information superiority include:

- Planning, testing, operating, sustaining, and securing critical components of the GIG; including the Global Command and Control System (GCCS), the Defense Information System Network (DISN), the Defense Message System (DMS), and the Global Combat Support System (GCSS).

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I. Narrative Description (Continued):

- Managing the end-to-end integration of the DII components of the GIG and providing technical support to the compatibility, integration, and interoperability activities of the entire GIG (to do this, DISA provides direct hands-on support in the areas of engineering, standards, interoperability testing, spectrum management, planning, modeling and simulation).
- Providing direct operational support to the Joint Staff, CINCs, and deployed forces in peace and in all crisis, conflict, and humanitarian and wartime roles.
- Providing operational support to the National Command Authority, including White House Communications and National Security/Emergency Preparedness mission.

The core of DISA's mission in support of the warfighter remains the same -- to promote and ensure jointness, security and interoperability of command, control, communications and computer systems. To date, DISA has focused its efforts on the one hand on the development, testing, and fielding of interoperable and secure products that provide major new capabilities for the warfighter, and on the other hand on the modernization and rationalization of infrastructure to reduce costs. The GCCS was implemented as the Joint Command and Control capability. The CONUS and much of the OCONUS long-haul telecommunications infrastructure has been upgraded and replaced. New capabilities such as Information Dissemination Management (IDM) and the Commercial Satellite Communications Initiative (CSCI) have been implemented and the bulk of DOD's mainframe processing consolidated to six sites. DISA has also moved to support the business capabilities of the Department. It has partnered with the Defense Logistics Agency to stand-up the Joint Electronic Commerce Program Office to deploy and operationally support such initiatives as Electronic Commerce, Electronic Data Interchange, and Electronic Document Access. DISA has been a lead DOD player in Information Assurance providing DOD-wide defensive capabilities and protection measures as well as securing networks and computing assets under its direct control. DISA has aggressively supported the stand-up of the Joint Task Force - Computer Network Defense prior to its transfer to USSPACECOM.

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I. Narrative Description (Continued):

DISA provides direct support to the Joint Staff and the combatant CINCs' operations. The capabilities DISA provides are driven by warfighter transmission, messaging, information security, command and control, and combat support requirements. These requirements continuously evolve with the rapid development of information technology. The products and services include the Global Command and Control System, the Global Combat Support System, the Defense Message System, certain Defense Information System Network capabilities, electronic commerce, and information assurance as well as global operations and contingency support to the CINCs. DISA investments in DOD-wide acquisitions, such as antivirus capabilities, and investments in key shared assets, such as satellite gateways; reduce costs to DOD, and especially to the Services.

DISA performs foundation information technology activities for all of DOD, such as common engineering, spectrum management, joint test and evaluation; information technology standards; scientific and technical information; software tools; modeling, simulation and assessment; and the DOD Joint Technical Architecture. DISA provides mission support to the National Command Authority outside of DOD, to the President and Vice President through the White House Communications Agency, and to the operation of the Office of the Manager of the National Communications System, which focuses on national security/emergency preparedness issues through working with 22 Federal agencies and industry.

II. Description of Operations Financed:

In the past, the allocation of personnel and dollars has not kept pace with the dynamic changes in DISA's programs and the information technology-rich world in which it operates. Recognizing this fact, DISA continues to perform reviews of civilian and military positions as an integral part of implementing its Defense Agency Performance Contract required under the Defense Reform Initiative. The Performance Contract, in line with the Government

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II. Description of Operations Financed (Continued):

Performance and Results Act, requires that agencies make their best effort to reflect the true costs of their programs, including the costs of government personnel resources. Based on the results of these reviews, DISA periodically realigns civilian pay and related costs, as well as full time equivalent staff years, across its programs to more accurately meet the requirements and emerging needs of our warfighter support responsibilities in the rapidly changing environment. This real-time assessment helps DISA react to threats such as cyber attacks on our worldwide networks, and support contingency operations such as Kosovo, while still continuing to provide the critical C4I support to the warfighter worldwide.

III. Financial Summary (O&M: \$ in Thousands):

<u>A. Subactivity Group</u>	<u>FY00</u> <u>Actuals</u>	<u>FY01</u> <u>Request</u>	<u>FY01</u> <u>Appropriation</u>	<u>FY01</u> <u>Estimate</u>	<u>FY02</u> <u>Estimate</u>
1. White House/NCA	116,611	113,652	113,287	111,867	117,703
2. Info Systems Security Program	112,735	128,646	131,134	127,014	156,510
3. Info Superiority C2	348,846	240,412	239,507	248,140	213,015
4. CINC Support and Ops	89,597	85,845	85,415	86,114	111,779
5. Joint Test, Spectrum Mgt, and Engineering	72,824	80,185	79,475	82,577	82,676
6. Combat Support/ Electronic Commerce	82,020	42,754	42,352	41,957	45,824
7. DOD Info Services	33,107	38,399	38,287	34,770	44,939
8. Agency Management	21,961	25,304	24,534	28,062	30,676
Total	877,701	755,197	753,991	760,501	803,122

B. Reconciliation Summary:

Change Change

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	<u>FY01/FY01</u>	<u>FY01/ FY02</u>
1. Baseline Funding	755,197	760,501
a. Congressional Adjustments (Distributed)	3,000	0
b. Congressional Adjustments (Undistributed)	(3,153)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(1,053)	0
2. Appropriated Amount	753,991	0
a. FY 2001 Rescission	(1,658)	0
b. Pending Programming Actions	7,789	0
c. Functional Transfers-In	379	3,759
d. Functional Transfers-Out	0	(3,875)
3. Price Change	0	17,925
4. Program Changes	0	24,812
5. Current Estimate	760,501	803,122

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C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget		755,197
2.	Congressional Adjustments (Distributed)		
	Information Assurance: IT Training & Education	3,000	
	Total Congressional Adjustments (Distributed)		3,000
3.	Congressional Adjustments (Undistributed)		
	a. Headquarters Personnel Reduction	(1,036)	
	b. Contract and Advisory Services	(929)	
	c. Defense Joint Accounting System	(1,094)	
	d. Pentagon Renovation Unobligated Balance	(94)	
	Total Congressional Adjustments (Undistributed)		(3,153)
4.	Congressional Earmarks Billpayer		
	a. Section 8047 - Offset	(810)	
	b. Section 8139 - Offset	(81)	
	c. Section 8142 - Offset	(162)	
	Total Congressional Earmarks		(1,053)
5.	FY 2001 Appropriated Amount		753,991
6.	FY 2001 Rescission P.L. 106-554		(1,658)
7.	Functional Transfers-In/Pending Reprogramming Actions		
	a. Defense Agencies' portion of the Enhanced Defense Financial Management Training (EDFMT) Course.	379	
	b. Efficiencies in lower priority programs for Teleport reprogramming request.	(620)	
	c. Support troop deployments and other missions with global secure connectivity to the DISN via handsets.	8,409	
	Total Functional Transfers-In		8,160

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C. Reconciliation of Increases and Decreases (Continued):

8. Other Transfers-In		0
9. Functional Transfers-Out		0
10. Other Functional Transfers-Out		0
11. Price Change		0
12. Program Increases		0
13. Program Decreases		0
14. Revised FY 2001 Current Estimate		760,501
15. Price Growth		17,925
16. Functional Transfers-In		
a. Transfers funding for the costs of ground transportation for personnel travel, equipment, and maintenance from Air Force to DISA White House Communications Agency (WHCA).	3,380	
b. Defense Agencies' funding for the Enhanced Defense Financial Management Training (EDFMT) Course.	379	
Total Functional Transfers-In		3,759
17. Functional Transfers-Out		
Transfer of Computer Network Defense (JTF-CND) to USSPACECOM.	(3,875)	
Total Functional Transfers-Out		(3,875)

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C. Reconciliation of Increases and Decreases (Continued):

18. Program Increases

- | | |
|---|--------|
| a. Additional non-contingency operational requirements for the Global Broadcast System (GBS) transponder lease until Wideband Gapfiller Satellites become operational. | 4,200 |
| b. Defense Finance and Accounting Services (DFAS) costs based on workload estimates and customer rates. | 152 |
| c. Additional funding for Computer Network Defense and other IA operations and initiatives; Planned equipment upgrades to enhance and maintain server capabilities to monitor cyber intruders. | 28,427 |
| d. Congressional increase for Information Assurance education, training and awareness. Includes development of computer based training and Systems Administrator training and certification. | 3,000 |
| e. Infuse mission application capabilities into Global Command and Control System to enhance command and control and intelligence capabilities. Reengineer and enhance the Joint Operations Planning and Execution System database and applications to improve data synchronization and performance; continue improvements in GCCS system security; implement pre-planned product improvement to support real and near-real time command and control information exchange; develop and support GCCS training which is critical to the use and management of GCCS growing capabilities and functions; provide critical operational and technical support to users worldwide. | 8,383 |
| f. Increased contractual support for Allied coordination for the Joint Warrior Interoperability Demonstration (JWID). | 1,202 |

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C. Reconciliation of Increases and Decreases (Continued):

g. Operation and maintenance of three Defense Message System transition hubs.	650	
h. Increased engineering support to implement state of the art technologies necessary for rapid growth in global information transfer capabilities, including initial implementation of Multi Protocol Label Switching, Enhanced Quality of Service and Dense Wave Division Multiplex (DWDM) optical networking.	1,128	
i. Increased funding will provide sustainment and operational hardware/software maintenance at a larger number of fielded GCSS (CINC/JTF) sites; increased operational capability of the Help Desk for problem resolution and to support the larger numbers of fielded sites; as well as support communications and facility operations.	1,544	
j. Maintain and enhance the integrated Advanced Concept Technology Demonstration (ACTD) tools after deployment to the warfighter.	2,900	
k. Prior year replacement of communications/ADP equipment (in FY 2001) that completed its life cycle and was damaged beyond repair during the 2000 presidential campaign; and upgrade of SVTS.	3,655	
Total Program Increases		55,241

19. Program Decreases

a. Lower level of O&M funding required for the Standard Tactical Entry Point program, based on revised Teleport program funding profile.	(1,800)
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C. Reconciliation of Increases and Decreases (Continued):

b. Decrease in security investigations.	(1,000)
c. Postponement of recapitalization efforts for White House Communications Agency.	(825)
d. Implementation of enhanced features in the local exchange carrier networks which will achieve Final Operational Capability for the Government Emergency Telecommunications Service in 2001.	(3,335)
e. Lowering reliance on Federally Funded Research Development Centers support and utilizing in-house expertise.	(1,094)
f. Universal Services Fee (USF) subsidy no longer included in budget.	(11,000)
g. Decline in MILSTAR NCEP Voice Conferencing funding due to project completion.	(2,374)
h. Decreases reflect program planned cost decrements associated with completion of projects for Global Broadcast System (GBS) and Satellite Communications (SATCOM) Architecture & Integration and movement of funding for Information Dissemination Management (IDM) from the O&M line to the RDT&E line based upon DoD guidance.	(3,548)
i. Reduces Information Technology Standards contract efforts following completion of the development phase of the Virtual Joint Technical Architecture prototype; and NATO standards support.	(335)
j. CINC/Service agencies are assuming fiscal responsibility for their leased circuits resulting in cost savings for DISN program.	(2,145)

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C. Reconciliation of Increases and Decreases (Continued):

k. Support to the CINCs for C4 system planning, assessments, and evaluations plus technical and automated support for studies, analyses and reports have been completed in FY 2001.	(541)	
l. Savings in contractual support because DII COE Version 4.X baseline Support can be prolonged. The fielding of the DII COE Version 5.X will be extended until October, 2003.	(1,241)	
m. Delay Defense Contract Management Agency's (DCMAs) End-to-End plan specific until implementation guidance is promulgated.	(505)	
n. Reduction in Pentagon space assigned to DISA and other savings for Rent and Facilities Operations and funding for increased Utilities Costs.	(250)	
o. Salary savings due to civilian workload restructure and organizational Streamlining.	(436)	
Total Program Decreases		(30,429)
20. FY 2002 O&M Budget Request		803,122

IV. Performance Criteria and Evaluation Summary:

DISA's efforts align with the DoD's performance goals, which are derived from the key tenets of the U.S. national security strategy. To support DoD's ability to respond to the full spectrum of crises, DISA provides a worldwide telecommunications capability that is secure. Our messaging system enables both individual and organizational messaging within a security framework designed to protect the exchange of information among military users. DISA has produced a command and control system and a combat support system to support the control of

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IV. Performance Criteria and Evaluation Summary (Continued):

forces and the reach back to CONUS-based infrastructures that provide logistics, medical, transportation and other support services. These systems also provide combatant commanders with a near real-time picture of the battle space and status of forces.

All of these efforts are embraced by our information assurance activities to secure the networks, the computing environments and applications supporting the evolving Global Information Grid.

As DoD moves to exploit emerging communications, information and associated technologies to reshape the way it fights and prepares for war, DISA has undertaken a number of initiatives to support this goal. For example, our communications capabilities have been modernized to take advantage of the latest advances and cost saving approaches adopted by commercial communications companies. DISA has partnered with the Defense Advanced Research Projects Agency to leverage their capabilities and exploit emerging technologies that can be rapidly moved into production. Greater use is being made of commercial space-based assets to satisfy requirements for fixed, mobile and hand-held satellite communications. DISA supports the Joint Task Force for Computer Network Defense, and we have built information security considerations into our global view of network operations. We have teamed with the Military Departments to analyze and defend DoD's use of the frequency spectrum, ensuring that the operational impacts and full costs of spectrum reallocations are well-known.

DISA personnel understand that DoD must develop new and innovative approaches to manage infrastructure costs and capitalize on the "revolution in business affairs." The agency has had a lead role in the Department's electronic commerce and electronic business initiatives.

The DISA/DLA partnership has reduced the reliance on paper-based transactions and record storage. We have significantly cut the costs of data processing in DoD by consolidating much of the Department's business computing workload into fewer Defense Enterprise Computing Centers. Our emphasis on standards and joint technical architectures are squarely focused on reducing the costs associated with business functions as well as military functions. The

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IV. Performance Criteria and Evaluation Summary (Continued):

agency has reduced the number of accounting systems, initiated Activity Based Costing, and is aggressively pursuing an unqualified audit opinion on our financial statements.

Quality and Customer Responsiveness:

DISA will provide a report to ASD(C3I) and Director, PA&E on actions taken to address issues or implement recommendations identified by the Combat Support Agency Review Team (CSART). The report will be delivered one year after publication of the CSART results, consistent with the reporting requirements to the Joint Staff.

Key Examples of Performance Measures:

The metrics below represent a selected sample of the activities in the Draft DISA Performance Contract, FY 2002-2007, dated 9 April 2001. The DISA's Performance Contract articulates Defense Management Council expectations relative to how DISA product lines support the Joint Chiefs of Staff and the Department of Defense Components under all conditions of peace and war. These measures are continuously and routinely used in Program Reviews, and other reviews to monitor the execution of agency plans.

- Public Key Infrastructure: Provide Class 3 central IA certification authority services to support issuing Class 3 certificates to all DOD employees by 31 October 2002.
- Develop and implement a Computer Network Defense (CND) Certification and Accreditation Process by the end of FY 2002.

Global Command and Control System: Undertake development, integration, testing, and fielding of capabilities that implement Joint Staff validated, approved and prioritized functional requirements contained in the GCCS Phase IV Requirements Identification Document and translated into technical solutions with cost/schedule/performance parameters in the

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Key Examples of Performance Measures (continued):

- GCCS Phase IV Evolutionary Phase implementation Plan (EPIP) (Field Releases 4.0.0 and 4.0.x in FY02).
- Global Combat Support System: Undertake development, integration, testing, and fielding of capabilities that implement Joint Staff validated, approved, and prioritized functional requirements contained in GCSS Phase 3 Requirements Identification Document and translated into technical solutions with cost/schedule/performance parameters in the GCSS Phase 3 Evolutionary Phase Implementation Plan (EPIP) (Field Release 3.x in FY02).
- Defense Message System: Complete fielding of the ACP 120 release (DMS 3.0) by September 2002.
- Joint Spectrum Management: Successfully complete fielding of the DOD standard spectrum management information system (Spectrum XXI) software version 3 by December 2001.
- Electronic Commerce: Complete and implement electronic business capabilities in a common business environment to support major DOD functional requirements including, but not limited to the areas of finance, transportation, medical, logistics, and the commercial vendor community, by end of FY 2005.
- Defense Information System Network: Complete the Standardized Tactical Entry Point (STEP) enhancements that are currently funded for FY 2002 by September 2002.
- Teleport Generation One Initial Operational Capability (IOC) 1 (C, X, Ku bands) to be delivered by 30 September 2002. Teleport Generation One IOC2 (remaining C, X, Ku and UHF) to be delivered by 30 September 2003.
- Acting as Executive Agent for TELEPORT, refine and articulate TELEPORT concepts pending funding decisions, by September 2002.

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Key Examples of Performance Measures (continued):

- Joint Interoperability Testing: Provide interoperability test, assessment and certification support for NSS/ITS systems and/or interfaces that are scheduled and funded by September 2002.

- DISA will perform all joint warfighting and DOD-wide enterprise services without exceeding the FY2002 POM Guidance full time equivalent and end strength targets listed in, PB-4, Schedule of Civilian and Military Personnel.

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-Wide

	Change FY 2000/FY2001				Change FY 2001/FY2002		
	FY2000	Price	Program	FY2001	Price	Program	FY2002
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
<u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>							
Executive, General and Special Schedules	201,791	6,938	9,799	218,528	8,966	4,711	232,205
Wage Board	687	24	34	745	31	0	776
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	945	13	(62)	896	15	56	967
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	19,826	274	1,423	21,523	355	524	22,402
Other Travel Costs	3,094	42	(742)	2,394	38	502	2,934
Leased Vehicles	539	7	(463)	83	1	9	93
Communications Services(DWCF) Tier 2	60,686	834	(29,154)	32,366	534	(14,138)	18,762
Communications Services(DWCF) Tier 1	5,222	73	(4,068)	1,227	20	(181)	1,066
Pentagon Reservation Maintenance Revolving Fund	0	0	5,286	5,286	87	(338)	5,035
Defense Finance and Accounting Services (DFAS)	20,661	284	(15,038)	5,907	98	736	6,741
Commercial Transportation	1,557	20	(537)	1,040	16	18	1,074
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	13,354	183	2,503	16,040	265	(1,707)	14,598
Purchased Utilities (non-DWCF)	507	7	1,578	2,092	35	781	2,908
Purchased Communications (non-DWCF)	6,933	97	35,159	42,189	697	(13,291)	29,595
Rents (non-GSA)	15,730	216	(13,965)	1,981	32	(469)	1,544
Postal Services (USPS)	150	1	33	184	3	(3)	184
Supplies & Materials (non-DWCF)	7,739	108	(909)	6,938	116	236	7,290
Printing & Reproduction	1,883	26	(1,451)	458	7	32	497
Equipment Operation & Maintenance by Contract	204,676	2,815	60,346	267,837	4,419	11,331	283,587
Facility Operation & Maintenance by Contract	27,977	384	(18,208)	10,153	167	(1,382)	8,938
Equipment Purchases (non-DWCF)	68,182	937	(35,322)	33,797	557	30,450	64,804
Contract Consultants	801	11	(647)	165	3	2	170
Management and Professional Support Services	8,746	120	(7,225)	1,641	27	(352)	1,316

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Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-Wide

	Change FY 2000/FY2001			Change FY 2001/FY2002			
	FY2000	Price	Program	FY2001	Price	Program	FY2002
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
<u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>							
Studies, Analyses and Evaluations	7,701	106	(7,098)	709	12	292	1,013
Engineering and Technical Services	79,766	1,095	(73,381)	7,480	123	(780)	6,823
Locally Purchased Fuel (non-DWCF)	6,308	87	(5,136)	1,259	20	(72)	1,207
Other Intra-governmental Purchases	31,020	426	(12,667)	18,779	311	432	19,522
Other Contracts	77,733	1,068	(31,897)	46,904	774	7,205	54,883
Other Costs	2,949	41	8,910	11,900	196	92	12,188
Land and Structures	538	7	(450)	0	0	0	0
Miscellaneous Charges	0	0	0	0	0	0	0
Total Activity Group	877,701	16,244	(133,349)	760,501	17,925	24,696	803,122

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 Operation and Maintenance, Defense-Wide
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 Budget Activity 4: Administration and Service-Wide

V. Personnel Summary Total

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Military End Strength Total	1,629	1,558	1,776	218
Officer	397	373	469	96
Enlisted	1,232	1,185	1,307	122
Civilian End Strength Total	2,634	2,640	2,592	-48
USDH	2,601	2,605	2,553	-52
FNDH	0	0	0	0
FNIH	5	5	5	0
Reimbursable	28	30	34	4
Military Workyears Total	1,629	1,558	1,776	218
Officer	397	373	469	96
Enlisted	1,232	1,185	1,307	122
Civilian Workyears Total	2,491	2,602	2,538	-64
USDH	2,467	2,567	2,502	-65
FNDH	0	0	0	0
FNIH	5	5	5	0
Reimbursable	19	30	31	1

DEFENSE INFORMATION SYSTEMS AGENCY
Operations and Maintenance, Defense Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: White House and National Command

I. Description of Operations Financed: The White House and National Command activity group consists of five sub-activities: White House Communications Agency (WHCA), White House Situation Support Staff (WHSSS), Secure Video Teleconferencing System (SVTS), National Communications System (NCS), and Minimum Essential Emergency Communications Network (MEECN).

II. Force Structure Summary: The **White House Communications Agency** provides telecommunications and related support to the President, Vice President, White House Staff, National Security Council, US Secret Service, and others as directed by the White House Military Office. In FY 2002, the White House Communications Agency funding provides secure and non-secure voice communications, record communications, and automated data processing in the Washington, D.C. area and at Presidential trip sites worldwide. This program also funds for maintenance and upgrade of the infrastructure needed to support fixed mission and Presidential travel requirements. The current system has 42 permanent points of presence and 14 temporary points of presence with sites in Washington, D.C.; Maryland; Virginia; Texas; and Arizona. Finally, it funds mission support functions such as civilian pay, Defense Finance and Accounting Services (DFAS), utilities, leased office space, and facility maintenance to provide Presidential quality support to internal and external customers.

The **White House Situation Support Staff** is tasked with the leadership of several classified programs. The White House Situation Support Staff also provides classified communications, computer, and intelligence systems for the White House Situation Room, the National Security Council staff, and other White House offices. The White House Situation Support Staff FY 2002 funding is required for continued operation and maintenance of computer, communications, and intelligence systems as well as maintenance and upgrade to National Security Council classified systems. Funding is also required for: replacement of telephones; technical services to support network operations; travel costs of technical staff on Presidential trips (pre-advance, advance and trip); and technical training for assigned staff and Situation Room officers.

The **Secure Video Teleconferencing System (SVTS)** provides essential video telecommunications support to senior decision-makers. FY 2002 funding for Secure Video

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Activity Group: White House and National Command

Teleconferencing System is required for continuing the multi-year tasks of providing the capability for having more participants in a secure video teleconference (i.e., increasing the number of participants from 6 to 9) and providing the capability for multiple simultaneous conferences.

II. Force Structure Summary (Continued):

Selected sites will receive these capabilities according to the priorities set by the principal customer in his annual tasking letter. This work will entail designing, furnishing, testing, and installing hardware and software (e.g., new video wall unit, control software, codes, encryption devices, and associated electronics) for the selected sites and for associated portions of the network's central infrastructure. In addition to the work described above, five small TEMPESTed Executive Traveling Nodes will be furnished to provide selected SVTS customers with the capability of connecting to the network while traveling.

The **National Communications System (NCS)** is directed by Presidential Executive Order 12472 to assist the President, the National Security Council, the Director of the Office of Science and Technology Policy, and the Director of the Office of Management and Budget in the exercise of the telecommunications functions and responsibilities set forth in Section 2 of E.O. 12472.

The National Communications System (NCS) assists with planning for and provision of national security and emergency preparedness (NS/EP) telecommunications for the federal government under all circumstances, including crisis or emergency, attack, recovery and reconstitution.

The Office of the Manager, National Communications System, provides advice to the Executive Agent, National Communications System, and to the Executive Office of the President on national security and emergency preparedness telecommunications policy issues through the administration and management of joint industry-government forums such as the National Security Telecommunications Advisory Committee, the National Communications System Committee of Principals and the Council of Representatives.

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Government Emergency Telecommunications Service (GETS) will reach full operating capability in FY 2001. However, the Office of the Manager, National Communications System will continue to enhance the GETS and other programs and systems supporting national security and emergency preparedness telecommunications and plan for the transition of these capabilities during network convergence of the public network. Specific national security and emergency preparedness features to be transitioned include enhanced call routing and trunk access capability during crisis and disaster situations, even during times when the Public Switched

II. Force Structure Summary (Continued):

Network is damaged, congested, or fragmented during natural or man-made disasters. The National Communications System must ensure that priority communications will be available during any emergency through the High Probability of Completion features of the GETS. National Communications System programs will also support the joint government and industry operation of the National Coordinating Center including its recently assigned role as an Information Sharing and Analysis Center under the National Plan for Information Systems Protection. National Communications System programs will provide support to the President, National Security Council, and the National Communications System member organizations, ensuring that a survivable, enduring, and effective telecommunications infrastructure is in place to fulfill national security and emergency preparedness requirements throughout the full spectrum of emergencies. In order to develop and implement reliable communications and related information systems, resources will support government wide efforts to manage the Federal Telecommunications Standards Program and its component inter-agency Federal Telecommunications Standards Committee.

The **Minimum Essential Emergency Communications Network** is a highly survivable communications network capable of transmission of Single Integrated Operational Plan messages from the National Command Authorities to the Commanders in Chief and to deployed U.S. nuclear forces. The Minimum Essential Emergency Communications Network is a highly survivable communications network capable of transmission of Single Integrated Operational

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Activity Group: White House and National Command

Plan messages from the National Command Authorities to the Commanders in Chief and to deployed U.S. nuclear forces.

The Minimum Essential Emergency Communications Network includes the emergency action message dissemination systems and those systems used for tactical warning/attack assessment, conferencing, force report back, re-targeting, force management and requests for permission to use nuclear weapons. This program concentrates on communication plans and procedures, nuclear C3 analysis and reports, operational assessments, and senior leadership communication system engineering and architectures. Efforts include: long-range planning and vulnerability assessments to ensure the Minimum Essential Emergency Communications Network is adequate under all conditions of stress or war; positive verification of communication plans, procedures, operation orders, training, equipment and end-to end system configurations; development of architectures and migration plans in support of the Global Information Grid.

III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group	FY00 Actuals	FY01 Request	FY01 Appropriation	FY01 Estimate	FY02 Estimate
1. WHCA	54,697	53,355	53,170	52,357	57,331
2. WHSSS	4,450	3,951	3,937	3,934	4,124
3. SVTS	1,979	2,509	2,500	2,458	5,201
4. NCS	52,779	50,834	50,681	49,934	47,805
5. MEECN	2,706	3,003	2,999	3,184	3,242
Total	116,611	113,652	113,287	111,867	117,703

B. Reconciliation Summary:

	Change FY01/FY01	Change FY01/ FY02
1. Baseline Funding	113,652	111,867
a. Congressional Adjustments (Distributed)	0	0

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b. Congressional Adjustments (Undistributed)	(206)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(159)	0
2. Appropriated Amount	113,287	0
a. FY 2001 Rescission	(210)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	0	3,380
d. Functional Transfers-Out	0	0
3. Price Change	0	2,097
4. Program Changes	(1,210)	359
5. Current Estimate	111,867	117,703

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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request	
113,652	
2. Congressional Adjustment (Distributed)	
3. Congressional Adjustments (Undistributed)	
a. Headquarters Personnel Reduction	
b. Contract and Advisory Services	(41)
c. Defense Joint Accounting System	(165)
d. Pentagon Renovation Unobligated Balance	
Total Congressional Adjustments (Undistributed)	(206)
4. Congressional Earmarks Billpayer	(159)
5. FY 2001 Appropriated Amount	
113,287	
6. FY 2001 Rescission - P.L. 106-554	
(210)	
7. Program Decreases	
(1,210)	
8. Revised FY 2001 Current Estimate	111,867
9. Price Growth	
2,097	
10. Functional Transfers-In	
Transfers funding for the costs of ground transportation for personnel	

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travel, equipment, and maintenance from Air Force to DISA (WHCA).
3,380

11. Program Increases

a. Civilian pay increase from FY 2001 to FY 2002 due to added compensation required to resource White House and National Command

C. Reconciliation of Increases and Decreases (Continued):

billets due to increased average salary.	262
b. Replacement of White House Communications Agency equipment purchases beyond repair; and upgrade and replacement of Secure Video Teleconferencing System.	3,655
c. Increased Interservice Support Agreement costs between the White House Situation Support Staff (WHSSS) and the Navy are due to planned replacement of telephones for the National Security Council including Utilities.	602
Total Program Increases	4,519

12. Program Decreases

a. Government Emergency Telecommunications Service completes implementation of enhanced features in the local exchange carrier networks, with full operating capability achieved in 2001. (3,335)

b. Other White House Communications Agency decreases are due to the postponement of recapitalization efforts. The deferral of these activities resulted from additional resource requirements in support of Presidential travel missions in an election year. Standardization of equipment and services in a high operations tempo (OPTEMPO) delayed

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Activity Group: White House and National Command

project changes and improvements for telecommunications interface devices, configuration management, and architectural development as well as deployable communications lifecycle extension programs. Due to resource limitations in FY 2000, a decision to defer some telecom projects from FY 2001/2002 to FY 2004/2005 allows the Agency to catch up with system and equipment recapitalization. Projects include planning and modernization of several agency telecommunications networks and systems as well as lifecycle replacement of cellular and secure telephone equipment. (825)
Total Program Decreases

(4,160)

13. FY 2002 Budget Request

112,520

IV. Performance Criteria and Evaluation Summary:

The White House Communications Agency (WHCA) provides telecommunications and related support of greater than 99.95% availability to the national leadership (the President, Vice President, White House Staff, National Security Council, US Secret Service, and others as directed by the White House Military Office) at all times.

The White House Situation Support Staff (WHSSS) operates computer, communications, and intelligence systems while maintaining an average utilization of installed CPU capacity of at least 65 percent for the National Security Council classified systems.

The Secure Video Teleconferencing Systems provides essential video telecommunications availability of greater than 99.95% to senior decision-makers.

Government Emergency Telecommunications Service (GETS)

Description - The OMNCS established GETS to meet White House requirements for a survivable, interoperable, nationwide voice band service for authorized Government users engaged in national security and emergency preparedness (NS/EP) missions.

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Mission - GETS provides emergency access and specialized processing in the local and long-distance telephone networks. GETS ensures users a high rate of successful call completion during network congestion or outages arising from natural or manmade disasters.

Success - Local Exchange Carrier (LEC) implementation of switch upgrades and system performance during an emergency.

Metric - 1) Number of GETS switch upgrades planned versus number completed, and 2) Percent of calls completed (85% in a stressed network/8 times overload).

Rationale - 1) The number of GETS switch upgrades planned versus completed reflects the ability to implement the program, on a timely basis, to achieve FOC by December 2001, and

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VI. Performance Criteria and Evaluation Summary (Continued):

2) The percent of GETS calls that are completed measures the reliability of GETS and usefulness to its customer base.

Data Source - 1) Dyncorp data reports, and 2) AT&T data reports.

Minimum Essential Emergency Communications Network

The earned value management system guidelines and incorporated best business practices ensure MEECN program planning and control. The processes include integration of program scope, schedule, and cost objectives, establishment of a baseline plan for accomplishment of program objectives, and use of earned value techniques for performance measurement during the execution of MEECN efforts. During quarterly Program Management Reviews, earned value metrics provide a sound basis for problem identification, corrective actions, risk mitigation and management re-planning as may be required.

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V. White House and National Command Personnel Summary

	(Actual)			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Military End Strength				
Total	842	806	910	104
Officer	81	76	85	9
Enlisted	761	730	825	95
Civilian End Strength				
Total	120	136	123	-13
USDH	116	131	118	-13
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	4	5	5	0
Military Workyears Total	842	806	910	104
Officer	81	76	85	9
Enlisted	761	730	825	95
Civilian Workyears Total	113	132	121	-11
USDH	111	127	116	-11
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	2	5	5	0

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	Change FY 2000/FY2001			Change FY 2001/FY2002			FY2002
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	
VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>							
Executive, General and Special Schedules	9,707	334	240	10,281	422	245	10,948
Wage Board	0	0	0	0	0	0	0
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	0	0	0	0	0	0	0
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	13,766	189	1,209	15,164	250	85	15,499
Other Travel Costs	1,355	19	(1,166)	208	3	3	214
Leased Vehicles	377	5	(382)	0	0	0	0
Communications Services(DWCF) Tier 2	29,770	409	(16,420)	13,759	227	(49)	13,937
Communications Services(DWCF) Tier 1	17	0	(13)	4	0	(1)	3
Pentagon Reservation Maintenance Revolving Fund	0	0	0	0	0	0	0
Defense Finance and Accounting Services (DFAS)	72	1	66	139	2	0	141
Commercial Transportation	831	11	(274)	568	9	(2)	575
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	618	8	(85)	541	9	0	550
Purchased Utilities (non-DWCF)	83	1	1,112	1,196	20	495	1,711
Purchased Communications (non-DWCF)	3,679	51	22,760	26,490	437	(3,995)	22,932
Rents (non-GSA)	13,717	189	(13,822)	84	1	(1)	84
Postal Services (USPS)	1	0	9	10	0	0	10
Supplies & Materials (non-DWCF)	2,658	37	678	3,373	56	(13)	3,416
Printing & Reproduction	27	0	23	50	1	0	51
Equipment Operation & Maintenance by Contract	6,480	89	12,952	19,521	322	(99)	19,744
Facility Operation & Maintenance by Contract	3,554	49	(2,639)	964	16	(4)	976
Equipment Purchases (non-DWCF)	7,119	98	(1,504)	5,713	94	7,051	12,858
Contract Consultants	0	0	0	0	0	0	0
Management and Professional Support Services	538	7	(415)	130	2	0	132
Studies, Analyses and Evaluations	0	0	482	482	8	(1)	489
Engineering and Technical Services	10,329	142	(10,471)	0	0	0	0
Locally Purchased Fuel (non-DWCF)	0	0	970	970	16	(71)	915

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	Change FY 2000/FY2001			Change FY 2001/FY2002			<u>FY2002</u>
	<u>FY2000</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	
Other Intra-governmental Purchases	5,280	73	(3,073)	2,280	38	95	2,413
Other Contracts	4,494	62	2,893	7,449	123	1	7,573
Other Costs	2,139	29	323	2,491	41	0	2,532
Land and Structures	0	0		0	0		0
Miscellaneous Charges	0	0		0	0		0
Total Activity Group	116,611	1,803	(6,547)	111,867	2,097	3,739	117,703

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: Information Systems Security Program (ISSP)

I. Description of Operations Financed: The Information System Security Program, initially created by Defense Management Review Decision (DMRD) 918 dated Sep 1992, provides for protection and defensive operation at the tactical, operational, and strategic levels. The DISA Information Assurance (IA) Program assures availability, confidentiality, and reliability of mission data as it is processed and traverses Department of Defense's networks.

The IA program is organized into major focus areas to provide clarity of funding requirements following these defined Defense-in-Depth categories:

- | | |
|--|------------------------------------|
| 1. Defensive Information Operations | 6. System Security Methodology |
| 2. Defend the Networks and Infrastructures | 7. Other Management and Operations |
| 3. Defend the Computing Environment | 8. IA for the Tactical Environment |
| 4. Defend the Enclave Boundary | 9. Training |
| 5. Supporting Infrastructures | |

II. Force Structure Summary: Defensive Information Operations (DIO) is the combat support arm of the Warfighters, Services and Agencies that protect, monitor, analyze, and report vulnerabilities, potential threats, and intrusions affecting the Global Information Grid (GIG). The DIO mission is to combat the present and emerging threats to our GIG from Hackers, Virus Writers, Terrorists, Criminal Groups, Foreign Intelligence Services, Insiders and Information Warfare. DISA employs the Defensive Information Operations (DIO) as part of its overall Information Assurance Defense-In-Depth (DID) strategy. As part of this strategy DISA provides on-site Information Assurance Operations to seven CONUS Commanders-in-Chief (CINCs) and Defense-Wide Computer Emergency Response Teams (CERT) that include the DOD CERT and five regional CERTs. The CERTs are integrated in the Global and Regional Network Operations and Security Centers. The DOD CERT is the premier technical support arm to the Joint Task Force-Computer Network Defense (JTF-CND) and the DOD. As support to the JTF-CND mission of sharing and correlation of incident information across the Services and Agencies, DISA continues to evolve the Joint CERT Database/Joint Threat Incident Database and the Centaur system. Additional funds will provide the DOD CERT and JTF-CND increased trend analysis and reporting capabilities and integration with other database sources for correlation, data discovery and data mining. DISA is also implementing the DOD-wide Information Assurance Vulnerability Alert (IAVA) process that provides a framework for vulnerability management. Government Off-The-Shelf (GOTS) and Commercial-Off-The-Shelf (COTS)

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II. Force Structure Summary (Continued):

security tools are used to enhance system protection, monitoring and detection capabilities building the foundation for an enterprise level sensor grid. In FY 2002 DISA will expand the DOD CERT Operations.

Defend the Networks and Infrastructure The objective is to identify safeguards which reduce security risks, support information transfer at all classification levels (unclassified but sensitive, to Top Secret/Sensitive Compartmental Information (TS/SCI)). Also, provide authentication, data integrity, confidentiality, and availability services in constructing an integrated, balanced, cost-effective network in accordance with the following governing security regulations: DISN Mission Need Statement, JROCM 047-95 (30 March 1995), section 3.3.2, DISN-NT Security Architecture (19 Jan 93), DISN Architecture (Sep 96), War Fighter Support Plan, (Oct 97), and the DISN Capstone Requirements document, JROCM 048-96. DISA will continue deploying encryption devices to secure the DISN backbone and assessing/implementing the latest technologies to protect the network, including testing Domain Name Servers (DNS) prior to fielding and performing network accreditation sustainment and maintenance activities for DOD assets. Each segment of the DISN must incorporate safeguards commensurate with the existing or projected level of threat.

Defend the Computing Environment The objective is to authenticate access, assure the availability, integrity, non-repudiation of data and information shared across the DOD, while protecting all systems from unauthorized access. This is accomplished by conducting security assessments of these systems to determine their vulnerability to attacks, documenting vulnerabilities and developing and fielding security solutions in their global systems releases.

Defend the computing environment is a critical link in the Defense-In-Depth strategy in that the Global Command and Control Systems and Global Combat Support System are deployed and operated at every CINC and Service. These systems provide Joint Task Force Commanders critical information needed to execute their warfighting mission. DISA plans to increase the system's access security by integrating them with DOD Public Key Infrastructure technology.

DEFENSE INFORMATION SYSTEMS AGENCY
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II. Force Structure Summary (Continued):

Defend the Enclave Boundary/External Connections is the partitioning of DOD networks into enclaves to allow effective controls on the amount and types of system access. This structure allows the enclave boundary to be a critical point of defense. DISA supports the fielding of standard technical solutions for enclave defense, e.g., firewalls and guards, to joint DOD elements. Technical solutions need to be properly implemented, monitored, and periodically assessed. If enclave perimeters are not protected, DOD systems are vulnerable to compromise, information manipulation and destruction. Connection approval of new customers to the both the NIPRNET and SIPRNET is also performed to ensure the security of both requested new and existing connections. DISA reviews the effectiveness of the guard systems in accordance with ASD/C3I Memorandum, Secret and Below Interoperability (SABI) Initiative, dated March 20, 1997, and reaffirmed by ASD/C3I Memorandum, Secret and Below Interoperability (SABI) Reaffirmation, dated May 11, 1998. As sites secure their infrastructure, the number of enclaves and enclave protection devices continues to grow. In DISA alone, the number of enclaves increased approximately 20% annually over the past few years. DISA will continue to field Command and Control Guards (C2Gs) to provide secure interoperability across enclaves, as well as implement additional firewall and Virtual Private Network (VPN) solutions in support of DOD firewall policies currently under development.

Supporting Infrastructures provide the critical foundation, upon which IA mechanisms are used in the network, enclave, and computing environments for securely managing the system and providing security enabled services. Supporting Infrastructures provide security services for networks (e.g., weapons, identify friend or foe, nuclear command and control systems); end-user workstations; servers for web, applications, and files; and, single-use infrastructure machines (e.g., higher level DNS servers, higher-level directory servers). These services apply to both classified and unclassified enclaves. Supporting Infrastructures enable rapid detection of and reaction to intrusions, and enable operational situation awareness and response in support of DOD missions. DISA's continuing Defense-in-Depth supporting infrastructure initiatives include: DOD Public Key Infrastructure (PKI), Defense Message System (DMS); Global Directory Service; and the Security Readiness Review (SRR) Database.

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
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Activity Group: Information Systems Security Program (ISSP)

II. Force Structure Summary (Continued):

System Security Methodology ensures certified and accredited information systems are fielded to the Warfighter as mandated by DOD directives, Chairman of the Joint Chiefs of Staff instructions, and DISA instructions. Certification and Accreditation programs ensure adequate security protection for information processed, stored, or transmitted by U.S. Government information systems. Certification and accreditation will be performed at appropriate points throughout the system life cycle. This includes periodic or event-related risk assessments during the system's operational life (compliance validation).

DISA Memorandum "DISA Responsibilities for Certification and Accreditation" (19 Mar 1998) identified the DISA entities that perform certification and accreditation activities for DISA and other information systems. DISA performs certification activities for DISA pillar programs [Defense Message System, Defense Information System Network, Public Key Infrastructure, and Global Combat Support System], as well as Department of Defense and North Atlantic Treaty Organization information systems. DISA also performs certification activities for internal DISA and Commanders-in-Chief information systems. On 23 March 2000, the Military Communications Electronics Board tasked DISA with Secret Internet Protocol Router Network compliance validation and oversight. DISA's certification efforts incorporate the full system life cycle certification and accreditation process in accordance to the Defense Information Technology Security Certification and Accreditation Process, DOD Instruction 5200.40 (30 Dec 1997).

Other Management and Operations are the information services, facilities support, contracts and fees, enterprise licensing, and other mission resources necessary to support the other categories, but not directly associated with them. This category includes two areas, the IA Program Management Office Contracts Support and the IA Operations Expenses.

The IA Program Management Office Contract Support includes: the annual IA Workshop; the Iassure contract that replaced the Information Technical Services Contract; Contractor Officer's Representatives support; NATO support; Allied and Coalition support; Battlefield Information Collection and Exploitation System (BICES) projects; the IA Control Board, IA Project Management, and Program Manager support. IA Operations Expenses include: day-to-day operational expenses, DOD Netscape Enterprise License, and CIO Accreditation.

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
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II. Force Structure Summary (Continued):

IA for the Tactical Environment is to enhance/maintain our forces capability to "reach back" through protected information systems to their respective Continental United States supporting infrastructures. U.S. tactical forces conduct a majority of their operations in locations outside of CONUS. Information security is essential in all phases of military operations from mobilization through conflict and reconstitution. Direct CINC support is provided through a broad range of security readiness reviews, tool deployment, exercise support and vulnerability resolution support. A "Deployed JTF Architecture" will be developed and refined addressing host-based and network-based intrusion detection, vulnerability scanning, analysis/correlation, perimeter defense, and remote access using Virtual Private Networks. DISA will continue to participate in joint efforts to refine the concept of operations for IA support to the deployed JTF and conduct additional pilots to validate new elements of the architecture.

Training is designed to promote information assurance awareness and skills throughout DOD, including CINCs and CINC components. It is the DOD-wide Information Assurance education, training, and awareness program consisting of three elements: computer, web and classroom-based training, awareness product development and professional support, training and awareness dissemination. The first goal is to standardize and enhance the IA knowledge and skills of information system owners, managers, technicians, and users across the Department. The second goal is to support DOD outreach to civilian Departments and Agencies, and the private sector. Systems Administration/Information System Security Officers certifications and training for Defense Enterprise Computing Centers are also included under training and awareness dissemination. Additional support to the CINCs, Services and Agencies for development of new IA products, training and updates, will be accomplished. This will enable standard Information Assurance training & awareness across DOD. Additional efforts will harmonize this training across DOD, eliminating duplication. Aggressive product deployment is planned in order to keep pace with rapidly evolving technology environment.

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III. Financial Summary (O&M: \$ in Thousands):

<u>A. Activity Group</u>	<u>FY00 Actuals</u>	<u>FY01 Request</u>	<u>FY01 Appropriation</u>	<u>FY01 Estimate</u>	<u>FY02 Estimate</u>
Information Assurance	112,735	128,646	131,134	127,014	156,510
Total	112,735	128,646	131,134	127,014	156,510

B. Reconciliation Summary:

	<u>Change FY01/FY01</u>	<u>Change FY01/ FY02</u>
1. Baseline Funding	128,646	127,014
a. Congressional Adjustments (Distributed)	3,000	0
b. Congressional Adjustments (Undistributed)	(333)	0
c. Congressional Adjustments (General Provisions)	(179)	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	0	0
2. Appropriated Amount	131,134	0
a. FY 2001 Rescission	(325)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	0	0
d. Functional Transfers-Out	0	0
3. Price Change	0	2,482
4. Program Changes	(3,795)	27,014
5. Current Estimate	127,014	156,510

DEFENSE INFORMATION SYSTEMS AGENCY
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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request		128,646
2. Congressional Adjustments (Distributed)		
Information Assurance: IT Training & Education	3,000	
Total Congressional Adjustments (Distributed)		3,000
3. Congressional Adjustments (Undistributed)		
a. Headquarters Personnel Reduction	(165)	
b. Contract and Advisory Services	(147)	
c. Defense Joint Accounting System	(186)	
d. Pentagon Renovation Unobligated Balance	(14)	
Total Congressional Adjustments (Undistributed)		(512)
4. FY 2001 Appropriated Amount		131,134
5. FY 2001 Rescission P.L. 106-554		(325)
6. Program Decreases		(3,795)
7. Revised FY 2001 Current Estimate		127,014
8. Price Growth		2,482
9. Functional Transfers-Out		
a. Transfer of Computer Network Defense (JTF-CND) to USSPACECOM.	(3,875)	
Total Functional Transfers-Out		(3,875)

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C. Reconciliation of Increases and Decreases (Continued):

10. Program Increases

a. Upgrade servers to monitor cyber intruders and defend the Defense Information Infrastructure. Additional funding for Computer Network Defense and other IA operations and initiatives.	28,427	
b. Funding added to provide education and training products for DOD Information Assurance. This includes the development of training and awareness materials such as Computer Base Training and Systems Administrator training and certification.	3,000	
c. Civilian pay realignment due to agency review of missions, functions to their appropriate program elements.	556	
Total Program Increases		31,983

11. Program Decreases

a. Decrease is due to lowering reliance on Federally Funded Research Development Centers support and utilizing in-house expertise.	(1,094)	
Total Program Decreases		(1,094)

12. FY 2002 Budget Request	156,510	
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IV. Performance Criteria and Evaluation Summary:

IA Professionalization Support and delivery of products to the DOD in Education Training & Awareness (DOD Critical Infrastructure Protection, IA for Executives, Computer Network Defense awareness, IA Personnel Certification Management Tool(s), Systems Administrator Incident Preparation & Response).

Provide central certificate authority services to support DOD implementation of medium assurance or Class 3 Public Key Infrastructure (PKI).

PKI-enable critical global applications (GCCS and GCSS).

Establish a 24 X 7 Tier II Computer Emergency Response Teams supporting Defense Agencies.

Develop and implement common criteria for Computer Network Defense Services across DOD.

Provide the DOD Computer Emergency Response Teams increased trend analysis and reporting capabilities with data pattern discovery.

Support CINC and DISA long term analysis of audit data by fielding a secure storage, audit server capability.

Improve Intrusion Detection with an expanded signature database for monitoring Internet Protocol and high-speed Asynchronous Transfer Mode networks.

Provide near real-time information assurance situational awareness within the DOD.

- Field enhanced Joint CERT Database/Joint Treat Incident Database.

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- Expand Centaur to integrate online analytical processing, increased trend analysis and reporting with pattern discovery to enable effective decision-making by the JTF-CND and DOD CERT.

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IV. Performance Criteria and Evaluation Summary (Continued):

Continue to secure the DISN.

- Certification and accreditation of the Unclassified-but-Sensitive Internet Protocol Router Network (NIPRNet) and Secret Internet Protocol Router Network (SIPRNet) Backbone
- Compliance validation of 50 SIPRNet and 25 NIPRNet connection approvals
- Deployment of encryption devices to secure the Defense Information System Network backbone
- Assess, certify, and implement the latest technologies to protect the network
- Deliver tested Domain Name Service servers ready for fielding by DOD assets

Provide secure interoperability solutions.

- Participate in the Secret and Below Interoperability Board (process 20 DISA and 40 DOD tickets per year)
- Field 10 new C2G guards per year with technology refreshment every 2 years to provide a secure interoperability solution across enclaves of different classification levels.

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V.
Information Assurance Personnel Summary

	(Actual) Change
	<u>FY 2000</u>
	<u>FY 2001</u>
	<u>FY 2002</u>
	<u>FY 2001/FY 2002</u>
Military End Strength Total	77
	83
	82
	-1
Officer	46
	48
	41
	-7
Enlisted	31
	35
	41
	6

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	(Actual)	Change	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Civilian End Strength Total			191	198	194	-4
			191	198	194	-4
USDH			191	198	194	-4
			0	0	0	0
FNDH			0	0	0	0
			0	0	0	0
FNIH			0	0	0	0

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		(Actual)	Change
		<u>FY 2000</u>	
		<u>FY 2001</u>	
		<u>FY 2002</u>	
		<u>FY 2001/FY 2002</u>	
Reimbursable		0	
		0	
		0	
		0	
Military Workyears Total		77	
		83	
		82	
		-1	
Officer		46	
		48	
		41	
		-7	

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		(Actual)	
		Change	
			<u>FY 2000</u>
			<u>FY 2001</u>
			<u>FY 2002</u>
			<u>FY 2001/FY 2002</u>
Enlisted			31
			35
			41
			6
Civilian Workyears Total			149
			209
			190
			-19
USDH			149
			209
			190
			-19

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		(Actual)	Change
		<u>FY 2000</u>	
		<u>FY 2001</u>	
		<u>FY 2002</u>	
		<u>FY 2001/FY 2002</u>	
FNDH		0	
		0	
		0	
		0	
FNIH		0	
		0	
		0	
		0	
Reimbursable		0	
		0	
		0	
		0	

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VII. PRICE AND PROGRAM CHANGES (\$ in Thousands)	Change FY 2000/FY2001				Change FY 2001/FY2002		
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Executive, General and Special Schedules	11,268	387	4,061	15,716	645	105	16,466
Wage Board	0	0	0	0	0	0	0
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	0	0	0	0	0	0	0
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	1,072	15	(579)	508	8	69	585
Other Travel Costs	204	3	(1)	206	3	47	256
Leased Vehicles	0	0	0	0	0	0	0
Communications Services(DWCF) Tier 2	857	12	(493)	376	6	(4)	378
Communications Services(DWCF) Tier 1	60	1	(47)	14	0	(2)	12
Pentagon Reservation Maintenance Revolving Fund	0	0	0	0	0	0	0
Defense Finance and Accounting Services (DFAS)	2,938	40	(2,978)	0	0	0	0
Commercial Transportation	1	0	(1)	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	0	0	1,124	1,124	19	37	1,180
Purchased Utilities (non-DWCF)	10	0	(10)	0	0	0	0
Purchased Communications (non-DWCF)	4	0	759	763	13	(31)	745
Rents (non-GSA)	0	0	0	0	0	0	0
Postal Services (USPS)	0	0	0	0	0	0	0
Supplies & Materials (non-DWCF)	341	5	(121)	225	4	46	275
Printing & Reproduction	0	0	0	0	0	0	0
Equipment Operation & Maintenance by Contract	52,925	728	41,966	95,619	1,578	(718)	96,479
Facility Operation & Maintenance by Contract	3,186	44	(2,480)	750	12	(12)	750
Equipment Purchases (non-DWCF)	2,936	40	3,405	6,381	105	28,543	35,029
Contract Consultants	0	0	0	0	0	0	0
Management and Professional Support Services	1,606	22	(623)	1,005	17	(367)	655
Studies, Analyses and Evaluations	3,932	54	(3,986)	0	0	0	0
Engineering and Technical Services	29,706	408	(28,834)	1,280	21	(661)	640
Locally Purchased Fuel (non-DWCF)	0	0	0	0	0	0	0

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 Activity Group: Information Systems Security Program (ISSP)

VII. PRICE AND PROGRAM CHANGES (\$ in Thousands)	Change FY 2000/FY2001				Change FY 2001/FY2002		
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Other Intra-governmental Purchases	201	3	2,750	2,954	49	(233)	2,770
Other Contracts	1,488	20	(1,415)	93	2	195	290
Other Costs	0	0	0	0	0	0	0
Land and Structures	0	0	0	0	0	0	0
Miscellaneous Charges	0	0	0	0	0	0	0
Total Activity Group	112,735	1,782	12,497	127,014	2,482	27,014	156,510

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Activity: Information Superiority C²

I. Description of Operations Financed: The DISA Information Superiority C2 activity group is comprised of four subactivities: the Global Command & Control System, the Defense Information Systems Network, the Defense Message System, and the National Military Command Systems. DISA's Pentagon Renovation Maintenance Funding is included in this activity group.

II. Force Structure Summary: The **Global Command and Control System (GCCS)** is DOD's joint command and control system of record and an essential component for successfully implementing Joint Vision 2010/2020's operational concepts: dominant maneuver, precision engagement, full-dimension protection, and focused logistics. GCCS is the foundation for migration of service-unique Command and Control systems into a joint, interoperable environment. GCCS provides a fused picture of the battlespace within a modern command, control, communications, and computer environment. As GCCS evolves, it will be capable of meeting warfighter needs well into the 21st century. This evolution implements Defense Planning Guidance direction to support the reengineering of the Joint Operations Planning and Execution System (JOPES) deployment planning and execution process and the subsequent automation of those reengineered processes. GCCS incorporates the core planning and assessment tools required by combatant commanders and their subordinate Joint Task Force commanders. To achieve this, GCCS provides force planning, situational awareness, imagery exploitation, indications and warning, collaborative planning, course-of-action development, intelligence mission support and real-time combat execution capabilities and office automation needed to accelerate operational tempo and conduct successful military operations. It also meets the readiness support requirements of the Services. By developing and fielding GCCS on a modular basis, information-processing support has improved to the unified commands, Services and defense agencies in the areas of planning, mobility and sustainment. GCCS has moved the joint command and control support capability into the modern era of client/server architecture using commercial, open systems standards. GCCS is managed using the Evolutionary Acquisition paradigm that allows development and integration activities to quickly and flexibly respond to changing needs and technological opportunities present in the DOD IT environment. This strategy promotes early integration of the requirements process and acquisition oversight, early consideration of business case and trade space, and early buy-in from the stakeholders

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II. Force Structure Summary (Continued):

regarding operational, technical, procedural, test, support and fiscal issues. The EA process has resulted in GCCS tools being dramatically more responsive to the warfighters' immediate requirements. Major accomplishments planned for FY 2002 include: Field JOPES 2000; field a major release focusing on infrastructure enhancement; provide expanded and enhanced Readiness Assessment System capabilities, and incorporate new Mission Applications into GCCS.

The **Defense Information Systems Network (DISN)** is DOD's consolidated, worldwide, enterprise-level telecommunications infrastructure that serves as the information transport platform of the Global Information Grid (GIG). DISN provides dynamic routing of voice, text, imagery (both still and full motion), and bandwidth services. DISN services provide the long-haul connection for CINCs/Services/Agencies from bases to the deployed forces and are the key to interoperability above the tactical level. The DISN uses both commercial and military assets to provide telecommunications services that incorporate military readiness attributes. Military-value-added service features include: positive network control, information warfare protection, gateways to tactical systems, encryption, surge capacity and preemption capabilities. DISA provides engineering, modeling, simulation and assessment and system control resources to support the operational DISN. DISA's primary efforts for DISN include: Terrestrial Transmission Services which provides global integrated terrestrial transport platform, operational integration with SATCOM infrastructure, transparent interfaces to MILDEP's sustaining base, and CINC's deployed/mobile assets; SATCOM Services which provide Space-based transport services with long-haul and deployed terrestrial delivery platform integration; Information Dissemination Management services which provide for research/manipulation/dissemination management of information with integrated interfaces to its transport dissemination platforms, e.g. Global Broadcast System (GBS); and Network Management & Provisioning Services which provide for maintenance and enhancement of network management services/capabilities and network/customer provisioning. These efforts support the DISA/Joint Staff/DOD goals associated with C4I for the warrior and Joint Vision

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II. Force Structure Summary (Continued):

2010/2020. Major accomplishments planned for FY 2002 include: Complete Standardized Tactical Entry Point (STEP) enhancements, and Information Dissemination Management release 3.2; major systems engineering for Wideband Gapfiller; upgrade DISN routers using gigabit/terabit technology to improve service; implement DISN architecture to address MILDEP intranets; enhance video teleconferencing; enhance network performance using COTS products and emerging technologies; improve DII/DISN capabilities and services through technology insertion of Multi Protocol Label Switching, Enhanced Quality of Service and Dense Wave Division Multiplex optical networking.

The **Defense Message System (DMS)**, a value-added service of the GIG, provides secure, accountable, and reliable messaging and directory service for the warfighter. As DMS evolves to its target architecture, it will remain interoperable with the existing messaging system and provide secure messaging and directory services that facilitate enterprise integration among DOD functions. DISA is playing a leadership role in the full and seamless extension of DMS to the tactical environment, including supporting infrastructure and security services. DMS will be extended to the tactical/deployed forces before the end of FY 2001, with full implementation planned for FY 2003. The DMS also supports the exchange of electronic messages of all classification levels, compartments, and handling instructions. Defense messaging is based on commercial products that comply with internationally developed message, directory and management standards and recommendations. The primary focus of DMS has been to provide a disciplined interoperable organizational messaging environment that leverages commercial products to the maximum. The principle issue regarding COTS migration is one of timing and the evaluation of what add-ons would be required to make it acceptable to the military user for high grade messaging. DISA is working closely with the Joint Staff, Services, and agencies, as well as with industry, to ensure satisfaction of the Department's C2 messaging requirements through convergence with these emerging commercial capabilities. DMS is funded primarily in the RDT&E and Procurement appropriations; only civilian pay and administrative support are included in the O&M budget.

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II. Force Structure Summary (Continued):

The **National Military Command System (NMCS)** provides the President of the United States, the NCA, National Military Command Centers (NMCC), Executive Travel fleet, Office of the Secretary of Defense (OSD), and Chairman, Joint Chiefs of Staff support to maintain C2 capabilities, ensure continuous availability of emergency messaging, and maintaining situational and operational awareness.

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III. Financial Summary (O&M: \$ in Thousands):

<u>A. Subactivity Group</u>	<u>FY00 Actuals</u>	<u>FY01 Request</u>	<u>FY01 Appropriation</u>	<u>FY01 Estimate</u>	<u>FY02 Estimate</u>
1. GCCS	59,567	70,624	70,423	68,868	78,161
2. DISN	262,662	154,587	154,023	162,064	118,993
3. DMS	25,038	8,340	8,316	10,540	8,837
4. NMCS	1,579	1,376	1,372	1,400	1,989
5. PRMF	0	5,485	5,372	5,268	5,035
Total	348,846	240,412	239,506	248,140	213,015

B. Reconciliation Summary:

	<u>Change FY01/FY01</u>	<u>Change FY01/ FY02</u>
1. Baseline Funding	240,412	248,140
a. Congressional Adjustments (Distributed)	0	0
b. Congressional Adjustments (Undistributed)	(570)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(335)	0
2. Appropriated Amount	239,507	0
a. FY 2001 Rescission	(291)	0
b. Pending Programming Actions	7,789	0
c. Functional Transfers-In	0	0
d. Functional Transfers-Out	0	0
3. Price Change	0	6,017
4. Program Changes	1,135	(41,142)
5. Current Estimate	248,140	213,015

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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget	240,412
2. Congressional Adjustments (Distributed)	0
3. Congressional Adjustments (Undistributed)	
a. Headquarters Personnel Reduction	0
b. Contract and Advisory Services	(125)
c. Defense Joint Accounting System	(348)
d. Pentagon Renovation Unobligated Balance	(97)
Total Congressional Adjustments (Undistributed)	(507)
4. Congressional Earmarks Billpayer	(335)
5. FY 2001 Appropriated Amount	239,507
6. FY 2001 Rescission - P.L. 106-554	(291)
7. Functional Transfers-In/Pending Reprogramming Actions	
a. Efficiencies in lower priority programs for Teleport reprogramming request.	(620)
b. Support troop deployments and other missions with global secure connectivity to the DISN via handsets.	8,409
Total Functional Transfers-In	7,789
8. Program Increases	1,135
9. Revised FY 2001 Current Estimate	248,140

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C. Reconciliation of Increases and Decreases (Continued):

10. Price Growth		6,017
11. Functional Transfers-Out		
a. Movement of Enhanced Mobile Satellite Services (EMSS) gateway personnel billets from the DISN Program Office to DISA Pacific Field Command (CINC Support and Operations) to reflect actual operational location of gateway personnel.	(3,995)	
b. Transferring mission and functions for the Acquisition, Logistics, and Facilities (D4), and DITCO-NCR organizations to the CINC Support and Operations business area.	(15,732)	
c. Transferring mission and functions for Chief Information Officer (CIO) organization to the DOD Information Services business area.	(3,553)	
d) Cross Program Support (CPS) function was realigned to the CINC Support and Operations business area.	(4,362)	
e) Universal Services Fee (USF) subsidy no longer included in the O&M budget as it is collected in usage rates (DWCF).	(11,000)	
Total Functional Transfers Out		(38,642)
12. Program Increases		
a. Infuse mission application capabilities into GCCS to enhance command and control and intelligence capabilities. Funding to reengineer and enhance the JOPES database and applications to improve data synchronization and performance; continue improvements in GCCS system security; implement pre-planned		

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C. Reconciliation of Increases and Decreases (Continued):

product improvement to support real and near-real time command and control information exchange; develop and support GCCS training which is critical to the

use and management of GCCS growing capabilities and functions; and provide critical operational and technical support to GCCS users worldwide. 3,030

b. Increased engineering support to implement state of the art technologies necessary to provide rapid growth in global information transfer capabilities. New efforts include initial implementation of Multi Protocol Label Switching, Enhanced Quality of Service and Dense Wave Division Multiplex (DWDM) optical networking. 1,128

d. Civilian pay realignment due to agency review of missions, functions and to cover increased average salary levels. 310

d. Operation and maintenance of three Defense Message System (DMS) transition hubs. 650

e. Additional non-contingency operational requirements for the Global Broadcast System transponder lease until Wideband Gapfiller Satellites become operational. 4,200

f. Pentagon Reservation Maintenance Fund for Security. 400

Total Program Increases 9,718

13. Program Decreases

a. CINC/Service agencies are assuming fiscal responsibility for their leased circuits. (2,145)

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C. Reconciliation of Increases and Decreases (Continued):

b. Reduction in Pentagon space assigned to DISA and other savings for Rent and Facilities Operations.	(2,351)
c. Decline in MILSTAR NCEP Voice Conferencing dollars due to project completion.	(2,374)
d. Cost decrements associated with completion of projects for Global Broadcast System (GBS) and Satellite Communications (SATCOM) Architecture & Integration and movement of funding for Information Dissemination Management (IDM) from the O&M line to the RDT&E line based upon OSD guidance.	(3,548)
e. Lower level of O&M funding required for the Standard Tactical Entry Point program, based on revised Teleport program funding profile.	(1,800)
Total Program Decreases	(12,218)
14. FY 2002 Budget Request	213,015

IV. Performance Criteria and Evaluation Summary:

DISN: The DISN-Long Haul Measurement Plan Version 1.98 was drafted to specifically address the need for performance metrics. The Plan outlines the scope and intent of how

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IV. Performance Criteria and Evaluation Summary (Continued):

DISA intends to comply with the Information Technology Management Reform Act (ITMRA) and the Government Performance and Results Act (GPRA). The DISN metrics effort will continue to evolve over the next few years as DISN becomes more robust.

Initially, the plan identifies the implementation of four basic categories of metrics: cost, schedule, performance and variance.

Cost measures include period accruals by organization, network, and type of service as well as analytical multi-period trend assessment and forecasting. These cost measures are analogous to the financial reporting found in all large government procurements and commercial programs.

In the DISN implementation, cost measures must be developed to cross boundaries of previously "stove-piped" services and new service implementations. Emphasis on analytical assessment and forecasting differentiate these metrics from traditional historic data accrual. This forecasting tool becomes part of the Project Management Office tool set for mission risk management.

Schedule measures include calendar milestone schedules under formal configuration management, milestone achievement status reporting, and milestone achievement assessment and forecasting. These measures combine with cost measures to create historic and expected earned value quantification.

Performance measures include network technical performance report accrual, multi-network event comparison, network event repeatability assessment and forecasting, and customer satisfaction measures. Combined with cost and schedule measures, performance measures allow PMO assessment and projection of mission achievement. DISN technical performance measures are to be machine-generated and stored in a central data repository as part of the DISN transition implementation, while customer satisfaction measures are less finite and more subjective in their capture.

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IV. Performance Criteria and Evaluation Summary (Continued):

Variation measures of actual DISN performance against plan allow identification and assessment of cost, schedule and performance variances by the program manager. Using measurements accrued for technical purposes during the normal delivery of DISN services, variance forecasts base on multiple parameters, leading indicators and trend evaluations provide data to ascertain the quality of service provided to the warfighter. Customer satisfaction trend measures are required to assure satisfaction with our efforts.

Enterprise-level cost, schedule, performance and variance measures are compiled to predict success in attaining DISN operating objectives. The nature of this compiled data permits objective assessments and predictions of the quality and reliability of our network support to the customers.

GCCS: The GCCS management structure and associated working groups oversee the GCCS requirements validation process. Joint Staff (JS), J3, validates, approves, prioritizes, and documents requirements in the time-phase-specific GCCS Requirements Identification Document and provides the requirements to DISA. DISA then develops an Evolutionary Phased Implementation Plan (EPIP) for which contains the functional, technical, and infrastructure IT solutions to be incorporated into GCCS during that phase and defines the cost/schedule/performance baselines for satisfying the requirements. EPIPs are developed by the GCCS PM, in coordination with the GCCS stakeholder community Integrating Integrated Product Team (IIPT), with final approval by the Program's Milestone Decision Authority, ASD(C3I). This evolutionary phase paradigm allows development, integration, and fielding activities to quickly and flexibly respond to changing Joint Staff and CINC needs and technological opportunities present in the DOD IT environment. This strategy promotes early integration of the requirements process and acquisition oversight, early consideration of business case and trade space, and early buy-in from stakeholders (Joint Staff, OSD, CINCs, Services, Agencies) regarding operational, technical, procedural, test, support, and fiscal issues. The evolutionary

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IV. Performance Criteria and Evaluation Summary (Continued):

process has resulted in GCCS tools being dramatically more responsive to the warfighters' immediate requirements. Once the EPIP is approved, the GCCS PMO uses it as the basis for program management and monitoring during the program phase.

Examples of Performance Measures for FY 2002:

Complete testing of, and field, JOPES 2000, a reengineered version that improves database synchronization, reducing database maintenance costs and introducing Web technology to enhance system performance. In accordance with the DISA Performance Contract, field a major release concentrating on infrastructure enhancement and technical migration to a new version of the Defense Information Infrastructure Common Operating Environment (DII COE), which will provide GCCS customers with greater interoperability and improved system performance. Provide CINCs with expanded and enhanced RAS capabilities. Incorporate new mission applications to satisfy validated, approved, and prioritized requirements contained in the Joint Staff Phase IV RID.

Continue to field security and software enhancements and fixes. Continue to operate and maintain the current fielded system.

Evaluation Summary: The GCCS Overarching Integrated Product Team (OIPT) (chaired by OASD/C3I) and the Global Command and Control (GCC) Advisory Board (chaired by Joint Staff, J3) provide necessary acquisition and management approval and decision level for the program. The GCCS OIPT is supported by the GCCS IIPT and WIPT(s), the GCC Advisory Board is supported by technical and functional Working Groups. The OIPT and its subordinate IPTs monitor program goals achievement and baseline compliance throughout the GCCS life cycle. The GCC Advisory Board monitors operational performance and overall usability of the system throughout its life cycle.

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IV. Performance Criteria and Evaluation Summary (Continued):

The GCCS Program Management Office, assisted by the stakeholder community via the IIPT and WIPT(s): conducts annual development or review and revision of phase-specific EPIPs; monitors and manages cost/schedule/performance progress towards meeting EPIP threshold and objective baselines; conducts as needed review and revision of the GCCS Acquisition Strategy; conducts in-process reviews monthly to keep the GCCS community informed on the latest program developments.

The PMO also holds internal DISA quarterly budget in-process reviews and monitors progress towards meeting DISA Performance Contract goals.

Measuring/Evaluating Contractual Progress: GCCS provides a wide variety of Joint C2 functions. Several contractor companies support the program in the areas of system development, integration, testing, fielding and program management support.

To monitor contractor's performance, DISA will accomplish the following tasks: evaluate the contractor's performance every three months; hold monthly/quarterly in-process reviews (contract-dependent); review monthly contract funds status; and review monthly program status reports. As agreed to by OSD, Joint Staff, and DISA stakeholders, the EPIP process will continue to mature in a fashion that incorporates the requirements for Clinger-Cohen Act compliance, including the allocation of risk between the Government and contractor, and tying payments to contract accomplishments. As these features are incorporated into the EPIP development process, they will also be incorporated into the EPIP execution management process.

Teleport Generation One Initial Operational Capability (IOC) 1 (C, X, Ku bands) to be delivered by 30 September 2002. Teleport Generation One IOC2 (remaining C, X, Ku and UHF) to be delivered by 30 September 2003.

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IV. Performance Criteria and Evaluation Summary (Continued):

DMS: The DOD IT Overarching Integrated Product Team (OIPT) has management oversight of the Defense Message System program. The DMS Implementation Group and DMS Operations Working Group, also representing the Services and agencies, meet regularly to address Service/Agency concerns and to ensure the program is meeting all DOD requirements, identified by an 0-9 level requirements group. The DMS is being deployed in increments, with each release having additional functionality. Deployment of each new release is subject to successful operational testing in accordance with DOD requirements. DMS deliverables are defined in DISA's FY2001 Performance Contract with the Defense Management Council, and in the DISA Strategic Plan. DISA also has an annual spendplan and acquisition approval process in place to monitor execution of current year funding against an approved baseline.

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V. Information Superiority C2 Personnel Summary:

	(Actual)			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Military End Strength Total	314	295	347	52
Officer	97	86	128	42
Enlisted	217	209	219	10
Civilian End Strength Total	959	782	755	-27
USDH	943	766	737	-29
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	16	16	18	2
Military Workyears Total	314	295	347	52
Officer	97	86	128	42
Enlisted	217	209	219	10
Civilian Workyears Total	1,057	813	739	-74
USDH	1046	797	723	-74
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	11	16	16	0

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VII. PRICE AND PROGRAM CHANGES (\$ in Thousands)	Change FY 2000/FY2001				Change FY 2001/FY2002		
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Executive, General and Special Schedules	87,005	2,991	(11,579)	78,417	3,217	(9,891)	71,743
Wage Board	687	24	(711)	0	0	0	0
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	945	13	(958)	0	0	0	0
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	2,036	28	336	2,400	40	(736)	1,704
Other Travel Costs	247	3	13	263	4	483	750
Leased Vehicles	3	0	7	10	0	8	18
Communications Services(DWCF) Tier 2	27,762	382	(12,589)	15,555	257	(14,345)	1,467
Communications Services(DWCF) Tier 1	3,968	55	(3,091)	932	15	(136)	811
Pentagon Reservation Maintenance Revolving Fund	0	0	5,286	5,286	87	(338)	5,035
Defense Finance and Accounting Services (DFAS)	7,497	103	(7,600)	0	0	0	0
Commercial Transportation	103	1	(78)	26	0	(10)	16
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	12,309	169	(3,600)	8,878	146	(1,410)	7,614
Purchased Utilities (non-DWCF)	124	2	(126)	0	0	13	13
Purchased Communications (non-DWCF)	795	11	11,050	11,856	196	(9,600)	2,452
Rents (non-GSA)	1,164	16	(1,180)	0	0	113	113
Postal Services (USPS)	9	0	(9)	0	0	0	0
Supplies & Materials (non-DWCF)	1,437	20	(673)	784	13	(359)	438
Printing & Reproduction	1	0	193	194	3	(187)	10
Equipment Operation & Maintenance by Contract	61,521	846	29,547	91,914	1,517	1,631	95,062
Facility Operation & Maintenance by Contract	17,244	237	(10,548)	6,933	114	(5,459)	1,588
Equipment Purchases (non-DWCF)	33,836	465	(24,721)	9,580	158	(7,269)	2,469
Contract Consultants	765	11	(611)	165	3	2	170
Management and Professional Support Services	3,985	55	(4,024)	16	0	15	31
Studies, Analyses and Evaluations	1,213	17	(1,003)	227	4	293	524
Engineering and Technical Services	18,480	254	(18,724)	10	0	1,268	1,278
Locally Purchased Fuel (non-DWCF)	0	0	0	0	0	0	0

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VII. PRICE AND PROGRAM CHANGES (\$ in Thousands)	Change FY 2000/FY2001				Change FY 2001/FY2002		
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Other Intra-governmental Purchases	1,478	20	(558)	940	16	(187)	769
Other Contracts	63,897	879	(51,057)	13,719	226	4,990	18,935
Other Costs	142	2	(109)	35	1	(31)	5
Land and Structures	193	3	(196)	0	0	0	
Miscellaneous Charges	0	0	0	0	0	0	
Total Activity Group	348,846	6,604	(107,117)	248,140	6,017	(41,142)	213,015

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Activity Group: CINC Support and Operations

I. **Description of Operations Financed:** The CINC Field Support and Operations activity group consists of three sub-activities: the Command, Control, Communications, Computers, and Intelligence (C4I) for the Warrior (C4IFTW) activity, including seven Field Offices which support the CINCs; the DISA European (DISA EUR) Field Command; and the DISA Pacific (DISA PAC) Field Command.

II. **Force Structure Summary: Command, Control, Communications, Computers, and Intelligence (C4I) for the Warrior (C4IFTW):** Support to the Warfighter is the primary driver for most of DISA's activities and outputs. Key to these efforts is the on-site support to the CINCs and deployed commanders. Given the depth of the geographical support in Europe and the Pacific, DISA maintains two Field Commands in those locations providing daily coordination with the CINC staffs on the full range of telecommunications, command and control, and combat support reach-back issues that impact operations in those hemispheres. Also, DISA has made a small investment of personnel and funds at seven field offices to support the remaining CINCs. This ensures that the agency is producing the products and services these warfighters need to command and control forces, disseminate information, and operate in a highly secure and interoperable environment that often involves air, ground and naval forces of the U.S. and allied forces.

Seamless end-to-end connectivity of Information Technology (IT) capabilities is an essential component of the Joint Vision 2020 (JV2020) concept for the Defense Information Infrastructure (DII). DISA provides this support to the warfighters by leveraging all of the DISA for assistance. DISA provides seamless, end-to-end information services that are flexible, interoperable, reliable and affordable. DISA also provides detailed advice, guidance and technical assistance in the planning, managing, and implementation of the DISA assigned portion of the DII. Seven field offices supporting the CINCs, provide direct, local, day to day support to assure the CINCs receive maximum benefit from DISA's wide range of warfighter services. C4IFTW achieves this by identifying and defining requirements for the Global Command and Control System (GCCS), the Defense Message System (DMS), Information Assurance (IA), Information Dissemination Management (IDM), and Electronic Commerce (EC). Resolving JV2020 interoperability issues among the services and allies is of primary importance and is achieved through the development, adoption, specification, certification, and enforcement of standards for information technology and telecommunications, and data. The Assistant Secretary of Defense for Command,

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Activity Group: CINC Support and Operations

II. Force Structure Summary (Continued):

Control, Communication, and Intelligence has assigned DISA to be the DOD Executive Agent for Information Standards. DOD Directive 4120.3, Defense Standardization Program, designates DISA as the Lead Standardization Activity for Information Standards and Technology, Data Systems Standards. As such, DISA participates in both government and non-government standards in the international defense community. In addition, DISA responds to the Joint Staff's requests for technical standards assessments and modeling by providing configuration management (CM) and verification and validation (V&V) for the Network Warfare System (NETWARS).

This activity group includes salaries and operating expenses for the DISA personnel supporting the transition and operational cut-over planning for the DISA/Defense Advance Research Project (DARPA) Joint Program Office. C4IFTW also focuses on Human Resource Strategic Management, accounting services and manpower staffing standards studies. These functional elements provide agency-wide tools to support the activities that deliver DISA products. For example, a strategic training effort provides programs and services for training, education, and development specifically aimed at giving the DISA-wide civilian and military community the new skills required for a JV2020 workforce.

DISA European (DISA EUR) Field Command and DISA Pacific (DISA PAC) Field Command:

The Field Commands provide direct support to their respective CINCs. This includes planning and engineering support for on-site information systems, operating networks, and providing technical assistance. Field Commands also provide project guidance and consultation to their respective CINCs, subordinates, service components, and JTF (Joint Task Force) commanders during peacetime and during periods of crisis, contingency, and exercises.

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III. Financial Summary (O&M: \$ in Thousands):

A. <u>Activity Group</u>	FY00 <u>Actuals</u>	FY01 <u>Request</u>	FY01 <u>Appropriation</u>	FY01 <u>Estimate</u>	FY02 <u>Estimate</u>
1. C4IFTW	55,351	70,190	69,804	68,926	91,833
2. DISA EUROPE	7,936	7,726	7,704	7,392	7,995
3. DISA PACIFIC	10,411	7,929	7,906	9,796	11,951
4. Counter Drug	15,899	0	0	0	0
TOTAL	89,597	85,845	85,414	86,114	111,779

B. Reconciliation Summary:

	<u>Change FY01/FY01</u>	<u>Change FY01/ FY02</u>
1. Baseline Funding	85,845	86,114
a. Congressional Adjustments (Distributed)	0	0
b. Congressional Adjustments (Undistributed)	(310)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(120)	0
2. Appropriated Amount	85,415	0
a. FY 2001 Rescission	(184)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	379	0
d. Functional Transfers-Out	0	0
3. Price Change	0	2,382
4. Program Changes	504	23,283
5. Current Estimate	86,114	111,779

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C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget Request		85,845
2.	Congressional Adjustments (Undistributed)		
	a. Contract Advisory Services	(186)	
	b. Defense Joint Accounting System	(124)	
	Total Congressional Adjustments (Undistributed)		(310)
3.	Congressional Earmarks Billpayer		(120)
4.	FY 2001 Appropriated Amount		85,415
5.	FY 2001 Recission		(184)
6.	Functional Transfers-In		
	Defense Agencies' portion of the Enhanced Defense Financial		
	Management Training Course (EDFMT).	379	
	Total Functional Transfers-In		379
7.	Program Increases		504
8.	Revised FY 2001 Current Estimate		86,114
9.	Price Growth		2,382
10.	Functional Transfers-In		
	a. Defense Agencies' portion of the Enhanced Defense Financial		
	Management Training Course (EDFMT).	379	
	b. Movement of Enhanced Mobile Satellite Services (EMSS) gateway		
	Personnel billets from the DISN Program Office (Information		
	Superiority C2 business area) to DISA Pacific Field Command		
	(CINC Support and Operations) to reflect actual operational		
	location of gateway personnel.	3,995	

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C. Reconciliation of Increases and Decreases (Continued):

c. Complete rebaselining of civilian pay and operational support Begun in the FY 2001 President's Budget by transferring mission and functions for the Acquisition, Logistics, and Facilities, and DITCO-NCR organizations to the CINC Support and Operations business area.	15,757
d. Upon review of the mission and functions, the Cross Program Support function was realigned to the CINC Support and Operations business area.	4,362
Total Functional Transfers-In	24,493

11. Program Increases

a. DFAS cost based on increased workload estimates and customer rates.	152
b. Increased contractual support for Allied coordination for the Joint Warrior Interoperability Demonstrations.	1,202
Total Program Increases	1,354

12. Program Decreases

a. Technical and automated support to the CINCs for developing annual C4 systems readiness assessment inputs to the Joint Staff,	
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C. Reconciliation of Increases and Decreases (Continued):

C4 Studies and Analyses, and CINC C4 Summary Reports are completed.	(561)
b. Reduces equipment requirements for the Leading Edge Services Program. Leading Edge Services include support for Battlespace Awareness, Global Command and Control System, Global Combat Support Services, and the Defense Information Infrastructure.	(262)
c. Civilian pay realignments due to agency review of missions, functions and program elements to cover increased average salary costs.	(1,741)
Total Program Decreases	(2,564)

13. **FY 2002 Budget Estimate** **111,779**

IV. Performance Criteria and Evaluation Summary:

CINC Support and Operations provides global operations and contingency support, and is one of the eight product lines in the Joint Warfighting and DoD-wide Enterprise Capabilities mission area.

- Support the DISA mission of providing C4 support to the Warfighters through coordination with the DISA staff and line organizations.
- Provide detailed advice, guidance and technical assistance in the planning, managing, and implementation of the DISA assigned portion of the DII;
- Provide the Warfighters with seamless, end-to-end information services which are flexible, interoperable, reliable and affordable.

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IV. Performance Criteria and Evaluation Summary (Continued):

DISA-PAC:

- Executes the DISA mission within the Pacific Theater.
- Manages the Pacific portion of the DII and selected Command, Control, Communications, and Computer (C4) systems in support of the Pacific's Commander-in-Chief, subordinate commands, military components, joint task forces, and DoD and Federal Agencies.
- DISA's internal base-level information architecture and information systems are in direct support of DISA-PAC's six field office activities.
- Serves as DISA's "voice in the Pacific," providing customer support and requirements advocacy for all customers in its Theater of responsibility who subscribe, or plan to subscribe, to DISA's existing or emerging information products and services.
- This field command plans, budgets for, manages and implements the Pacific portion of DISA's global programs, projects, and systems.

DISA-EUR:

- Provides quality, timely, cost-effective information services to EUCOM and other DoD customers.
- Plans, engineers, acquires, implements, integrates, operates, manages, maintains and controls DISA's information products and services.
- Supports EUCOM, NATO, and other US and AOR National Customers.
- Supports other DISA Field Activities, Commands and Elements.
- Provides real-time support to the AOR Warfighter through the operation of the DII Regional Control Center.
- Acts as theater customer interface point.
- Support of USCINCEUR and components.
- Plans, develops architectural concepts, studies, and analysis of selected and overall C4 systems.
- Serves as DISA's "voice in Europe," providing customer support and requirements advocacy for all customers in its Theater of responsibility who subscribe, or plan to subscribe, to DISA's existing or emerging information products and services.

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V. CINC Support and Operations Personnel Summary

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Military End Strength Total	261	258	287	29
Officer	81	83	99	16
Enlisted	180	175	188	13
Civilian End Strength Total	486	600	602	2
USDH	473	587	588	1
FNDH	0	0	0	0
FNIH	5	5	5	0
Reimbursable	8	8	9	1
Military Workyears Total	261	258	287	29
Officer	81	83	99	16
Enlisted	180	175	188	13
Civilian Workyears Total	362	540	586	46
USDH	351	527	573	46
FNDH	0	0	0	0
FNIH	5	5	5	0
Reimbursable	6	8	8	0

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	Change FY2000/FY2001			Change FY2001/FY2002			
	FY2000 <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY2001 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY2002 <u>Estimate</u>
Executive, General and Special Schedules	29,546	1,016	8,573	39,135	1,606	10,925	51,666
Wage Board	0	0	0	0	0	0	0
Per Diem	1,655	23	134	1,812	30	286	2,128
Other Travel Costs	888	12	482	1,382	23	(57)	1,348
Leased Vehicles	114	2	(67)	49	1	1	51
Communications Services(DWCF) Tier 2	380	5	(47)	338	6	128	472
Communications Services(DWCF) Tier 1	665	9	(518)	156	3	(23)	136
Defense Finance and Accounting Services (DFAS)	1,584	22	4,124	5,730	95	737	6,562
Commercial Transportation	308	4	(184)	128	2	31	161
Rental Payments to GSA Leases(SLUC)	82	1	(83)	0	0	0	0
Purchased Utilities (non-DWCF)	90	1	254	345	6	204	555
Purchased Communications (non-DWCF)	421	6	(181)	246	4	356	606
Rents (non-GSA)	25	0	(19)	6	0	0	6
Postal Services (USPS)	104	1	52	157	3	(3)	157
Supplies & Materials (non-DWCF)	1,378	19	(518)	879	15	563	1,457
Printing & Reproduction	255	4	(76)	183	3	220	406
Equipment Operation & Maintenance by Contract	16,813	231	1,202	18,246	301	2,704	21,251
Facility Operation & Maintenance by Contract	1,179	16	(739)	456	8	4,067	4,531
Equipment Purchases (non-DWCF)	3,861	53	(1,646)	2,268	37	1,165	3,470
Management and Professional Support Services	903	12	(890)	25	0	0	25
Studies, Analyses and Evaluations	162	2	(164)	0	0	0	0
Engineering and Technical Services	14,637	201	(14,838)	0	0	255	255
Locally Purchased Fuel (non-DWCF)	0	0	150	150	2	0	152
Other Intra-governmental Purchases	6,799	93	(2,258)	4,634	76	(48)	4,662
Other Contracts	6,924	95	1,916	8,935	147	1,619	10,701
Other Costs	575	8	271	854	14	153	1,021
Land and Structures	249	3	(252)	0	0	0	0
Total Activity Group	89,597	1,836	(5,070)	86,114	2,382	23,283	111,779

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Activity: Joint Test, Spectrum Management & Engineering

I. Description of Operations Financed: The Joint Test, Spectrum Management and Engineering activity group is comprised of three subactivities: Defense Information Infrastructure Common Engineering; Joint Spectrum Center; and the Office of Spectrum Analysis and Management.

II. Force Structure Summary: The **DII Common Engineering** sub activity includes civilian salaries, operating expenses and contract efforts supporting C3 interoperability tasks, improvements to the Common Operating Environment, identification, prototyping, migration, and user acceptance of advanced technologies, and the integration of software components comprising the Global Command and Control System and the Defense Information Infrastructure Common Operating Environment (DII COE). The DII Common Engineering sub activity also provides funds for the development and application of C4I Modeling, Simulation, and Assessment techniques in the deployment of DOD information systems.

The DII Common Operating Environment (COE) provides the ubiquitous foundation for all DII system architectures to enable operational realization of the Command, Control, Communications, Computers and Intelligence for the Warrior concept.

Joint Vision 2010/2020 presents four operational concepts to achieve Full Spectrum Dominance. These operational concepts are dependent on the ability to collect, process, disseminate, and interpret information to achieve information superiority on the battlefield. The DII COE is key to information superiority through provision of: a Common Operational Picture for joint and coalition warfare; a method for accelerating dynamic change through application and data reuse; a componentware-based architectural framework supporting secure interoperability, technology insertion, and legacy maintenance; a forum for warfighter agreement on component acquisition and integration; a method for building systems capable of providing focused logistics; and a managed process for continuous integration of advanced technology.

The DII COE provides a framework for systems development encompassing systems architecture standards, software reuse, sharable data, secure interoperability, and automated integration. In addition, the DII COE provides new and improved operational capabilities through continuous opportunistic exploitation and integration of commercial-off-the-shelf (COTS) and government-off-the-shelf (GOTS) capabilities. The DII COE provides automated system building

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II. Force Structure Summary (Continued):

blocks for system engineers and integrators of interoperable components. In addition to software building blocks, the COE proscribes an integration methodology critical to achieving "plug and play" capabilities. The existing DII COE functional, physical and operational characteristics are consistently upgraded in phased releases. Continued improvements, in accordance with Service and Agency approved requirements and formal build plans, allow mission application developers to target confidently to a specific DII COE release. The Defense Agencies and Military Services control the DII COE portfolio. They select and prioritize COTS and GOTS investments based on mission need, risks, benefits and cost. This approach has proven successful in obtaining acceptance of this standard.

The DISA Command, Control, Communications, Computers and Intelligence (C4I) Modeling, Simulation, and Assessment activities are key to development and application assessment, war planning, and enhancement of the cost effectiveness of C4I programs and systems to prepare DOD to respond to the rapid evolution of the global military environment. This work is essential to achieve the DISA goal of quality information services at an affordable cost through a deliberate decision management process. C4I Modeling, Simulation, and Assessment also supports DOD communications planning and investment strategy for the successful deployment of DOD information systems by performing a broad spectrum of analytical activities in support of C4I programs. DISA has a lead role in DOD for providing modeling and simulation services and tools to DOD decision-makers, thus identifying key decision points that impact DOD command and control information systems. These services and tools support the key DISA programs of DMS, DISN, Public Key Infrastructure (PKI) and Electronic Commerce (EC). It is used to assess the Defense Information Infrastructure's ability to support the CINCs, JCS, Services, and other Federal agencies' current and emerging C4I Surveillance and Reconnaissance mission driven information requirements, and to enhance the functionality of GOTS tools to engender an integrated environment in support of the modeling and simulation efforts of DISN, DMS, IA, GCSS, GCCS, and the DII. Methods linking these models with other tools used in information network analysis are investigated.

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II. Force Structure Summary (Continued):

The **Joint Spectrum Center (JSC)** subactivity includes civilian salaries, operating expenses, and contract efforts to ensure effective use of the electromagnetic (EM) spectrum in support of national security and military objectives. The JSC assists the Services and Unified Commands ensure that the systems and equipment employed by the warfighter in combat will function as planned, without suffering or causing unacceptable performance degradation due to EM incompatibility. To accomplish this mission, the JSC maintains extensive EM environmental and equipment characteristics databases, provides Electromagnetic Environmental Effects (E³) support to the spectrum management and acquisition communities, and maintains deployable teams with unique expertise in spectrum management, interference resolution, and Hazards of Electromagnetic Radiation to Ordnance (HERO) to provide direct support to operational military combatant units.

The fundamental mission of the JSC is to ensure DOD's effective use of the electromagnetic spectrum in support of national security and military objectives. The JSC provides technical support to the DOD in the areas of: spectrum management support to operational commands; electromagnetic spectrum planning assistance; development and execution of the DOD E³ Program; operation, maintenance and further development of JSC's spectrum-related databases and analysis models; performance of E³ studies and analysis on spectrum dependent systems; development and configuration control of software systems for spectrum management; provision of expert consultation on E³ and spectrum issues to DOD and other government agencies; and spectrum management information systems training.

The JSC is the DOD technical center of excellence for EM spectrum management matters in support of the Unified Commands, Joint Staff, Assistant Secretary of Defense for Command, Control, Communications and Intelligence(ASD(C3I)), Military Departments and Defense Agencies.

The **Office of Spectrum Analysis and Management (OSAM)** serves as the focal point for spectrum management issues DOD-wide. It is collocated with the Army Spectrum Management Office, the Army Communications-Electronics Services Office, the Naval Electromagnetic Spectrum Center,

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II. Force Structure Summary (Continued):

and the Air Force Frequency Management Agency. The OSAM is a part of the DISA's Operations Directorate and receives technical support from DISA's Joint Spectrum Center. OSAM is charged with the execution of nine specific tasks: (1) implement OBRA93/BBA97; (2) enforce the frequency acquisition process; (3) create a common costing and analysis approach to reallocations; (4) impact Public Safety Wireless Advisory Committee; (5) define warfighter requirements for space systems and terrestrial systems to 2010; (6) pursue doctrinal and technical process improvements; (7) update the DOD Spectrum Policy and Strategic Plan; (8) prepare a Defense Spectrum Oversight Board charter; and (9) survey the market and gather and disseminate information for trend forecasting and early identification of opportunities or obstacles.

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III. Financial Summary (O&M: \$ in Thousands):

A. Subactivities	FY00	FY01	FY01	FY01	FY02
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
1. DII Common Engr	53,156	58,735	58,087	61,630	61,423
2. JSC	12,570	13,617	13,577	13,216	13,481
3. OSAM	7,098	7,833	7,811	7,731	7,772
Total	72,824	80,185	79,475	82,577	82,676

B. Reconciliation Summary:

	Change	Change
	<u>FY01/FY01</u>	<u>FY01/ FY02</u>
1. Baseline Funding	80,185	82,577
a. Congressional Adjustments (Distributed)	0	0
b. Congressional Adjustments (Undistributed)	(598)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(112)	0
2. Appropriated Amount	79,475	0
a. FY 2001 Rescission	(66)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	0	0
d. Functional Transfers-Out	0	0
3. Price Change	0	1,912
4. Program Changes	3,168	(1,813)
5. Current Estimate	82,577	82,676

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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request		80,185
2. Congressional Adjustments (Undistributed)		
a. Headquarters Personnel Reduction	(335)	
b. Contract and Advisory Services	(147)	
c. Defense Joint Advisory Services	(116)	
Total Congressional Adjustments (Undistributed)		(598)
3. Congressional Earmarks Billpayer		(112)
4. FY 2001 Appropriated Amount		79,475
5. Rescission P.L. 106-554		(66)
6. Program Increases		3,168
7. Revised FY 2001 Current Estimate		82,577
8. Price Growth		1,912
9. Program Decreases		
a. Savings in contractual support because DII COE Version 4.X baseline support can be prolonged. The fielding of the DII COE Version 5.X will be extended until October, 2003.	(1,241)	
b. Decrease in rent, based on DISA wide re-estimate of facility rent requirements.	(307)	

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C. Reconciliation of Increases and Decreases (Continued):

c. Decrease in Spectrum Management and Analysis and Joint Spectrum Center as a result of anticipated efficiencies in spectrum management information systems.	(265)
Total Program Decreases	(1,813)
10. FY 2002 Budget Request	82,676

IV. Performance Criteria and Evaluation Summary:

DII COE - All contracts deliver monthly status reports on efforts accomplished and planned, deliverables produced, planned and actual schedule/cost/hours expended. All main software deliverable contributors attend a consolidated bi-monthly meeting for review and update of schedules. Monthly, and in critical cases, bi-monthly or weekly Progress Status Reviews are held. Software deliverables are inspected for completeness and adherence to requirements, directory structure and segment identification requirements, and undergo graphical user interface functional testing and regression testing where applicable. Documentation is reviewed and accepted based on adherence to task order requirements, completeness, and technical merit.

At a macro level, the DII COE Build Plan is the measure for performance as it covers multiple releases and shows not only current efforts but past accomplishments or difficulties. It provides an extensive historical record, along with future projections. On a micro level, the Milestone Schedule is a measure for performance for the most imminent release. The Build Plan states the requirement, the computer platforms targeted, the date for accomplishing the requirement, whether or not this requirement will be retrofitted to earlier releases, and the responsible agent. The Milestone Schedule states the requirement, the computer platforms targeted, the date for accomplishing the requirement, and the responsible agent. All DII COE

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IV. Performance Criteria and Evaluation Summary (Continued):

documentation, to include the Build Plan, is available on the DII COE homepage for review by the entire customer base. Customers know what is included in each release. The two performance measures are adherence to schedule and adherence to approved Build Plan contents. Cost as an Independent Variable permeates throughout the structure. When IPTs develop the Source Requirement Specifications, the Services and Agencies identify their top priorities and these priorities are mapped against available resources. The customer base is realistic and cooperative when trade-offs must be made in performance or schedule. Although formal Earned Value Management is not used, many of it's concepts are used to include: master and intermediate schedules; viewing components as work packages; and paying strict attention to the budgeted and actual cost of work performed.

OSAM - The objective of DISA/OSAM is to coordinate DOD spectrum management policy and analysis. OSAM's activities result in the following products:

- Spectrum reallocations
- Redefinition of the frequency acquisition process (certification)
- Common costing/analysis process
- Address Public Safety Wireless issues
- Define joint warfighter spectrum requirements
- Pursue doctrinal/process and technical improvement
- Update DOD spectrum Policy/Strategic Plan
- Support for World Radio Conference (WRC) preparation (technical support)
- Spectrum legislative awareness/JS support
- Strategic planning, coordination, and execution of solutions for DOD spectrum matters
- Assist OASD(C3I) in spectrum management policy, planning, and oversight
- Coordinate all joint spectrum management matters
- Chair the Military Communications Electronics Board (MCEB) Frequency Panel

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IV. Performance Criteria and Evaluation Summary (Continued):

- Coordinate joint spectrum management analytic efforts with the MILDEP Spectrum Management Offices (SMOs), the Joint Spectrum Center (JSC), the Joint Staff, and the OASDC3I Director of Spectrum Management
- Serve as the Secretariat of the Defense Spectrum Oversight Board (DSOB)
- Coordinate and communicate with the MILDEP SMOs on spectrum related matters

Joint Spectrum Center (JSC)

- The JSC's goal is to fulfill all requests to assist the CINCs and JTFs on operational spectrum management matters during contingencies and operations, responding within 24 hours.
- The JSC's goal for spectrum management information systems support is to continue improving data quality (accuracy, completeness, and currency), data maintenance efficiency, and data accessibility each year.

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V. Joint Test, Spectrum Management & Engineering Personnel Summary:

	(Actual)			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Military End Strength Total	42	31	44	13
Officer	29	20	33	13
Enlisted	13	11	11	0
Civilian End Strength Total	273	263	253	-10
USDH	273	263	253	-10
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	0	0	0	0
Military Workyears Total	42	31	44	13
Officer	29	20	33	13
Enlisted	13	11	11	0
Civilian Workyears Total	321	309	249	-60
USDH	321	309	249	-60
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	0	0	0	0

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	FY2000 Actual	Change FY 2000/FY2001		FY2001 Estimate	Change FY 2001/FY2002		FY2002 Estimate
		Price Growth	Program Growth		Price Growth	Program Growth	
Executive, General and Special Schedules	25,791	887	(4,270)	22,408	919	497	23,824
Wage Board	0	0	0	0	0	0	0
Per Diem	558	8	26	592	10	0	602
Other Travel Costs	263	4	(37)	230	4	0	234
Leased Vehicles	16	0	(1)	15	0	0	15
Communications Services(DWCF) Tier 2	274	4	(21)	257	4	1	262
Communications Services(DWCF) Tier 1	50	1	(39)	12	0	(2)	10
Defense Finance and Accounting Services (DFAS)	1,017	14	(993)	38	1	(1)	38
Commercial Transportation	285	4	15	304	5	(1)	308
Rental Payments to GSA Leases(SLUC)	0	0	3,572	3,572	59	(346)	3,285
Purchased Utilities (non-DWCF)	135	2	34	171	3	70	244
Purchased Communications (non-DWCF)	477	7	487	971	16	(4)	983
Rents (non-GSA)	824	11	494	1,329	22	(10)	1,341
Postal Services (USPS)	15	0	0	15	0	0	15
Supplies & Materials (non-DWCF)	933	13	15	961	16	(4)	973
Equipment Operation & Maintenance by Contract	13,648	188	(1,946)	11,890	196	(1,722)	10,364
Facility Operation & Maintenance by Contract	456	6	(462)	0	0	0	0
Equipment Purchases (non-DWCF)	6,088	84	(444)	5,728	95	(21)	5,802
Contract Consultants	36	0	(36)	0	0	0	0
Management and Professional Support Services	259	4	(64)	199	3	2	204
Engineering and Technical Services	545	7	1,523	2,075	34	(8)	2,101
Locally Purchased Fuel (non-DWCF)	6,308	87	(6,370)	25	0	0	25
Other Intra-governmental Purchases	14,846	204	(7,684)	7,366	122	(28)	7,460
Other Contracts	0	0	16,576	16,576	274	(208)	16,642
Other Costs	0	0	7,843	7,843	129	(28)	7,944
Land and Structures	0	0	0	0	0	0	0
Total Activity Group	72,824	1,535	8,218	82,577	1,912	(1,813)	82,676

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: Combat Support and Electronic Commerce

I. Description of Operations Financed: The Combat and Support/Electronic Commerce Activity group consists of three subactivities: the Global Combat Support System, the Center for Continuity of Operations Testing, and Electronic Commerce.

II. Force Structure Summary: The **Global Combat Support System (GCSS)** supports the joint warfighter through a strategy to provide end-to-end interchange of information across and between combat support functions such as medical, logistics, personnel, engineering, finance, and command and control functions. The GCSS, in conjunction with other Defense Information Infrastructure elements including Global Command and Control System (GCCS), Defense Information Systems Network, Defense Message System, Defense Enterprise Computing Centers (DECCs), and CINC/Service/Agencies information architectures, provides the information technology capabilities required to move and sustain joint forces in the "DOD split base/reach back" concept.

DISA supports the Commanders-in-Chief and Joint Task Force levels by developing GCSS (CINC/JTF). This system consists of three components: the Combat Support Data Environment (CSDE), the Common Operational Picture-Combat Support Enhanced (COP-CSE), and the GCSS Portal. The CSDE is the core of the GCSS (CINC/JTF) system. It includes the data mediator, which draws the data from various source systems. This component is essentially a "server" to the other two components. The COP-CSE is an extension of the GCCS COP. It provides the capability for the user to query logistical information on units, sites and tracks located on the GCCS COP. The GCSS Portal is a Windows NT-based application that is essentially a "web browser" of the same data available on the COP-CSE. It too is dependent on the CSDE to draw data from the source systems. GCSS provides improved communications between the forward deployed elements and the sustaining bases that ultimately result in significant improvements in combat support to the joint warfighter. By using the Defense Information Infrastructure Common Operating Environment (DII COE), GCSS provides "any box, any user, one net, one picture" capability. The benefits are:

- Support readiness and warfighting requirements
- Provide integrated, interoperable, fused view of the battlespace
- Improve ability to use full capability of the sustaining base

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
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Activity Group: Combat Support and Electronic Commerce

II. Force Structure Summary (Continued):

- Enable process change and attainment of improved logistics performance
- Promote integration of existing and future combat support applications

The **DISA** Continuity of Operations Test Facility (DCTF) provides support and solutions for combat support systems disaster recovery services, a GCSS test and integration facility for pre-production GCSS applications, and GCSS prototype environment. The DCTF performs the following: backup support for combat support systems before and after they migrate to the GCSS environment; implementation of a simultaneous disaster recovery processing capability; performance of annual tests on identified mission critical combat support systems; review and recommendation of updates to the Disaster Recovery Plans for all DECC mission critical systems; performance of compliance and integration certification tests on pre-production DII COE components; performance of compliance and integration certification tests on pre-production GCSS/GCCS applications; assistance with storage, testing, and distribution of the distribution of the Shared Data Environment; major and minor updates to the COOP and GCSS/GCCS Integration and Testing program to stay abreast of the DII COE environment; and effective provision of GCSS/GCCS fielding support to the Warfighter. The DISA DCTF also provides disaster and business recovery planning and test support, and software testing for other federal agencies.

The Defense Reform Initiative (DRI) established the **Joint Electronic Commerce Program Office** (JECPO) to accelerate the application of paperless electronic business practices and associated information technologies to improve DOD acquisition processes, support life-cycle sustainment, and streamline other business operations. Initial efforts were focused on implementing eBusiness applications to support the Paperless Contracting life cycle. In FY02 and beyond, focus will be oriented toward development of common enterprise-wide solutions that support information exchange in additional functional areas, including transportation, medical, personnel, and travel. The JECPO has already brought several applications in the paperless contracting life cycle from initial prototypes into operational status i.e. Electronic Document Access, Central Contractor Registration, Past Performance Automated Information System, and has significantly expanded the processing of Electronic Data

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: Combat Support and Electronic Commerce

Interchange (EDI) information between government and vendor users through its Defense Electronic Business Exchange (DEBX) infrastructure.

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Activity Group</u>	FY00 <u>Actuals</u>	FY01 <u>Request</u>	FY01 <u>Appropriation</u>	FY01 <u>Estimate</u>	FY02 <u>Estimate</u>
1. GCSS	25,370	10,428	10,258	8,560	12,590
2. DCTF	13,014	18,382	18,330	17,643	18,377
3. Electronic Commerce	43,636	13,944	13,764	15,754	14,857
Total	82,020	42,754	42,352	41,957	45,824

B. Reconciliation Summary:

	<u>Change FY01/FY01</u>	<u>Change FY01/ FY02</u>
1. Baseline Funding	42,754	41,957
a. Congressional Adjustments (Distributed)	0	0
b. Congressional Adjustments (Undistributed)	(342)	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(60)	0
2. Appropriated Amount	42,352	0
a. FY 2001 Rescission	(66)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	0	0
d. Functional Transfers-Out	0	0
3. Price Change	0	1,063
4. Program Changes	(329)	2,804
5. Current Estimate	41,957	45,824

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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 Activity Group: Combat Support and Electronic Commerce

C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget		42,754
2.	Congressional Adjustments (Undistributed)		
	a. Contract and Advisory Services	(280)	
	b. Defense Joint Accounting System	(62)	
	Total Congressional Adjustments (Undistributed)		(342)
3.	Congressional Earmarks Billpayer		(60)
4.	FY 2001 Appropriated Amount		42,352
5.	FY 2001 Rescission - P.L. 106-554		(66)
6.	Functional Transfers		0
7.	Program Decrease		(329)
8.	Revised FY 2001 Current Estimate		41,957
9.	Price Growth		1,063
10.	Program Increases		
	a. Sustainment of the integrated Advanced Concept Technology Demonstration (ACTD) tools after implementation. RDT&E was inadvertently moved during the FY01-05 POM for GCSS ACTD.	2,900	
	b. Sustainment and operational hardware/software maintenance at a larger number of fielded GCSS (CINC/JTF) sites; increased operational capability of the Help Desk for problem resolution and to support the larger numbers of fielded sites; as well as support communications and facility operations.	1,544	
	Total Program Increases		4,444

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Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: Combat Support and Electronic Commerce

C. Reconciliation of Increases and Decreases (Continued):

11. Program Decreases

a. Joint Electronic Commerce Program reductions result primarily from changes in the DLA/DISA Inter-Service Agreement for JECPO operational cost.	(846)
b. Delay Defense Contract Management Agency's (DCMAs) End-to-End plan until specific implementation guidance is promulgated.	(658)
c. Rebaselining of civilian pay based on agency-wide review of missions, functions and organizational elements	(136)
Total Program Decreases	(1,640)

12. **FY 2002 Budget Request** **45,824**

IV. Performance Criteria and Evaluation Summary:

Global Combat Support System: Undertake development, integration, testing, and fielding of capabilities that implement Joint Staff validated, approved, and prioritized functional requirements contained in GCSS Phase 3 Requirements Identification Document and translated into technical solutions with cost/schedule/performance parameters in the GCSS Phase 3 Evolutionary Phase Implementation Plan (EPIP) (Field Release 3.x in FY02).

Electronic Commerce performance will be measured by (1) how we transition from paper to paperless, i.e. how much paper bought, numbers of printers, percentage of payments paid electronically, etc.; (2) how Electronic Business/Electronic Commerce (EB/EC) impacts established business processes, i.e. measures of lead time for business processes, reduction in cycle time, response time for user requests, cost reduction in personnel, number and

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IV. Performance Criteria and Evaluation Summary (Continued):

percentage of manual transactions in all functional business areas, etc.; (3) how we use new EB/EC enabling technologies and infrastructures, i.e. utilize ROI-like metrics as a measurement guide, ECPN-number of transactions and purchase amounts, capacity, availability, speed of service and reliability of EB/EC infrastructure, percentage of business conducted by non CCR contractors, number of vendors accessing EDA, number of systems using PKI, etc.; and (4) use customer-driven performance measures, such as surveys.

CCOT delivers technical operational and management support for DoD Information Systems Continuity of Operations (COOP) disaster recovery for DISA's processing facilities, provides a back-up site for customer developed multi-platform environments, and is the hot back-up site for EC/EDI applications. One of the most significant measures for the COOP Mission at CCOT is customer satisfaction, since satisfaction of customers is partly evidenced by the increasing number of requests for support. CCOT is on target to achieve 90% customer satisfaction rate based on customer surveys in FY00, increased from 85% in FY99.

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V. Combat Support/Electronic Commerce Personnel Summary:

	(Actual) Change
	<u>FY 2000</u>
	<u>FY 2001</u>
	<u>FY 2002</u>
	<u>FY 2001/FY 2002</u>
Military End Strength Total	19
	16
	27
	11
Officer	19
	15
	27
	12
Enlisted	0
	1
	0
	-1

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(Actual)
 Change

FY 2000
FY 2001
FY 2002
FY 2001/FY 2002

Civilian End Strength Total

201
 208
 208
 0

USDH

201
 208
 208
 0

FNDH

0
 0
 0
 0

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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(Actual)
 Change

FY 2000
FY 2001
FY 2002
FY 2001/FY 2002

FNIH

0
 0
 0
 0

Reimbursable

0
 0
 0
 0

Military Workyears Total

19
 16
 27
 11

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 Fiscal Year (FY) 2002 Amended Budget Submission
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(Actual)
 Change

FY 2000
FY 2001
FY 2002
FY 2001/FY 2002

Officer	19 15 27 12
Enlisted	0 1 0 -1
Civilian Workyears Total	123 191 205 14

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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(Actual)
 Change

FY 2000
FY 2001
FY 2002
FY 2001/FY 2002

USDH

123
 191
 205
 14

FNDH

0
 0
 0
 0

FNIH

0
 0
 0
 0

Reimbursable

0
 0
 0
 0

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	Change FY 2000/FY2001			Change FY 2001/FY2002			
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Executive, General and Special Schedules	8,463	291	6,389	15,143	621	301	16,065
Wage Board	0	0	41	41	2	0	43
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	0	0	0	0	0	0	0
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	401	6	158	565	9	520	1,094
Other Travel Costs	81	1	(82)	0	0	0	0
Leased Vehicles	7	0	2	9	0	0	9
Communications Services(DWCF) Tier 2	247	3	(189)	61	1	1	63
Communications Services(DWCF) Tier 1	46	1	(36)	11	0	(2)	9
Pentagon Reservation Maintenance Revolving Fund	0	0	0	0	0	0	0
Defense Finance and Accounting Services (DFAS)	7,487	103	(7,590)	0	0	0	0
Commercial Transportation	13	0	1	14	0	0	14
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	345	5	(191)	159	3	(1)	161
Purchased Utilities (non-DWCF)	59	1	320	380	6	(1)	385
Purchased Communications (non-DWCF)	51	1	311	363	6	8	377
Rents (non-GSA)	0	0	562	562	9	(571)	0
Postal Services (USPS)	21	0	(21)	0	0	0	0
Supplies & Materials (non-DWCF)	207	3	111	321	5	(163)	163
Printing & Reproduction	1,600	22	(1,620)	2	0	(2)	0
Equipment Operation & Maintenance by Contract	36,372	500	(21,290)	15,582	257	4,007	19,846
Facility Operation & Maintenance by Contract	2,346	32	(1,328)	1,050	17	11	1,078
Equipment Purchases (non-DWCF)	11,577	159	(9,303)	2,433	40	(444)	2,029
Contract Consultants	0	0	0	0	0	0	0
Management and Professional Support Services	1,183	16	(969)	230	4	(1)	233
Studies, Analyses and Evaluations	2,394	33	(2,427)	0	0	0	0
Engineering and Technical Services	6,067	83	(2,038)	4,112	68	(1,634)	2,546
Locally Purchased Fuel (non-DWCF)	0	0	0	0	0	0	0

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: Combat Support and Electronic Commerce

Other Intra-governmental Purchases	2,385	33	(2,104)	314	5	727	1,046
Other Contracts	521	7	(528)	0	0	50	50
Other Costs	53	1	551	605	10	(2)	613
Land and Structures	94	1		0	0	0	0
Miscellaneous Charges	0	0		0	0	0	0
Total Activity Group	82,020	1,302	(41,270)	41,957	1,063	2,804	45,824

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Activity Group: DOD Information Services

I. Description of Operations Financed: Civilian salaries, operating expenses, and contract efforts for the IT Services subactivity group to support the Defense Information Infrastructure (DII) Core Asset Management Engineering activities and DISA Information Systems Center (DISC) to provide secure information systems and services for DISA personnel worldwide and customer service for the DISANet as an integral part of the DISA information systems (DISA-IS) to include data and voice.

II. Force Structure Summary: The core **IT Services** include technical engineering for the DII Core Asset Management and Technical Policy and Interoperability programs. These programs insure there is a common infrastructure and mechanism for electronically and readily distributing DII information assets to DOD users. DISA provides these services to the ASD(C3I) who has been given responsibility for implementing information technology principles throughout DOD.

The DII Core Asset Management program provides the mechanism for the management and control of software and data assets supporting DII compliant DOD mission applications. The engineering tasks produce data products which establish data interoperability with the DOD, its allies and coalition partners, and other government departments and agencies. This project is an integral part of the Tactical Command Communication Computer Intelligence (TC4I) initiative whose objective is to provide the warfighter with access to secure and consistent tactical, strategic, and resource information.

The **DISA Information Systems Center (DISC)** operates and maintains DISA's base-level information systems, including automated information networks, message centers, voice (telephone) systems, and other DISA information support centers. DISA's Director considers the DISA-IS to be DISA's internal command and control system. Funds provide network support for office automation and mission functions in both the classified and unclassified environments for over 10,000 DISA employees and contractors in 42 locations worldwide (17 NCR, 30 CONUS, and 12 OCONUS.) This entails all aspects of planning, selection, systems integration, installation, and operation and maintenance of the local area networks in support of DISA internal/external customers including OSD and the Joint Staff.

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 Amended Budget Submission
 Activity Group: DOD Information Services

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivities</u>	<u>FY00 Actuals</u>	<u>FY01 Request</u>	<u>FY01 Appropriation</u>	<u>FY01 Estimate</u>	<u>FY02 Estimate</u>
1. IT Services	9,719	11,053	9,714	9,700	15,517
2. DISC	23,388	27,346	28,572	25,070	29,422
Total	33,107	38,399	38,286	34,770	44,939
B. <u>Reconciliation Summary:</u>				<u>Change FY01/FY01</u>	<u>Change FY01/ FY02</u>
1. Baseline Funding				38,399	34,770
a. Congressional Adjustments (Distributed)				0	0
b. Congressional Adjustments (Undistributed)				(58)	0
c. Congressional Adjustments (General Provisions)				0	0
d. Congressional Earmarks				0	0
e. Congressional Earmarks Billpayer				(54)	0
2. Appropriated Amount				38,287	0
a. FY 2001 Rescission				(80)	0
b. Pending Programming Actions				0	0
c. Functional Transfers-In				0	0
d. Functional Transfers-Out				0	0
3. Price Change				0	880
4. Program Changes				(3,437)	9,289
5. Current Estimate				34,770	44,939

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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C. <u>Reconciliation of Increases and Decreases:</u>		
1. FY 2001 President's Budget		38,399
2. Congressional Adjustments (Distributed)	0	
3. Congressional Adjustments (Undistributed)		
a. Headquarters Personnel Reduction	0	
b. Contract and Advisory Services	(3)	
c. Defense Joint Accounting System	(55)	
d. Pentagon Renovation Unobligated Balance	0	
Total Congressional Adjustments (Undistributed)		(58)
4. Congressional Earmarks Billpayer		(54)
5. FY 2001 Appropriated Amount		38,287
6. FY 2001 Rescission P.L. 106-554		(80)
7. Program Decreases		(3,437)
8. Revised FY 2001 Current Estimate		34,770
9. Price Growth		880
10. Functional Transfers-In		
Realignment of funds from Information Superiority C2 to DOD Information Services as a more appropriate business area for activities supported by the DISA Chief Information Officer (CIO).	3,553	
Total Functional Transfers-In		3,553
11. Program Increases		
a. Joint Staff taskings for technical policy and interoperability		

DEFENSE INFORMATION SYSTEMS AGENCY
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C. Reconciliation of Increases and Decreases (Continued):

requirements assessments and fielding of additional automated C4I Assessment Tools.	310
b. Increase in manyear costs for network systems support; DMS Implementation support; maintenance of Oracle enterprise licenses, and Enclave Security Policy Implementation.	4,944
c. Increased funds available for infrastructure enhancements to required technical standards.	572
d. Additional funding required for circuits due to convergence of opening new building and closing of five sites in the NCR.	67
Total Program Increases	5,893

12. Program Decreases

a. Reduced cost for purchasing PREMIS equipment.	(97)
b. Civilian pay realignments due to agency review of missions, functions and program elements to cover increased average salary costs.	(60)
Total Program Decreases	(157)

13. **FY 2002 Budget Estimate** **44,939**

IV. Performance Criteria and Evaluation Summary:

Network Operations: System Administration, Customer Support Services.

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IV. Performance Criteria and Evaluation Summary (Continued):

DISANet performance is measured by automated systems which compute system reliability and availability. Technical support services are measured by (1) customer satisfaction surveys and (2) trouble ticket closure statistics and percent of trouble reports resolved on the spot during initial customer calls.

Mail Messaging: Network Mail Services, Message Center, WWOLS-R, DMS, Support service provided by RSA Chambersburg

- E-Mail service will be measured by automated tools which show E-Mail system volumes, message delivery times, system reliability, and other performance data.

- Organizational messaging performance is based on the number of messages sent and received against the number of service messages and the amount of time involved in updating Plain Language Addresses, updating user profiles, and the time involved in responding to customer complaints.

- Individual messaging performance is based on the number of new accounts created or existing accounts activities such as moves, directory updates, etc. as well as statistics on trouble tickets.

DISANet Control Center (DCC): DISANet 24/7 Operational Network Mgmt & Ctrl; Global Operations & Security Center (GOSC) 24/7 Technical support & COMSEC Operations Posted real-time on the DCC Intranet WEB page and are based on current quarterly inputs to the DOD Component Performance Plan in the following five areas:

- Network availability and reliability
- WEB site availability
- Key applications availability
- NCR E-mail response time
- WAN E-mail response time

Systems Integration: Technical Support and Purchase of DISANet Infrastructure HW & SW Performance measures are standard for DISANet as measured by the DISA Control Center. Customer surveys as measures of user satisfaction with DISANet services.

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IV. Performance Criteria and Evaluation Summary (Continued):

Communications Connectivity for DISANet and NCR Telephone Systems and Services:

Performance measures consist of DISC customer service surveys which indicate that telephone systems and services rank 3 to 4 on a scale of 5, with 5 being the highest level of customer satisfaction.

- Effective performance baseline measures are indicated by cutting operational costs under existing DOD contracts for telephone systems and services while increasing responsiveness, with the goal of maintaining a flat or decreasing telephone services budget line for FY01 and the out years.
- Effective performance baseline measures for management of DISANet communications connectivity are indicated by cutting operational costs through continuous auditing of all funded circuitry and elimination of redundant and under utilized circuitry; with the goal of maintaining a flat or decreasing budget line for the out years as the DISANet transitions to DISN ATM MAN/WAN connectivity and consolidates locations in the NCR under Project Eagle.

Maintenance for Network Infrastructure and DISC Premise:

The number of customer information technology requirement (RIDS) received and the percentage of RIDs completed on schedule each quarter is an indicator of customer satisfaction. Ninety-five percent is the target for the percentage of RIDs completed on schedule.

Management, Administration, Travel, Training, Office Support Costs:

Feedback from DISC personnel indicates the degree of success in providing customer support.

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V. DOD Information Services Personnel Summary:

	(Actual)	
		Change
		<u>FY 2000</u>
		<u>FY 2001</u>
		<u>FY 2002</u>
		<u>FY 2001/FY 2002</u>
Military End Strength Total	19	
	15	
	16	
	1	

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Activity Group: DOD Information Services

Officer	5
	6
	9
	3
Enlisted	14
	9
	7
	-2
Civilian End Strength Total	154
	173
	177
	4

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USDH

154
173
177
4

FNDH

0
0
0
0

FNIH

0
0
0
0

Reimbursable

0
0
0
0

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Military Workyears Total

19
15
16
1

Officer

5
6
9
3

Enlisted

14
9
7
-2

DEFENSE INFORMATION SYSTEMS AGENCY
Operation and Maintenance, Defense-Wide
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Activity Group: DOD Information Services

Civilian Workyears Total

151
145
174
29

USDH

151
145
174
29

FNDH

0
0
0
0

FNIH

0
0
0

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0

Reimbursable

0
0
0
0

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	FY2000 Actual	Change FY2000/FY2001		FY2001 Estimate	Change FY2001/FY2002		FY2002 Estimate
		Price Growth	Program Growth		Price Growth	Program Growth	
Executive, General and Special Schedules	9,860	339	1,552	11,751	482	2,136	14,369
Wage Board	0	0	704	704	29	0	733
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	0	0	0	0	0	0	0
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	119	2	(2)	119	2	35	156
Other Travel Costs	23	0	56	79	1	(1)	79
Leased Vehicles	0	0	0	0	0	0	0
Communications Services(DWCF) Tier 2	1,396	19	605	2,020	33	130	2,183
Communications Services(DWCF) Tier 1	416	6	(324)	98	2	(15)	85
Pentagon Reservation Maintenance Revolving Fund	0	0	0	0	0	0	0
Defense Finance and Accounting Services (DFAS)	0	0	0	0	0	0	0
Commercial Transportation	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	0	0	1,766	1,766	29	13	1,808
Purchased Utilities (non-DWCF)	6	0	(6)	0	0	0	0
Purchased Communications (non-DWCF)	1,506	21	(27)	1,500	25	(25)	1,500
Rents (non-GSA)	0	0	0	0	0	0	0
Postal Services (USPS)	0	0	0	0	0	0	0
Supplies & Materials (non-DWCF)	495	7	(342)	160	3	22	185
Printing & Reproduction	0	0	0	0	0	0	0
Equipment Operation & Maintenance by Contract	16,849	232	(2,210)	14,871	245	5,268	20,384
Facility Operation & Maintenance by Contract	11	0	(11)	0	0	15	15
Equipment Purchases (non-DWCF)	2,199	30	(800)	1,429	24	1,256	2,709
Contract Consultants	0	0	0	0	0	0	0
Management and Professional Support Services	182	3	(149)	36	1	(1)	36
Studies, Analyses and Evaluations	0	0	0	0	0	0	0
Engineering and Technical Services	2	0	1	3	0	0	3
Locally Purchased Fuel (non-DWCF)	0	0	114	114	2	(1)	115

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	<u>FY2000</u>	<u>Change FY2000/FY2001</u>		<u>FY2001</u>	<u>Change FY2001/FY2002</u>		<u>FY2002</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Other Intra-governmental Purchases	31	0	89	120	2	13	135
Other Contracts	12	0	(12)	0	0	444	444
Other Costs	0	0	0		0	0	
Land and Structures	0	0	0	0	0	0	0
Miscellaneous Charges	0	0	0	0	0	0	0
Total Activity Group	33,107	659	1,004	34,770	880	9,289	44,939

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Activity Group: Agency Management

I. Description of Operations Financed: Management Headquarters is responsible for overseeing, directing, and controlling Defense Information Systems Agency (DISA) activities. DISA activities include both those funded with appropriated funding and those funded through the Defense Working Capital Fund (DWCF). In this capacity Headquarters Management staff develops and issues policies and provides Agency-wide policy guidance; reviews and evaluates overall program performance; allocates and distributes Agency resources; and conducts mid- and long-range planning, programming, and budgeting. The activities include technical and administrative support essential to the operation of DISA. Additionally, Management Headquarters accounts for Agency-wide congressionally mandated functions such as the Equal Employment Opportunity Office and the Inspector General.

II. Force Structure Summary: DODD 5100.73, Major Department of Defense Headquarters Activities, 13 May 1999, designates DISA as a Defense-Wide Management Headquarters Activity. As such, Headquarters elements must be supported.

Inasmuch as Agency Management deals with overseeing, controlling, and directing DISA activities, outputs primarily consist of policies, guidelines, procedures, and other "software" products. Examples of such products are: Program Objective Memorandum; DISA Annual Performance Plan; Agency Performance Contract that establishes performance metrics for the agency and allows OSD to evaluate DISA performance in accomplishing its mission; DISA Strategic Plan that provides the framework for subordinate DISA organizations to develop their appropriate level goals, objectives, and performance measures to ensure the link with overall agency goals and objectives and therefore unity of purpose; Global Information Grid Master Plan, Budget Estimate Submission, President's Budget Request, Annual Program Plan and Program Reviews, and the Information Technology Budget.

Other outputs include: cost/benefit analyses which include economic analyses and business cases that examine and improve the efficiency of existing DISA programs and quantify the effectiveness of proposed agency changes; independent cost estimates; appropriated fund

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Operation and Maintenance, Defense-Wide
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Activity Group: Agency Management

II. Force Structure Summary (Continued):

accounting policy and procedures; Internal Control Program; Monthly Financial Reports; Quarterly Performance Contract Reports that monitor and report on the deliverables in the Agency Performance Contract addressed above (A summary of the OSD, Program Analysis and Evaluation (PA&E), review of the FY00 results of eight defense agencies showed DISA achieving 96% of the 51 metrics covering four business areas.); Agency Internal Metrics; and DISA auditable financial statements; manpower policy and guidance; and the Joint Manpower Program (JMP). The JMP is required by the Joint Staff and provides data to the Services regarding the position build for individual military billets. The JMP allows future planning by the Services for upcoming military skills, grades and other requirements. This staff also provides mission, engineering, technical and scientific advice and assessments to the Director. Modeling, simulation and assessment support related to major Agency programs is also provided.

Customers that benefit from the outputs addressed above include not only internal DISA managers and staffs but also external customers such as OSD (C3I, PA&E, Comptroller), the Joint Staff, the CINCs, the Military Departments and Services, and the Defense Agencies.

In FY 2002, the funds for Operation and Maintenance are to provide for the civilian salaries and the operating costs associated with Headquarters Management oversight and administrative services. Included are funds for the mandated repayment of agency disability compensation costs assigned to the Agency by the Department of Labor as well as funds for direct administration support such as general office supplies, equipment, and equipment maintenance as they relate to the Director, DISA. Additionally, a support services contract will be initiated in FY 2002 for Internet access to Information Technology (IT) research notes and strategic reports on enterprise network strategies, information security strategies, and IT industry trends and strategic direction.

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III. Financial Summary (O&M: \$ in Thousands):

<u>A. Activity Group</u>	<u>FY00</u> <u>Actuals</u>	<u>FY01</u> <u>Request</u>	<u>FY01</u> <u>Appropriation</u>	<u>FY01</u> <u>Estimate</u>	<u>FY02</u> <u>Estimate</u>
Agency Management	21,961	25,304	24,534	28,062	30,676
TOTAL	21,961	25,304	24,534	28,062	30,676

B. Reconciliation Summary:

	<u>Change</u> <u>FY01/FY01</u>	<u>Change</u> <u>FY01/ FY02</u>
1. Baseline Funding	25,304	28,062
a. Congressional Adjustments (Distributed)	(735)	0
b. Congressional Adjustments (Undistributed)	0	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmarks Billpayer	(35)	0
2. Appropriated Amount (Subtotal)	24,534	0
a. FY 2001 Rescission	(9)	0
b. Pending Programming Actions	0	0
c. Functional Transfers-In	0	0
d. Functional Transfers-Out	0	0
3. Price Change	0	1,092
4. Program Changes	3,537	1,522
5. Current Estimate	28,062	30,676

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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request		25,304
2. Congressional Adjustment (Undistributed)		
a. Headquarters Personnel Reduction	(698)	
b. Defense Joint Accounting System	(37)	
Total Congressional Adjustment (Undistributed)		(735)
3. Congressional Earmarks Billpayer		(35)
4. FY 2001 Appropriated Amount		24,534

C. Reconciliation of Increases and Decreases:

5. FY 2001 Rescission P.L. 106-554		(9)
6. Program Increase		3,537
7. Revised FY 2001 Current Estimate		28,062
8. Price Growth		1,092
9. Program Increases		
a. Added compensation required to resource Agency Management JTD billets.	626	
b. Initiation of support services contract that will allow DISA to access technical expertise, current research, and trends in the Information Technology (IT)environment critical to achievement of strategic and		

DEFENSE INFORMATION SYSTEMS AGENCY
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C. Reconciliation of Increases and Decreases (Continued):

business planning for the Warfighter telecommunication requirements and DOD computing performance metrics.	114	
c. Increased site visits by DISA senior leaders to each Commander in Chief (CINC) to coordinate Defense Information Systems Network (DISN) and telecomputing business rates as well as conduct on-site inspections and assessments.	292	
d. Equipment purchases to exploit the major IT advances and thereby ensure leading-edge capabilities are available to headquarters decision makers with minimal delays and costs. Equipment maintenance increase.	196	
e. Increased replacement costs associated with enhanced IT equipment.	144	
f. Increased Disability Compensation to ensure full repayment of such costs assigned to the Agency by the Department of Labor; training and development, and printing for Headquarters managers and staff as DISA moves the workforce toward Joint Vision 2010/20.	150	
Total Increases		1,522
10. FY 2002 Budget Request		30,676

DEFENSE INFORMATION SYSTEMS AGENCY
 Operation and Maintenance, Defense-Wide
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IV. Performance Criteria and Evaluation Summary:

DISA is the central manager of the Defense Information Infrastructure and is responsible for planning, developing, and supporting C4I for the National Command Authorities under all conditions of peace and war. Agency Management support to DISA is accomplished for 3 percent or less of total DISA TOA. If civilian payroll is removed from both Agency Management and DISA TOA numbers, Agency Management is .4 percent or less from FY 2001 through FY 2003. This minimal funding level supports 268 civilian FTEs and 55 military as Headquarters manpower meets the statutory requirements levied on the Agency and oversees, directs, and controls activities related to the accomplishment of the DISA mission.

V. Agency Management Personnel Summary

	(Actual)			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Military End Strength Total	55	54	63	9
Officer	39	39	47	8
Enlisted	16	15	16	1
Civilian End Strength Total	250	280	280	0
USDH	250	279	278	-1
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	0	1	2	1

V. Agency Management Personnel Summary (Cont.)

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	(Actual)			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
Military Workyears Total	55	54	63	9
Officer	39	39	47	8
Enlisted	16	15	16	1
Civilian Workyears Total	215	263	274	11
USDH	215	262	272	10
FNDH	0	0	0	0
FNIH	0	0	0	0
Reimbursable	0	1	2	1

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	Change FY 2000/FY2001			Change FY 2001/FY2002			
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Executive, General and Special Schedules	20,151	693	4,833	25,677	1,054	626	27,357
Wage Board	0	0	0	0	0	0	0
Benefits to Former Employees	0	0	0	0	0	0	0
Disability Compensation	0	0	896	896	15	56	967
Voluntary Separation Incentive Payments	0	0	0	0	0	0	0
Per Diem	219	3	141	363	6	265	634
Other Travel Costs	33	0	(7)	26	0	27	53
Leased Vehicles	22	0	(22)	0	0	0	0
Communications Services(DWCF) Tier 2	0	0	0	0	0	0	0
Communications Services(DWCF) Tier 1	0	0	0	0	0	0	0
Pentagon Reservation Maintenance Revolving Fund	0	0	0	0	0	0	0
Defense Finance and Accounting Services (DFAS)	66	1	(67)	0	0	0	0
Commercial Transportation	16	0	(16)	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Rental Payments to GSA Leases(SLUC)	0	0	0	0	0	0	0
Purchased Utilities (non-DWCF)	0	0	0	0	0	0	0
Purchased Communications (non-DWCF)	0	0	0	0	0	0	0
Rents (non-GSA)	0	0	0	0	0	0	0
Postal Services (USPS)	0	0	2	2	0	0	2
Supplies & Materials (non-DWCF)	290	4	(59)	235	4	144	383
Printing & Reproduction	0	0	29	29	0	1	30
Equipment Operation & Maintenance by Contract	68	1	125	194	3	27	224
Facility Operation & Maintenance by Contract	1	0	(1)	0	0	0	0
Equipment Purchases (non-DWCF)	566	8	(309)	265	4	169	438
Contract Consultants	0	0	0	0	0	0	0
Management and Professional Support Services	90	1	(91)	0	0	0	0
Studies, Analyses and Evaluations	0	0	0	0	0	0	0
Engineering and Technical Services	0	0	0	0	0	0	0

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VII. <u>PRICE AND PROGRAM CHANGES (\$ in Thousands)</u>	Change FY 2000/FY2001			Change FY 2001/FY2002			
	FY2000 Actual	Price Growth	Program Growth	FY2001 Estimate	Price Growth	Program Growth	FY2002 Estimate
Locally Purchased Fuel (non-DWCF)	0	0	0	0	0	0	0
Other Intra-governmental Purchases	0	0	171	171	3	93	267
Other Contracts	397	5	(270)	132	2	114	248
Other Costs	40	1	31	72	1	0	73
Land and Structures	2	0	(2)	0	0	0	0
Miscellaneous Charges	0	0	0	0	0		0
Total Activity Group	21,961	717	5,384	28,062	1,092	1,522	30,676

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 Operation and Maintenance, Defense Wide
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 Summary of Price and Program Changes

(\$ In Thousands)

	FY2000 Program	Price Percent	Growth Amount	Program Growth	FY2001 Program
<u>CIVILIAN PERSONNEL COMPENSATION</u>					
101Executive, General & Special Schedules	201,791	3.438%	6,938	9,799	218,528
103Wage Board	687	3.493%	24	34	745
104Foreign Nat'l Direct Hire (FNDH)	0	0.000%	0	0	0
105Separation Liability (FNDH)	0	0.000%	0	0	0
106Benefits to Former Employees	0	0.000%	0	0	0
107Voluntary Separation Incentive Payments	0	0.000%	0	0	0
110Unemployment Compensation	0	0.000%	0	0	0
111Disability Compensation	945	1.376%	13	(62)	896
117Civilian Pay Offset	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
199 Total Civilian Personnel Compensation	203,423		6,975	9,771	220,169
<u>TRAVEL</u>					
308Travel of Persons	<u>23,459</u>	1.377%	<u>323</u>	<u>218</u>	<u>24,000</u>
399 Total Travel	23,459		323	218	24,000
<u>DWCF (FUND) SUPPLIES & MATERIALS PURCHASES</u>					
401DFSC Fuel	0	0.000%	0	0	0
402Service Fuel	0	0.000%	0	0	0
411Army Managed Supplies & Materials	0	0.000%	0	0	0
412Navy Managed Supplies & Materials	0	0.000%	0	0	0
414Air Force Managed Supplies & Materials	0	0.000%	0	0	0
415DLA Managed Supplies & Materials	0	0.000%	0	0	0
416GSA Managed Supplies & Materials	0	0.000%	0	0	0
417Locally Procured Fund Managed Supplies&Matls	<u>0</u>	0.000%	<u>0</u>	0	<u>0</u>
499Total Fund Supplies & Materials Purchases	0		0	0	0
<u>DWCF (FUND) SUPPLIES & MATERIALS PURCHASES</u>					
401DFSC Fuel	0	0.000%	0	0	0
402Service Fuel	0	0.000%	0	0	0
411Army Managed Supplies & Materials	0	0.000%	0	0	0

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Summary of Price and Program Changes

(\$ In Thousands)

	FY2000 Program	Price Percent	Growth Amount	Program Growth	FY2001 Program
412Navy Managed Supplies & Materials	0	0.000%	0	0	0
414Air Force Managed Supplies & Materials	0	0.000%	0	0	0
415DLA Managed Supplies & Materials	0	0.000%	0	0	0
416GSA Managed Supplies & Materials	0	0.000%	0	0	0
417Locally Procured Fund Managed Supplies&Matls	<u>0</u>	0.000%	<u>0</u>	0	<u>0</u>
499 Total Fund Supplies & Materials Purchases	0		0	0	0
<u>DWCF EQUIPMENT PURCHASES</u>					
502Army Equipment	0	0.000%	0	0	0
503Navy Equipment	0	0.000%	0	0	0
505Air Force Equipment	0	0.000%	0	0	0
506DLA Equipment	0	0.000%	0	0	0
507GSA Managed Equipment	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
599 Total Fund Equipment Purchases	0		0	0	0
<u>OTHER DWCF PURCHASES (EXCLUDE TRANSPORTATION)</u>					
647DISA Information Services Megacenters (DWCF)	0	0.000%	0	0	0
671Communication Services Tier 2 (DWCF)	60,686	1.374%	834	(29,154)	32,366
677Communication Services Tier 1(DWCF)	5,222	1.398%	73	(4,068)	1,227
672Pentagon Reservation Maintenance Revolving Fund	0	0.000%	0	5,286	5,286
673Defense Financing & Accounting Services (DFAS)	20,661	1.375%	284	(15,038)	5,907
679Cost Reimbursable Purchases	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
699 Total Purchases	86,569		1,191	(42,974)	44,786
<u>TRANSPORTATION</u>					
701MAC Cargo (Fund)	0	0.000%	0	0	0
702MAC SAAM (Fund)	0	0.000%	0	0	0
711MSC Cargo (Fund)	0	0.000%	0	0	0
721MTMC (Port Handling-Fund)	0	0.000%	0	0	0
725MTMC (Other-Non-Fund)	0	0.000%	0	0	0
771Commercial Transportation	<u>1,557</u>	1.285%	<u>20</u>	<u>(537)</u>	<u>1,040</u>
799Total Transportation	1,557		20	(537)	1,040

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Summary of Price and Program Changes

(\$ In Thousands)

	FY2000 Program	Price Percent	Growth Amount	Program Growth	FY2001 Program
<u>OTHER PURCHASES</u>					
901Foreign Nat'l Indirect Hire (FNIH)	0	0.000%	0	0	0
902Separation Liabilty (FNIH)	0	0.000%	0	0	0
912Rental Payments to GSA Leases(SLUC)	13,354	1.370%	183	2,503	16,040
913Purchased Utilities (Non-DWCF)	507	1.381%	7	1,578	2,092
914Purchased Communications (Non-DWCF)	6,933	1.399%	97	35,159	42,189
915Rents (Non-GSA)	15,730	1.373%	216	(13,965)	1,981
917Postal Services (USPS)	150	0.667%	1	33	184
920Supplies & Materials (Non-Fund)	7,739	1.396%	108	(909)	6,938
921Printing & Reproduction	1,883	1.381%	26	(1,451)	458
922Equipment Maintenance by Contract	204,676	1.375%	2,815	60,346	267,837
923Facility Maintenance by Contract	27,977	1.373%	384	(18,208)	10,153
925Equipment Purchases (Non-Fund)	68,182	1.374%	937	(35,322)	33,797
931Contract Consultants	801	1.373%	11	(647)	165
932Management & Professional Support Services	8,746	1.372%	120	(7,225)	1,641
933Studies, Analysis, and Evaluations	7,701	1.376%	106	(7,098)	709
934Engineering and Technical Services	79,766	1.373%	1,095	(73,381)	7,480
937Locally Purchased Fuel (Non-Fund)	6,308	1.379%	87	(5,136)	1,259
987Other Intra-governmental Purchases	31,020	1.373%	426	(12,667)	18,779
989Other Contracts	77,733	1.374%	1,068	(31,897)	46,904
991Foreign Currency Variance	0	0.000%	0	0	0
998Other Costs	2,949	1.390%	41	8,910	11,900
Land and Structures	<u>538</u>	1.301%	<u>7</u>	(545)	<u>0</u>
999Total Other Purchases	<u>562,693</u>		<u>7,735</u>		<u>470,506</u>
9999 GRAND TOTAL	877,701		16,244		760,501

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Summary of Price and Program Changes (\$ In Thousands)

	FY2001 Program	Price Percent	Growth Amount	Program Growth	FY2002 Program
Executive, General & Special Schedules	218,528	4.103%	8,966	4,7117	232,205
Wage Board	745	4.161%	31	0	776
Foreign Nat'l Direct Hire (FNDH)	0	0.000%	0	0	0
Separation Liability (FNDH)	0	0.000%	0	0	0
Benefits to Former Employees	0	0.000%	0	0	0
Voluntary Separation Incentive Payments	0	0.000%	0	0	0
Unemployment Compensation	0	0.000%	0	0	0
Disability Compensation	896	1.674%	15	56	967
Civilian Pay Offset	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
Total Civilian Personnel Compensation	220,169		9,012	4,767	233,948
 <u>TRAVEL</u>					
Travel of Persons	<u>24,000</u>	1.642%	<u>394</u>	<u>1,035</u>	<u>25,429</u>
Total Travel	24,000		394	1,035	25,429
 <u>DWCF (FUND) SUPPLIES & MATERIALS PURCHASES</u>					
DFSC Fuel	0	0.000%	0	0	0
Service Fund Fuel	0	0.000%	0	0	0
Army Managed Supplies & Materials	0	0.000%	0	0	0
Navy Managed Supplies & Materials	0	0.000%	0	0	0
Air Force Managed Supplies & Materials	0	0.000%	0	0	0
DLA Managed Supplies & Materials	0	0.000%	0	0	0
GSA Managed Supplies & Materials	0	0.000%	0	0	0
Locally Procured Fund Managed Supplies&Matls	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Supplies & Materials Purchases	0		0	0	0
502Army Fund Equipment	0	0.000%	0	0	0
503Navy Fund Equipment	0	0.000%	0	0	0
505Air Force Fund Equipment	0	0.000%	0	0	0
506DLA Fund Equipment	0	0.000%	0	0	0
507GSA Managed Equipment	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
599 Total Fund Equipment Purchases	0		0	0	0

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Summary of Price and Program Changes (\$ In Thousands)

	FY2001 Program	Price Percent	Growth Amount	Program Growth	FY2002 Program
<u>OTHER DWCF PURCHASES (EXCLUDE TRANSPORTATION)</u>					
647DISA Information Services Megacenters (DWCF)	0	0.000%	0	0	0
671Communication Services Tier 2 (DWCF)	32,366	1.650%	534	(14,138)	18,762
677Communication Services Tier 1(DWCF)	1,227	1.630%	20	(181)	1,066
672Pentagon Reservation Maintenance Revolving Fund	5,286	1.646%	87	(338)	5,035
673Defense Financing & Accounting Services (DFAS)	5,907	1.659%	98	736	6,741
679Cost Reimbursable Purchases	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
699 Total Purchases	44,786		739	(13,621)	31,604

TRANSPORTATION

701MAC Cargo (Fund)	0	0.000%	0	0	0
702MAC SAAM (Fund)	0	0.000%	0	0	0
711MSC Cargo (Fund)	0	0.000%	0	0	0
721MTMC (Port Handling-Fund)	0	0.000%	0	0	0
725MTMC (Other-Non-Fund)	0	0.000%	0	0	0
771Commercial Transportation	<u>1,040</u>	0.000%	<u>16</u>	<u>18</u>	<u>1,074</u>
799Total Transportation	1,040		16	18	1,074
901Foreign Nat'l Indirect Hire (FNIH)	0	0.000%	0	0	0
902Separation Liability (FNIH)	0	0.000%	0	0	0
912Rental Payments to GSA Leases(SLUC)	16,040	1.652%	265	(1,707)	14,598
913Purchased Utilities (Non-DWCF)	2,092	1.673%	35	781	2,908
914Purchased Communications (Non-DWCF)	42,189	1.652%	697	(13,291)	29,595
915Rents (Non-GSA)	1,981	1.615%	32	(469)	1,544
917Postal Services (USPS)	184	1.630%	3	(3)	184
920Supplies & Materials (Non-Fund)	6,938	1.672%	116	236	7,290
921Printing & Reproduction	458	1.528%	7	32	497
922Equipment Maintenance by Contract	267,837	1.650%	4,419	11,331	283,587
923Facility Maintenance by Contract	10,153	1.645%	167	(1,382)	8,938
925Equipment Purchases (Non-Fund)	33,797	1.648%	557	30,450	64,804
926Contract Consultants	165	1.818%	3	2	170
931Management & Professional Support Services	1,641	1.645%	27	(352)	1,316

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Summary of Price and Program Changes (\$ In Thousands)

	FY2001 Program	Price Percent	Growth Amount	Program Growth	FY2002 Program
932Studies, Analysis, and Evaluations	709	1.693%	12	292	1,013
933Engineering and Technical Services	7,480	1.644%	123	(780)	6,823
934Locally Purchased Fuel (Non-Fund)	1,259	1.589%	20	(72)	1,207
937Other Intra-governmental Purchases	18,779	1.656%	311	432	19,522
987Other Contracts	46,904	1.650%	774	7,205	54,883
989Foreign Currency Variance	0	0.000%	0	0	0
991Other Costs	11,900	1.647%	196	92	12,188
Land and Structures	<u>0</u>	0.000%	<u>0</u>	<u>0</u>	<u>0</u>
998Total Other Purchases	<u>470,506</u>	1.650%	<u>7,764</u>	<u>32,797</u>	<u>511,067</u>
999 GRAND TOTAL	760,501		17,925	24,696	803,122

FY 2002 Amended Budget Submission

Defense Logistics Agency (DLA)



June 2001

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights
(Dollars in Thousands)

In FY 2000 the Defense Logistics Agency's operation and maintenance appropriation consisted of the following activities: the Defense Contract Management Command (DCMC), Other Logistics Services (OLS), Other Logistics Programs (OLP), Warstoppers, and the Standard Procurement System (SPS), totaling \$1.2 billion and 12,659 full time equivalents. In March of 2000 the Defense Contract Management Command was named a separate Joint Combat Support Agency and became the Defense Contract Management Agency (DCMA). As an agency, DCMA transferred associated support resources from DLA beginning in late FY 2000. OLS includes appropriated costs associated with DLA's logistics mission such as price comparability, hard copy map function, unemployment, quality of life, and disaster relief blankets. OLP are multiple program offices of which DLA is either the executive agent or the budget administrator. Warstoppers funding is for certain supply items, which do not have a peacetime demand and must be preserved to support DoD readiness and sustainment requirements.

	FY 2000 Actuals	Foreign Currency Variance	Price Growth	Program Growth	FY 2001 Estimates	Foreign Currency Variance	Price Growth	Program Growth	FY 2002 Estimates
Budget Activity 2: Mobilization	38,192		611	13,764	52,567		894	(8,770)	44,691
Budget Activity 4: Admin. & Serv. Act.	1,209,861		36,137	(1,035,801)	210,197		3,613	(21,820)	191,990
Total	1,248,053		36,748	(1,022,037)	262,764		4,507	(30,590)	36,681

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights
(Dollars in Thousands)

Budget Activity 2 reflects total funding for the Warstoppers program. Funding for Warstoppers recognizes that certain supply items must be procured and critical industrial capability must be preserved to support the Department's readiness and sustainment requirements. Peacetime demand is inadequate for sustainment and mobilization. Overall program decrease is due to accelerated FY 2001 purchase of Chemical suit long leadtime liner fabric components.

Budget Activity 4 reflects funding in support of DLA's Programs and Services. The O&M appropriation funds the contracts, supplies, equipment maintenance, communications, salaries, awards, personnel, benefits, travel, per diem, and training in support of these programs. This budget activity's decreases are primarily attributable to reduced program requirements.

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Increases and Decreases

	<u>BA4</u>	<u>BA2</u>	<u>Total</u>
1. FY 2001 President's Budget Request	1,136,510	52,663	1,189,173
2. Congressional Adjustments (Distributed)			
a. Equipment & Initiatives	(4,000)		(4,000)
b. General Emulation of Microcircuits	2,200		2,200
c. Aging Aircraft ADC Program	4,000		4,000
Total Congressional Adjustments (Distributed)	2,200	0	2,200
3. Congressional Adjustments (Undistributed)			
a. Headquarters Management			
b. Headquarters Personnel Reduction	(4,363)	(29)	(4,392)
c. Defense Joint Accounting Service	(742)	(34)	(776)
Total Congressional Adjustments (Undistributed)	(5,105)	(63)	(5,168)
4. Congressional Earmarks			
a. Indian Lands Mitigation	(550)	(25)	(575)
b. Middle East Security Issues Program	(54)	(3)	(57)
c. Bosque Redondo Memorial	(110)	(5)	(115)
Total Congressional Earmarks	(714)	(33)	(747)
5. FY 2001 Appropriated Amount	1,132,891	52,567	1,185,458
6. FY 2001 Recission	(571)	0	(571)
7. Functional Transfers - In			
Funding to support DFAS Bill - DHRA to DLA	616	0	616
Total Functional Transfers - In	616	0	616
8. Other Transfers - In (Non-Functional)			
Total Other Transfers - In (Non-Functional)	0	0	0

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Increases and Decreases

	<u>BA4</u>	<u>BA2</u>	<u>Total</u>
9. Functional Transfers - Out			
Funding to support the Defense Contract Management Agency	(925,685)		(925,685)
Total Functional Transfers - Out	(925,685)		(925,685)
10. Other Functional Transfers Out			
11. Price Changes	0	0	0
12. Program Increases			
DPAS extended fielding requirements and six additional civilian personnel	3,500		3,500
Total Program Increases	3,500	0	3,500
13. Program Decreases			
a. Reduction in civilian personnel funding to reflect a lower cost base	(500)		(500)
b. Realignment of Enhanced Defense Management Training funding	(54)		(54)
Total Program Decreases	(554)		(554)
14. Revised FY 2001 Current Estimate	210,197	52,567	262,764
15. Price Growth	3,613	894	4,507
16. Functional Transfers - In			
Realignment from PDW into O&M for DPAS to fund software upgrades	4,500		4,500
Total Functional Transfers - In	4,500	0	4,500

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Increases and Decreases

	<u>BA4</u>	<u>BA2</u>	<u>Total</u>
17. Functional Transfers - Out			
Total Functional Transfers Out	0		0
18. Program Increases			
a. Increase associated with DMEA's Integrated Circuit Microelectronic Diminishing Manufacturing Sources and Material Shortages Program	116		116
b. Additional funding to support the Classified Program labor	159		159
c. Additional Defense Standardization Office requirements	219		219
d. Additional Automatic Identification Technology program requirements	5		5
e. Fact of Life increase to support Defense Acquisition Career Management (DACM) requirements	12		12
f. Increase in funding to support Continuity of Operations (COOP) efforts	50		50
g. Continuing Health increase due to Agency downsizing and consolidation	31		31
h. Disaster Relief Blankets increase to support requirements	30		30
i. Procurement Technical Assistance Program increase to support additional center awards	413		413
j. Logistics Transformation increase to support Department initiatives	140		140
k. Critical Infrastructure Protection increase due to DLA lead for the logistics sector	352		352
l. DFAS service payment	557		557
m. Unemployment increase due to estimated program requirements	1,932		
n. Quality of Life increase due to estimated program operations costs	96		
o. NBC Defense increase due to contractor negotiated costs		95	95
p. Industrial Readiness increase due to more comprehensive supplier assessments and measures to address capability shortfalls		60	60
q. Medical Readiness increase due to the expansion of CEC, VMI, and Stock Rotation industrial readiness measures aimed at reducing the approximately \$780M wartime planning shortfall		1,818	1,818
Total Program Increases	4,112	1,973	6,085

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Increases and Decreases

	BA4	BA2	Total
19. Program Decreases			
a. Reduced requirements in the Joint Total Asset Visibility Office	(1,057)		(1,057)
b. Reduction in the Defense Property Accountability System requirements	(3,599)		(3,599)
c. Fact of life decrease for the Logistics Community Management (LCM) Program	(119)		(119)
d. Reduced Joint Electronics Commerce Program Office requirements	(54)		(54)
e. Price Comparability decrease due to competing Agency priorities	(6,622)		(6,622)
f. Disability Compensation decrease due to estimated program requirements	(2)		(2)
g. Aging Aircraft Program decrease due to Congressional add in FY 01 only	(4,068)		(4,068)
h. Demolition decrease due to completion of one-time project	(4,860)		(4,860)
i. DLA Map Function decrease due to going from an in-house redesign/ development of a replacement system to a COTS replacement	(4,698)		(4,698)
j. Management support costs decrease due to decrease in requirements for Official Representation Funds and Director's Medallions	(2)		(2)
k. Defense Security Service decrease due to revised Agency fee	(1)		(1)
m. Joint Logistics Warfighting Initiative decrease due to completed Department operational initiatives	(3,112)		(3,112)
n. Microcircuits: GEM decrease due to Congressional add in FY 01 only	(2,238)		(2,238)
o. Nerve Agent Antidote decrease due to newly negotiated contract options		(16)	(16)
p. Chem suits decrease due to industrial preparedness actions moved forward to FY 01		(7,589)	(7,589)
q T-Pack/MRE Maintenance decrease due to increased peacetime use of the reserve equipment and a lower quantity of equipment owned		(2)	(2)
r. Tray Pack IPM decrease due to the completion of purchase of unitization equipment		(1)	(1)
s. Manpower/Direct Support decrease due to Commercial Asset Visibility Data realigned in Industrial and Medical Readiness		(669)	(669)
t. Ozone Depleting Substance decrease reflects maximum amount allocated after funding competing priorities		(2,461)	(2,461)
u. Chem gloves decrease due to fact of life		(5)	
Total Program Decreases	(30,432)	(10,743)	(41,175)
20. FY 2002 Budget Request	191,990	44,691	236,681

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Changes
(Dollars in Thousands)

	FY 2000 Program	Foreign Currency Rate Differenc	Price Growth Percent	Amount	Program Growth	FY 2001 Program	
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101	Executive, General & Special Schedule	753,535	0	0.0398	29,952	(760,090)	23,397
103	Wage Board	756	0	0.0398	30	(387)	399
104	Foreign National Direct Hire (FNDH)	3,651	0	0.0000	145	(3,796)	0
105	Separation Liability (FNDH)	45	0	0.0000	2	(47)	0
106	Benefits to Former Employees	1,411	0	0.0000	0	(431)	980
107	Voluntary Separation Incentive Pay	3,145	0	0.0000	0	(3,145)	0
110	Unemployment Compensation	9,000	0	0.0000	0	4,262	13,262
111	Disability Compensation	4,781	0	0.0000	0	(3,690)	1,091
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	776,324	0		30,129	(767,324)	39,129
<u>TRAVEL</u>							
308	Travel of Persons	31,184	0	0.016	379	(30,544)	1,019
399	TOTAL TRAVEL	31,184	0		379	(30,544)	1,019
<u>SUPPLIES & MATERIALS PURCHASES</u>							
401	DFSC Fuel	0	0	0.629	0	0	0
411	Army Managed Supplies and Materials	0	0	-0.042	0	0	0
415	DLA Managed Supplies & Materials	1	0	0.045	0	(1)	0
416	GSA Managed Supplies & Materials	73	0	0.016	1	(17)	57
417	Locally Procured DoD centrally managed supp.	14	0	0.016	0	(1)	13
421	DLA Rebates	245	0	0.016	0	0	245
422	Locally Purchased Non-Capitalized Equipment	0	0	0.000	0	0	0
499	TOTAL SUPPLIES & MATERIALS PURCHASES	333	0		1	(19)	315

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Changes
(Dollars in Thousands)

	FY 2000 <u>Actual</u>	Foreign Currency <u>Rate Differenc</u>	<u>Price Growth</u> Percent	<u>Amount</u>	Program <u>Growth</u>	FY 2001 <u>Program</u>
<u>EQUIPMENT PURCHASES</u>						
506 DLA Fund Equipment	39	0	0.045	2	0	41
507 GSA Managed Equipment	22	0	0.016	0	0	22
550 Commercial Purchases of Equipment	66	0	0.016	1	0	67
599 TOTAL FUND EQUIPMENT PURCHASES	127	0		3	0	130
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>						
633 Defense Publication and Printing Services	0	0	0.115	0	0	0
634 Navy Public Work Centers: Utilities	0	0	0.018	0	0	0
635 Navy Public Work Centers: Public Works	0	0	0.020	0	0	0
647 DISA Information Services	6,030	0	-0.063	(380)	(5,355)	295
650 DLA Information Services	0	0	0.000	0	0	0
671 Communication Services (DISA)	7,994	0	-0.004	(32)	(7,962)	0
673 Defense Finance and Accounting Services	7,113	0	0.049	348	(5,897)	1,564
677 Purchased Equipment Maintenance, Non-ADP	0	0	0.000	0	0	0
678 Defense Security Service	1,270	0	0.016	20	(1,151)	139
679 Cost Reimbursable Purchases	73,115	0	0.016	1,170	8,375	82,660
699 TOTAL PURCHASES	95,522			1,126	(11,990)	84,658
<u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>						
701 MAC Cargo (Fund)	0	0	0.00	0	0	0
725 MTMC (Other)	0	0	0.00	0	0	0
771 Commercial Transportation	2,745	0	0.016	33	(2,778)	0
799 TOTAL TRANSPORTATION	2,745	0		33	(2,778)	0

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Changes
(Dollars in Thousands)

	FY 2000	Foreign	Price Growth	Program	FY 2001
	<u>Program</u>	<u>Rate</u> <u>Differenc</u>	<u>Percent</u> <u>Amount</u>	<u>Growth</u>	<u>Program</u>
<u>OTHER PURCHASES</u>					
901 Foreign National Indirect Hire (FNIH)	813	0	0.0398 32	(845)	0
912 Rental Payments to GSA (SLUC)	13,977	0	0.020 280	(14,066)	191
913 Purchased Utilities (non-Fund)	438	0	0.016 6	(394)	50
914 Purchased Communications (non-Fund)	8,400	0	0.016 101	(8,453)	48
915 Rents (non-GSA)	1,066	0	0.016 14	(825)	255
917 Postal Services (U.S.P.S.)	668	0	0.000 8	(676)	0
920 Supplies & Materials (non-Fund)	17,067	0	0.016 224	(12,036)	5,255
921 Printing and Reproduction	417	0	0.016 5	(387)	35
922 Equipment Maintenance by Contract	1,361	0	0.016 17	(1,022)	356
923 Facility Maintenance by Contract	686	0	0.016 8	(694)	0
925 Equipment Purchases (non-Fund)	38,173	0	0.016 493	(38,559)	107
931 Contract Consultants	0	0	0.016 0	0	0
932 Management & Professional Support Services	30,189	0	0.016 479	(26,668)	4,000
933 Studies, Analysis, & Evaluations	14,032	0	0.016 221	6,779	21,032
934 Engineering & Technical Services	1,033	0	0.016 17	4,779	5,829
987 Other Intr-Govt Purchases	1,435	0	0.016 22	(329)	1,128
988 Grants	16,823	0	0.016 269	764	17,856
989 Other Contracts	195,107	0	0.016 2,879	(116,629)	81,357
991 Foreign Currency Variance	0	0	0.016 0	0	0
998 Other Costs	133	0	0.016 2	(121)	14
999 TOTAL OTHER PURCHASES	341,818	0	5,077	(209,382)	137,513
### TOTAL OPERATION & MAINTENANCE	1,248,053		36,748	(1,022,037)	262,764

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Changes
(Dollars in Thousands)

	FY 2001	Foreign	Price Growth		Program	FY 2002	
	Program	Rate Differenc	Percent	Amount	Growth	Program	
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101	Executive, General & Special Schedule	23,397	0	0.0363	850	(97)	24,150
103	Wage Board	399	0	0.0363	14	0	413
104	Foreign National Direct Hire (FNDH)	0	0	0.0000	0	0	0
105	Separation Liability (FNDH)	0	0	0.0000	0	0	0
106	Benefits to Former Employees	980	0	0.0000	0	31	1,011
107	Voluntary Separation Incentive Pay	0	0	0.0000	0	0	0
110	Unemployment Compensation	13,262	0	0.0000	0	1,932	15,194
111	Disability Compensation	1,091	0	0.0000	0	(2)	1,089
199	TOTAL CIVILIAN PERSONNEL COMPENSATION	39,129	0		864	1,864	41,857
<u>TRAVEL</u>							
308	Travel of Persons	1,019	0	0.017	17	(9)	1,027
399	TOTAL TRAVEL	1,019	0		17	(9)	1,027
<u>SUPPLIES & MATERIALS PURCHASES</u>							
401	DFSC Fuel	0	0	-0.001	0	0	0
411	Army Managed Supplies and Materials	0	0	-0.025	0	0	0
415	DLA Managed Supplies & Materials	0	0	0.004	0	0	0
416	GSA Managed Supplies & Materials	57	0	0.017	1	0	58
417	Locally Procured DoD centrally managed sup	13	0	0.017	0	(1)	12
421	DLA Rebates	245	0	0.000	0	0	245
422	Locally Purchased Non-Capitalized Equipme	0	0	0.000	0	0	0
499	TOTAL SUPPLIES & MATERIAL PURCHASES	315	0		1	(1)	315

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Changes
(Dollars in Thousands)

	FY 2001	Foreign	Price Growth		Program	FY 2002
	Program	Rate Differenc	Percent	Amount	Growth	Program
<u>EQUIPMENT PURCHASES</u>						
506	DLA Fund Equipment	41	0	0.004	0	41
507	GSA Managed Equipment	22	0	0.017	0	22
550	Commercial Purchases of Equipment	67	0	0.017	1	68
599	TOTAL FUND EQUIPMENT PURCHASES	130	0		1	131
 <u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>						
634	Navy Public Work Centers: Utilities	0	0	0.187	0	0
635	Navy Public Work Centers: Public Works	0	0	0.098	0	0
647	DISA Information Services	295	0	-0.159	(47)	248
650	DLA Information Services	0	0	0.000	0	0
671	Communication Services (DISA)	0	0	0.138	0	0
673	Defense Finance and Accounting Services	1,564	0	-0.047	(74)	2,047
677	Purchased Equipment Maintenance, Non-ADP	0	0	0.000	0	0
678	Defense Security Service	139	0	0.017	2	140
679	Cost Reimbursable Purchases	82,660	0	0.017	1,406	72,839
699	TOTAL PURCHASES	84,658	0		1,287	75,274
 <u>CIVILIAN PERSONNEL COMPENSATION (TRANSPORTATION)</u>						
701	MAC Cargo (Fund)	0	0	0.000	0	0
725	MTMC (Other)	0	0	0.000	0	0
771	Commercial Transportation	0	0	0.017	0	0
799	TOTAL TRANSPORTATION	0	0		0	0

DEFENSE LOGISTICS AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Summary of Price and Program Changes
 (Dollars in Thousands)

	FY 2001	Foreign	Price Growth		Program	FY 2002
	<u>Program</u>	<u>Rate Differenc</u>	<u>Percent</u>	<u>Amount</u>	<u>Growth</u>	<u>Program</u>
<u>OTHER PURCHASES</u>						
901 Foreign National Indirect Hire (FNIH)	0	0	0.0363	0	0	0
912 Rental Payments to GSA (SLUC)	191	0	0.020	4	(1)	194
913 Purchased Utilities (non-Fund)	50	0	0.017	1	0	51
914 Purchased Communications (non-Fund)	48	0	0.017	1	0	49
915 Rents (non-GSA)	255	0	0.017	4	0	259
917 Postal Services (U.S.P.S.)	0	0	0.000	0	0	0
920 Supplies & Materials (non-Fund)	5,255	0	0.017	89	(2,206)	3,138
921 Printing and Reproduction	35	0	0.017	0	0	35
922 Equipment Maintenance by Contract	356	0	0.017	6	0	362
923 Facility Maintenance by Contract	0	0	0.017	0	0	0
925 Equipment Purchases (non-Fund)	107	0	0.017	2	0	109
931 Contract Consultants	0	0	0.017	0	0	0
932 Management & Professional Support Services	4,000	0	0.017	68	(4,068)	0
933 Studies, Analysis, & Evaluations	21,032	0	0.017	357	(2,615)	18,774
934 Engineering & Technical Services	5,829	0	0.017	99	(4,860)	1,068
987 Other Intr-Govt Purchases	1,128	0	0.017	19	159	1,306
988 Grants	17,856	0	0.017	304	413	18,573
989 Other Contracts	81,357	0	0.017	1,383	(8,595)	74,145
991 Foreign Currency Variance	0	0	0.017	0	0	0
998 Other Costs	14	0	0.017	0	0	14
999 TOTAL OTHER PURCHASES	137,513	0		2,337	(21,773)	118,077
9999 TOTAL OPERATION & MAINTENANCE	262,764	0		4,507	(30,590)	236,681

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #2: Mobilization
Warstoppers

I. Description of Operations Financed:

Funding for Warstoppers recognizes that preparedness measures must be taken for certain supply items and critical industrial capability must be preserved to support the Department's readiness and sustainment requirements. This concept applies to items such as chemical protective suits and gloves, nerve agent antidote auto-injectors, meals-ready-to eat, and tray pack assemblies. In each instance, peacetime demand is inadequate to sustain an industrial base sufficient for readiness and mobilization. The "Warstoppers" qualify for funding, not as the result of reasonable business decisions, but as a matter of national security, and therefore, do not fall within the purview of the Defense Working Capital Fund (DWCF) which emphasizes customer-provider relationships.

The Warstoppers program is mandated by law, and is the single Agency program to preserve essential production capability, and to provide the means to invest in improving industry responsiveness. This also includes the funding of Industrial Preparedness Measures (IPMs) to allow for the "surge" of battle critical material to increase supply availability of spares and troop support items as directed in Defense planning documents. Industrial Base Maintenance Contracts currently preserve critical production capabilities for nerve agent antidotes and chemical protective gloves with minimal annual investment. Industrial readiness or preparedness investments enable DLA to provide surge capability for critical weapon systems and troop support items as a more cost-effective alternative to War Reserve Materiel (WRM).

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #2: Mobilization
Warstoppers

I. Description of Operations Financed (continued):

NERVE AGENT ANTIDOTES (NAA): The Senate Armed Services Committee Report (July 1991, page 84) directed the Secretary of Defense to take necessary steps to ensure the maintenance and stability of the industrial base for Nerve Agent Antidote Auto-injectors. Since 1992, the only FDA approved producer has had an Industrial Base Maintenance Contract (IBMC) to ensure the financial viability of the firm and to maintain the manufacturing capability to produce injectors for wartime surge and sustainment. These funds maintain critical process capability and FDA certification of the sole domestic source of NAA autoinjectors. The budget request for this program is \$8.434 million in FY 2002. The program decrease is due to newly negotiated contract options that were lower than expected.

CHEMICAL GLOVES: The Senate Armed Services Committee Report (July 1991, page 84) directed the Secretary of Defense to ensure the maintenance and stability of the industrial base for chemical protective suits, boots, and gloves. The resources support Industrial Base Maintenance Contracts (IBMCs) for the only two sources of butyl gloves. Peacetime demand is insufficient to maintain these sources of supply. The budget request for this program is \$4.156 million in FY 2002. The program remains relatively level.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #2: Mobilization
Warstoppers

I. Description of Operations Financed (continued):

CHEMICAL SUITS: The Senate Armed Services Committee Report (July 1991, page 84) directed the Secretary of Defense to ensure the maintenance and stability of the industrial base for chemical protective suits, boots, and gloves. This line funds measures to ensure the availability of adequate industrial capability to meet wartime demand for chemical protective suits. The line has been used to purchase chemical protective suit liner material that is stored as a reserve to meet wartime production demand. The liner material is a long lead-time item purchased from foreign sole source. The long leadtime The budget request for this program is \$643K in FY 2002. The program decrease in FY 2002 is due to industrial preparedness actions being moved forward to FY 2001 to provide improved readiness earlier than was originally planned which was due to budget constraints in FY 2002. The FY 2001 funding is for the purchase of long leadtime liner fabric components (carbon beads) and other industrial actions to provide industrial surge capabilities. All discretionary Chemical Suit funding in FY 2002 was moved to Medical Readiness to cover the growth in those years. The amount remaining in this line for FY 2002 will be used to pay for the storage of prepositioned suit components purchased in prior years.

TRAY PACK/MRE EQUIPMENT MAINTENANCE: The Senate Armed Services Committee Report (July 1991, page 84) directed the Secretary of Defense to take necessary steps to ensure the maintenance and stability of the industrial base for MREs and Tray Pack rations. The resources requested for this project will fund the storage and maintenance of unique tray pack and MRE production equipment necessary to meet wartime requirements. This equipment gives the industry the capability to quickly expand production in times of war. The

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #2: Mobilization
Warstoppers

I. Description of Operations Financed (continued):

budget request for this program is \$100 thousand in FY 2002 and remains relatively level from FY 2001 requirements. The overall program decrease is due to increased peacetime use of the reserve equipment and a lower quantity of equipment owned.

TRAY PACK IPM: The Senate Armed Services Committee Report (July 1991, page 84) directed the Secretary of Defense to take necessary steps to ensure the maintenance and stability of the industrial base for MREs and Tray Pack rations. This line funds measures to ensure that adequate industrial capacity exists to meet the Services' wartime surge requirements for tray pack rations. The budget request for this program is \$50 thousand in FY 2002 and remains relatively level from FY 2001 requirements. The overall program decrease is due to the completion of the purchase of unitization equipment.

MANPOWER AND DIRECT SUPPORT: DLA, a Combat Support Agency, is directed by Congress to assess the capability of the industrial base to provide wartime requirements and maintain the ability of the industrial base to produce critical Warstopper items. These funds support readiness initiatives, supporting activities, and personnel implementing DLA's Industrial Base Program (IBP) to include salaries, travel, training, tools. The budget request for this program is \$3.132 million in FY 2002. Commercial Asset Visibility data, originally funded under the manpower line in prior years, were determined to fit better under other lines. Beginning in FY 2002 these items will be transferred to the Industrial Readiness and Medical Readiness lines.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #2: Mobilization
Warstoppers

I. Description of Operations Financed (continued):

DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM (DPAS): This line funds resources necessary to establish and maintain a viable DPAS program within DLA. This program promotes an efficient and effective program by providing continual training and training materials to field personnel that manage and execute the program. The budget request for this program is \$30 thousand in FY 2002. This program remains level.

NUCLEAR, BIOLOGICAL, AND CHEMICAL (NBC) DEFENSE: This line provides for mobilization preparedness of critical NBC Defense products required by the Services. DLA must maintain a "warm" military unique industrial capability that meets the Services' replenishment and sustainment requirements. Items covered are military unique biomedical defense vaccines and chemical agent defense pharmaceuticals. The budget request for this program is \$2.339 million in FY 2002. This represents contractor negotiated costs for the Nerve Agent Antidote Autoinjector Shelf Life Extension Program and Readiness Enhancement Program.

INDUSTRIAL READINESS: This project focuses on funding to (1) support surge capability for critical troop support items and commodities supporting critical weapons systems, and (2) ensure actions preserving critical industrial capability can be implemented. Emphasis is being placed on new business practices and increased reliance on the commercial sector to meet these requirements. The Prime Vendor (PV) Surge Assessment/Test Initiative is a major element of this funding category. This initiative provides for more rigorous surge assessments and testing of prime vendors and other long-term contracts and provides funds for investments to meet critical wartime shortfalls. A large percentage of our troop support items are provided via Prime Vendors, and an increasing quantity of hardware and

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I. Description of Operations Financed (continued):

spares are being procured via Prime Vendors. The PV Surge Initiative provides for more comprehensive supplier assessments and the funding of measures to address capability shortfalls. The budget request for this program is \$4.027 million in FY 2002. The program increase in FY 2002 is not actually an increase but a result of an undistributed mark taken against Industrial Readiness in FY 2001.

MEDICAL READINESS: The Medical Readiness account funds preparedness measures necessary to ensure that DLA can meet the Services' surge requirements for critical pharmaceutical, medical, and surgical items. Measures such as Stock Rotation, Prime Vendor Surge, Corporate Exigency Contracts (CEC) and Vendor Managed Inventory (VMI) are used to address shortfalls. The budget request for this program is \$18.264 million in FY 2002. The program increase in FY 2002 is due to the expansion and start-up costs of CEC, VMI, and Stock Rotation industrial readiness measures aimed at reducing the approximately \$780 million wartime planning shortfall.

OZONE DEPLETING SUBSTANCES: This activity funds the purchase of Halon 1301 as part of the Ozone Depleting Substances (ODS) Reserve Program. The Halon provides critical fire suppression capability for numerous weapon systems. The budget request for this program is \$3.516 million in FY 2002. The program decreases in FY 2002; with intent to complete the purchase of the reserve in FY 2003.

II. Force Structure: N/A

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III. Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000 Actuals	FY 2001			FY 2002 Estimate
		Budget Request	Appropriated	Current Estimate	
Nerve Agent Antidote	7,853	8,309	8,309	8,309	8,434
Chemical Gloves	4,027	4,091	4,091	4,091	4,156
Chemical Suits	3,050	8,094	8,094	8,094	643
MRE/Tray Pack IPMs	250	50	50	50	50
T-Pack/MRE Maintenance	200	100	100	100	100
Manpower/Direct Support	3,772	3,737	3,737	3,737	3,132
DPAS	30	30	30	30	30
NBC Defense	2,326	2,206	2,206	2,206	2,339
Industrial Readiness	8,584	3,998	3,902	3,902	4,027
Medical Readiness	6,100	16,171	16,171	16,171	18,264
Ozone Depleting Substance	2,000	5,877	5,877	5,877	3,516
Total	38,192	52,663	52,567	52,567	44,691

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IV. Financial Summary (O&M: \$ in thousands):

<u>B. Reconciliation Summary:</u>	Change	Change
	FY 2001/ FY 2001	FY 2001/ FY 2002
1. Baseline Funding	52,663	52,567
a) Congressional Adjustments (Distributed)	0	0
b) Congressional Adjustments (Undistributed)	(63)	0
c) Congressional Earmark	(33)	0
2. Appropriated Amount	52,567	0
3. FY 2001 Rescission	0	0
3. Price Change	0	894
4. Program Changes	0	(8,770)
5. Current Estimate	52,567	44,691

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 Operations and Maintenance, Defense-Wide
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C. Reconciliation of Increases and Decreases:

		<u>(\$ in Thousands)</u>	
		<u>Amount</u>	<u>Totals</u>
1.	FY 2001 President's Budget Request		52,663
2.	Congressional Adjustments (Distributed)		0
3.	Congressional Adjustments (Undistributed)		
	Management Headquarters Reduction	(29)	
	Defense Joint Accounting Service	(34)	
	Total Congressional Adjustments (Undistributed)		(63)
4.	Congressional Earmarks		
	Section 8047 - Indian Lands Mitigation	(25)	
	Section 8139 - Mid-East Regional Security Issues	(3)	
	Section 8142 - Bosque Redondo Memorial	(5)	
	Total Congressional Earmarks		(33)
5.	FY 2001 Appropriated Amount		52,567
6.	FY 2001 Rescission		0
7.	Functional Transfers-In		
	Total Functional Transfers-In		0

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C. Reconciliation of Increases and Decreases (cont'd):

8.	Other Transfers-In (Non-Functional)	
	Total Other Transfers-In (Non-Functional)	0
9.	Functional Transfers-Out	
	Total Functional Transfer-Out	0
10.	Other Functional Transfers-Out	
	Other Total Functional Transfer-Out	0
11.	Price Change	0
12.	Program Increase	
	Total Program Increase	0
13.	Program Decrease	
	Total Program Decrease	0
14.	Revised FY 2001 Current Estimate	52,567
15.	Price Growth	894
16.	Transfers-In	
	Total Transfers-In	0
17.	Transfers-Out	
	Total Transfers-Out	0

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C. Reconciliation of Increases and Decreases (cont'd):

18. Program Increases		
a) NBC Defense increase due to contractor negotiated costs.		95
b) Industrial Readiness increase due to more comprehensive supplier assessments and measures to address capability shortfalls.		60
c) Medical Readiness increase due to the expansion of CEC, VMI, and Stock Rotation industrial readiness measures aimed at reducing the approximately \$780 million wartime planning shortfall.		1,818
Total Program Increases		1,973
19. Program Decreases		
a) Nerve Agent Antidote decrease to newly negotiated contract options.		(16)
b) Chem Suits decrease due to industrial preparedness actions moved forward to FY 2001	(7,589)	
c) T-Pack/MRE Maintenance decrease due to increased peacetime use of the reserve equipment and a lower quantity of equipment owned.		(2)
d) Tray Pack IPM decrease due to the completion of purchase of unitization equipment.		(1)
e) Chem gloves decrease due to fact of life.		(5)

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C. Reconciliation of Increases and Decreases (cont'd):

e) Manpower/Direct Support decrease due to Commercial Asset Visibility Data realigned in Industrial and Medical Readiness.	(669)
f) Ozone Depleting Substance decrease reflects maximum amount allocated after funding competing priorities.	(2,461)
Total Program Decreases	(10,743)
20. FY 2002 Budget Request	44,691

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IV. Performance Criteria and Evaluation Summary

The Warstoppers Program funds activities aimed at assessing the capability of the Defense Logistics Agency to meet the Services and Commander-in-Chief's (CINCs) wartime requirements. Additionally, the program funds industrial preparedness measures directed at preserving critical industrial capability and accelerating the production of critical spares and troop support items. Ultimately, the Warstoppers Program provides for improved wartime readiness for the Agency. The metrics used on the program provide assessments of readiness and related factors such as budgeting and programming actions.

The readiness metric is used to provide a basis to track progress and direct funding and actions to critical areas. Ratings are made for each commodity area such as Medical, Clothing & Textiles, Subsistence. The metrics take into account considerations such as coverage of war reserve requirements, surge testing, and return on investment. Comprehensive industrial base assessments, plans to address capability shortfalls, and industrial preparedness measures form the basis for the subjective metrics. Metrics used to gauge the state of the Warstoppers Program are: understanding the requirements, knowledge of industry, plans for deficiencies, and resource availability.

The metrics used to measure performance are: exceptional capability of coverage, satisfactory capability of coverage, shortfalls in capability of coverage exists, measures exist to mitigate deficiencies, significant shortfalls in capability of coverage exist, and no measures exist to mitigate deficiencies. Based on FY 2000 success, the continued goal for the Warstoppers Program in FYs 2001 and 2002 is to provide exceptional capability of coverage to meet the Services and CINCs wartime requirements.

V. Personnel Summary: N/A

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VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	<u>FY 2000 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2001 Estimate</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2002 Estimate</u>
989 Other Contracts	38,192	611	13,764	52,567	894	(8,770)	44,691
9999 Total	38,192	611	13,764	52,567	894	(8,770)	44,691

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Contract Management

I. Description of Operations Financed:

Contract Management Services (CMS):

In March of 2000 the Defense Contract Management Command was named a separate Joint Combat Support Agency and became the Defense Contract Management Agency (DCMA). As an agency, DCMA transferred associated support resources from the Defense Logistics Agency beginning in late FY 2000. As a result of this transition DCMA is now aligned under the Principal Under Secretary of Defense (Acquisition, Technology and Logistics).

The critical requirements that justified establishing DCMA as a separate Agency included: the combat support mission; the size, scope and complexity of the organization; comparable organization placement with Senior Acquisition Executives; the need for independent oversight; and the elimination of a management layer. The Agency's role as a combat support organization is the most important mission. DCMA's combat support responsibilities include: contingency and wartime planning with the CINCs; maintaining effective training and force preparation for deployed operations such as Bosnia and Kosovo; deployment with military forces to support contingency operations; support of joint exercises; and mobilizing defense industry support of CINC operations.

The Defense Contract Management Agency (DCMA) provides customer-focused contract management services throughout the acquisition life cycle, around the clock, around the world. As DoD's independent CAS agent, DCMA represents the interests of the Government with industry, thereby protecting the rights of the Government, obtaining maximum value for taxpayers' dollars and providing responsive support to the Military Departments as well as to civilian agency customers. DCMA's major responsibilities are: ensuring contractor compliance with cost, delivery, technical, quality and other terms of contracts assigned for administration; accepting products and services on behalf of the Government; providing program and technical support; and ensuring that contractors are paid. DCMA serves as DoD's information broker in contractors' plants worldwide, providing the Military Departments and civilian agency customers with invaluable insight in both preaward and postaward contract management.

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I. Description of Operations Financed: (con't)

DCMA aims to be the provider of choice for contract management for the Department of Defense and a valued customer to our suppliers. DCMA's strategic objectives include: providing the right item at the right time for the right price, teaming with our business partners to achieve customer results, serving as a catalyst for the revolution in business affairs, accelerating acquisition reform by applying commercial processes and practices, leveraging information technology to improve business results, investing to develop and sustain the right talent, and building and maintaining a positive work environment.

II. Force Structure Summary: N/A

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 Budget Activity 4: Contract Management

III. Financial Summary (O&M: \$ in thousands):

A. Subactivities:	FY 2000 Estimate	FY 2001		FY 2002 Estimate
		Budget Request	Current Appropriated Estimate	
1. Contract Management Services				
Personnel Comp & Benefits	829,969	855,356	855,356	
Voluntary Separation Incentive	3,104	2,000	2,000	
Pay	14,574	12,525	12,525	
PCS	25,267	27,518	27,509	
Travel	14,976	13,250	13,250	
Training	9,161	13,245	13,245	
Information Svcs - DISA Tele Communications	5,891	7,114	7,144	
Information Svcs - DISA	7,424	5,204	5,204	
Processing	65,831	76,978	75,305	
Finance and Accounting Services	976,197	1,013,220	1,011,538	
Other Operating Support Costs				
2. Subtotal	8,277	8,614	4,614	
3. DCMC Initiatives	47,051	34,186	34,186	
4. Infrastructure	3,414	0	0	
5. Contingency Operations Support	22,415	14,294	14,294	
DLA Corporate Allocation				

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Total	1,057,354	1,070,314	1,064,632
Reimbursable Earnings	163,561	153,859	153,859
Operation and Maintenance	893,793	916,455	910,773
Total			

III. Financial Summary (O&M: \$ in thousands)(con't):

<u>B. Reconciliation Summary:</u>	<u>Change</u>	<u>Change</u>
	<u>FY 2001 /</u>	<u>FY 2001/</u>
	<u>FY 2001</u>	<u>FY 2002</u>
1. Baseline Funding	919,418	
Congressional Adjustments (Distributed)	-4,000	
Congressional Adjustments (Undistributed)	-1,615	
Congressional Earmarks	-577	
Adjustments to Meet Congressional Intent	0	
2. Subtotal Appropriated Amount	913,226	
FY 2001 Rescission	0	
Approved Reprogrammings/Transfers	-913,842	
3. Price Change	0	
4. Program Changes	0	
5. Current Estimate	0	

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C. Reconciliation of Increases and Decreases:

		<u>(Dollars in Thousands)</u>
FY 2001 President's Budget Request		919,418
1. Congressional Adjustment (Distributed)		
Equipment Purchases and Initiatives	-4,000	
Total Congressional Adjustment (Distributed)		-4000
2. Congressional Adjustment (Undistributed)		
a. Headquarters Personnel Reduction	-1,015	
b. Defense Joint Accounting Service	-600	
Total Congressional Adjustment (Undistributed)		-1,615
3. Congressional Adjustments (General Provisions)		
Total Congressional Adjustments (General Provisions)		
4. Congressional Earmarks		
a. Section 8047 - Indian Lands Mitigation	-445	
b. Section 8139 - Mid-East Regional Security Issues	-43 -89	
c. Section 8142 - Bosque Redondo Memorial		
Total Congressional Earmarks		-577
FY 2001 Appropriated Amount (subtotal)		913,266
5. FY 2001 Rescission		

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6.	Functional Transfers-In		
	Transfer of funding in support of costs associated with accounting services	616	
	Total Functional Transfers-In		616

C. Reconciliation of Increases and Decreases: (con't)

7.	Functional Transfers-Out		
	a. Transfer of funding from the Defense Logistics Agency associated with the establishment of the		
	Defense Contract Management Agency	913,226	
	b. Transfer of funding in support of costs associated with accounting services	616	
	Total Functional Transfers-Out		913,842

8.	Program Increases		
	Total Program Increases		

Revised FY 2001 Current Estimate			0
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IV. Performance Criteria and Evaluation Summary:

The Draft FY 2000-2005 Performance Contract contains four goals for the DCMA which are associated with the Agency mission.

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The first goal is to reduce the cost per unit of output for contract administration services by three percent annually from the FY 1998 baseline through improvements in productivity. DCMC has implemented a unit cost and activity-based management system. The forecast assumes stable contract workload and no major changes in delegation of contract authority from the military services.

The second goal is to achieve a rating of five or greater, on a six point scale, on 90 percent of the responses regarding overall customer satisfaction. DCMA will conduct customer surveys each month. Primary customers to be surveyed are Acquisition Category I, II and III program managers, their respective Procurement Contracting Officers (PCOs), service logistics and item managers, and their respective PCOs. Problems identified in the surveys will be assessed for corrective action.

The third goal is to improve the percentage of contracts closed out in accordance with Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement goals. Much of the documentation required to close out contracts is provided by other organizations (i.e., Defense Contract Audit Agency, Defense Finance and Accounting Service, and program offices). To attain this goal, DCMA teams with these other organizations to work systemic issues that would otherwise delay closeout.

The fourth goal is to increase the percentage of on-time Definitized Contractual Actions (DCAs) to 87 percent. Once again, the achievement of this goal depends on inputs from other organizations (i.e., Defense Contract Audit Agency). The reengineering of the end-to-end contracting process will assist in obtaining this goal.

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V. <u>Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	<u>Change FY 2000/ FY 2001</u>	<u>Change FY 2001/ FY 2002</u>
<u>Active Mil End Strength (Total)</u>	626			-626	
Officer	529			-529	
Enlisted	97			-97	
 <u>Civilian End Strength (Total)</u>	 12,419			 -12,419	
U.S. Direct Hire	12,312			-12,312	
Foreign National Direct Hire	88			-88	
Total Direct Hire	12,400			-12,400	
Foreign National Indirect Hire	19			-19	
(Reimbursable Civilians -Memo)	1,625			-1,625	
 <u>Active Mil FTEs (Total)</u>	 626			 -626	
Officer	529			-529	
Enlisted	97			-97	
 <u>Civilian FTEs (Total)</u>	 12,363			 -12,363	
U.S. Direct Hire	12,256			-12,256	
Foreign National Direct Hire	88			-88	
Total Direct Hire	12,344			-12,344	
Foreign National Indirect Hire	19			-19	
(Reimbursable Civilians -Memo)	1,625			-1,625	

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 Operation and Maintenance, Defense-Wide
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VI. OP 32 Line Items (Dollars in Thousands):

	FY 2000	<u>Change FY2000/2001</u>		<u>Change FY2001/2002</u>		
		<u>Price</u>	<u>Prog</u>	<u>Price</u>	<u>Prog</u>	<u>FY</u>
	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>2002</u>
						<u>Est</u>
Executive, General & Special Schedule	733,402	29,153	-762,555			
Wage Board	372	15	-387			
Foreign National	3,651	145	-3,796			
Direct						
Hire						
Separation Liability (FNDH)	45	2	-47			
Benefits to Former Employees	1,055	0	-1,055			
Voluntary Separation Incentive Pay	3,104	0	-3,104			
Disability Compensation	4,038	0	-4,038			
Total Civilian Personnel Compensation	745,667	29,315	-774,982			
Travel Of Persons	29,686	356	-30,042			
Total Travel	29,686	356	-30,042			
DISA Information Services	4,979	-314	-4,665			
Communication Svcs	7,994	-32	-7,962			

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(DISA) Tier 2			
Defense Finance & Accounting Svcs	6,479	317	-6,796
Communication Svcs	0	0	0
(DISA) Tier 1			
Defense Security Svc	0	0	0
Total Purchases	19,452	-29	-19,423
	<u>FY 2000 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>
			<u>FY 2001 Est</u>
			<u>Price Growth</u>
			<u>Prog Growth</u>
			<u>FY 2002 Est</u>
Commercial Transportation	2,735	33	-2,768
Total Transportation	2,735	33	-2,768
Foreign National Indirect Hire (FNIH)	813	32	-845
SLUC (GSA Leases)	13,789	276	-14,065
Purchased Utilities (non fund)	389	5	-394
Purchased Communications (non IF)	8,353	100	-8,453
Rents and Leases (non GSA)	815	10	-825
Postal Service (U.S.P.S)	668	8	-676

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Supplies and Materials (non SF)	12,375	149	-12,524
Printing & Reproduction Equipment Maintenance	847	10	-857
Facility Maintenance	686	8	-694
Equipment Purchases & COTS	26,882	323	-27,205
Mngt & Professional Svcs	904	11	-915
Studies, Analysis, & Evaluation	676	8	-684
Other Contracts	28,632	344	-28,976
Foreign Currency Variance	0	0	0
Other Costs	42	1	-43
Total Other Purchases	96,253	1,014	-97,543
Total	893,793	30,689	-924,758

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Standard Procurement System

I. Description of Operations Financed:

The Standard Procurement System (SPS) program objective is deploying SPS to users in the functional area of defense contracting. There are approximately 43,000 users at approximately 1,100 sites worldwide, and the full operational capability threshold schedule date is the end of fourth quarter FY 2003. The purpose of SPS is to standardize the automated procurement functions across the Army, Navy, Air Force, Marine Corps, Defense Logistics Agency, Defense Contract Management Agency, and the other Defense Agencies. Over 745 sites and 20,894 personal computers were installed with SPS as of December 31, 2000. 17,949 users are formally trained and 16,207 are Component declared operational users. SPS provides Electronic Document Access and Electronic Data Interchange capabilities to meet paperless contracting goals.

The Program Office is responsible for: installation of the product (Procurement Defense Desktop (PD2)), licenses, training, enhancements to the Shared Data Warehouse (SDW), interfaces to the financial and other legacy systems, data conversion, and enhancements to the product to meet mission critical procurement functions.

The program decrease from FY 2000 to FY 2001 results from the realignment of funds from Operation and Maintenance to Research, Development, Test and Evaluation (RDT&E) and Procurement appropriations and the completion of most of the enhancement effort to the product. The realignment was necessary to conform to recent Information Technology budgeting policy. The decrease is also attributed to the completion of deployment to the base level contracting procurement community in FY 2000. The program now focuses on completing the remaining enhancements to fulfill weapon system and inventory control point procurement

DEFENSE LOGISTICS AGENCY
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Budget Activity 4: Standard Procurement System

I. Description of Operations Financed:

capabilities and the deployments to those communities to achieve full operational capability across DoD by end of FY 2003. In order to expand into these other DoD procurement communities, interfaces and data conversions must be created and achieved to connect with logistics and finance communities.

II. Force Structure Summary: N/A

DEFENSE LOGISTICS AGENCY
 Operation and Maintenance, Defense-Wide
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 Budget Activity 4: Standard Procurement System

III. Financial Summary (O&M: Dollars in thousands):

A. Subactivities:	FY 2000 Estimate	FY 2001		Current Estimate	FY 2002 Estimate
		Budget Request	Appropriated		
1. Personnel Comp & Benefits	596	815	815		
2. Travel	412	425	425		
3. Processing Charges	789	895	895		
4. Supplies & Materials	110	26	26		
5. Equipment Maintenance	163	200	200		
6. Equipment Purchases & Comm Off the Shelf	11,186	5,734	5,734		
7. Software Dev. & Maintenance	27,416	1,272	1,272		
8. Software Conversion	7,667	0	0		
9. Trng/Tstng/Studies & Implementation	21,393	1,677	1,677		
8. Other Operating Support Costs	397	822	799		
Total	70,128	11,866	11,843		

DEFENSE LOGISTICS AGENCY
 Operation and Maintenance, Defense-Wide
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 Budget Activity 4: Standard Procurement System

B. <u>Reconciliation Summary:</u>	Change	Change
	FY 2001 /	FY 2001/
	<u>FY 2001</u>	<u>FY 2002</u>
1. Baseline Funding	11,866	
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)	-23	
Congressional Adjustments (General Provision)		
Adjustments to Meet Congressional Intent		
2. Subtotal Appropriated Amount	11,843	
Program Changes		
3. Subtotal Baseline Funding	11,843	
Approved Reprogrammings/Transfers	-11,843	
4. Price Change		
5. Program Changes		
6. Current Estimate	0	

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 Budget Activity 4: Standard Procurement System

C. Reconciliation of Increases and Decreases:

	<u>(Dollars in Thousands)</u>
FY 2001 President's Budget Request	11,866
1. Congressional Adjustment (Distributed)	
Total Congressional Adjustment (Distributed)	
2. Congressional Adjustment (Undistributed)	
a. Headquarters Personnel Reduction	-7
b. Defense Joint Accounting Service	-8
Total Congressional Adjustment (Undistributed)	-15
3. Congressional Adjustments (General Provisions)	
Total Congressional Adjustments (General Provisions)	
4. Congressional Earmarks	
a. Section 8047 - Indian Lands Mitigation	-6
b. Section 8139 - Mid-East Regional Security Issues	-1
c. Section 8142 - Bosque Redondo Memorial	-1
Total Congressional Earmarks	-8
FY 2001 Appropriated Amount (subtotal)	11,843
5. Rescission	
6. Functional Transfers - Out	
Transfer of funding associated with the establishment of DCMA	-11,843
Total Functional Transfers - Out	-11,843

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Standard Procurement System

Revised FY 2001 Current Estimate

0

IV. Performance Criteria and Evaluation Summary:

The SPS will prepare legacy procurement system users to operationally use SPS and enable retirement decisions to be made for the 14 designated major legacy systems. The SPS funding supports functional enhancement, installation, training, data conversion and interfaces to procurement users at approved sites.

The PMO collects deployment metrics to manage performance and work load data in these major categories: users, sites, and systems. The following table presents the performance parameters identified in the SPS Acquisition Program Baseline. The values represent the percent complete to Full Operational Capability (FOC).

FY	1999	2000	2001	2002	2003
Users	34%	48%	64%	88%	100%
Sites	42%	74%	87%	97%	100%
Systems	14%	29%	43%	64%	100%

With most sites reporting, from October 1999 through December 2001, SPS users have completed 400,000 contract awards/modifications totaling \$45 billion.

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 Budget Activity 4: Standard Procurement System

V. <u>Personnel Summary:</u>	FY 2000	FY 2001	FY 2002	<u>Change FY 2000/ FY 2001</u>	<u>Change FY 2001/ FY 2002</u>
<u>Active Mil End Strength (Total)</u>	0				
Officer					
Enlisted					
<u>Civilian End Strength (Total)</u>	5			-5	
U.S. Direct Hire	5			-5	
<u>Active Mil FTEs (Total)</u>	0				
Officer					
Enlisted					
<u>Civilian FTEs (Total)</u>	5			-5	
U.S. Direct Hire	5			-5	

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 Operation and Maintenance, Defense-Wide
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 Budget Activity 4: Standard Procurement System

VI. OP 32 Line Items (Dollars in Thousands):

		<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>		
	FY 2000	Price	Prog	FY 2001	Price	Prog	FY 2002
	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>
101	Executive, General & Special Schedule	596	24	-620			
103	Wage Board	0	0	0			
199	Total Civilian Personnel Compensation	596	24	-620			
308	Travel Of Persons	412	6	-418			
399	Total Travel	412	6	-418			
647	DISA Information Services	736	-46	-690			
699	Total Purchases	736	-46	-690			
920	Supplies and Materials (non SF)	110	2	-112			
922	Equipment Maintenance	163	2	-165			
925	Equipment Purchases & COTS	11,186	168	-11,354			

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932	Mngt & Professional Svcs	359	5	-364
989	Other Contracts	56,566	849	-57,415
999	Total Other Purchases	68,384	1,026	-69,410
9999	Total	70,128	1,010	-71,138

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Programs

I. Description of Operations Financed:

In FY 2002 the Defense Logistics Agency (DLA) Other Logistics Programs (OLP) include \$57.5 million and 361 full-time equivalents (FTEs). As a result of DLA's strategic plan, DLA 21, several information operations programs were realigned to DLA Information Operations. This includes: The Joint Total Asset Visibility (JTAV) Program, the Defense Property Accountability System (DPAS), Logistics Community Management (LCM), the Joint Electronic Commerce Program Office (JECPO) and Automatic Identification Technology (AIT). AIT is currently funded in DLA's Other Logistics Services Activity. The following programs are included in the Activity Group:

DLA Information Operations

- Joint Total Asset Visibility (JTAV)
- Defense Property Accountability System (DPAS)
- Logistics Community Management (LCM)
- Automatic Identification Technology (AIT)
- Defense Microelectronics Activity (DMEA)
- Business Process Reengineering Center (BPRC)
- Rapid Acquisition of Manufactured Parts (RAMP)
- Defense Standardization Program Office (DSPO formerly known as MILSPEC)
- Defense Acquisition Career Management (DACM)
- Continuity of Operations Program (COOP)
- Law Enforcement Support Office (LESO)
- DoD Classified Program

A description of missions, funding and FTEs for each program follows.

DLA INFORMATION OPERATIONS: DLA 21 established the DLA Information Operations Directorate during FY 2000 to provide comprehensive, best practice technological support to the DoD/DLA logistics community resulting in the highest quality information systems, efficient and economical computing, data management, electronic commerce, and telecommunications services.

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Operations and Maintenance, Defense-Wide
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Budget Activity #4: Defense-Wide Other Logistics Programs

I. Description of Operations Financed (continued):

JTAV was transferred from the Army DCSLOG to DLA in June of 1998. The JTAV Director reports to the DLA Director for Information Operations as the JTAV Executive Agent. As the Executive Agent, DLA reports to the JTAV IPT for overall direction and program management. JTAV was chartered to provide all DoD users with timely and accurate joint logistics and personnel asset information to support Joint Vision 2010 and Focused Logistics. The TAV capability will support all joint and multinational military operations through requirements-based Operation and System Architectures in an interoperable shared data environment. The JTAV capability will enable national supply chain integration that is crucial to streamlined and responsive logistics and personnel support.

JTAV will provide responsive and cost-effective logistics information from Automated Information Systems (AIS) and Automated Identification Technologies (AIT), ensuring readiness and sustainability for the total force in both peacetime and wartime. JTAV enables functional and operational processes to achieve benefits in two broad areas: improved operational flexibility and reduced operating costs. These categories are not mutually exclusive. In most cases, JTAV will benefit both areas. JTAV will ensure: declining backlogs at ports and depots; more responsive supply support; reduced inventory levels; and will support accurate and effective operational planning, assessment, and execution. DLA was funded by reimbursable order in FY 1998 and 1999. The FY 2001 budget request includes \$10.0 million to continue the sustainment of JTAV initiatives. The FY 2002 budget request includes \$9 million to sustain the JTAV efforts.

DPAS, another program under the DLA Information Operations program, is the DoD migratory system for which DLA is the Executive Agent. DPAS is an integrated system for improving accounting and accountability for DoD-owned property. In FY 2002 the budget request includes \$13.5 million and 10 FTEs.

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Operations and Maintenance, Defense-Wide
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I. Description of Operations Financed (continued):

LCM funding for LCM oversight functions began in FY 1999. LCM will improve overall logistics performance in support of war fighters through the coordination of enhancements to information systems, information management, and information exchange among war fighters, the Commander-in-Chief (CINCs), and the logistics community. The Logistics Community Manager is responsible for coordinating and executing logistics community management in order to accomplish the DUSD(L) Logistics Business Systems Corporate Strategy. In FY 2002 the budget request includes \$5.7 million and 8 FTEs.

JECPO, another program under the DLA Information Operations program, is designated as the DoD Executive Agent to directly support, facilitate and accelerate the application of electronic business practices and associated information technologies to improve DoD processes and support weapons and combat support systems throughout their life cycles. JECPO is assigned to DLA as the lead on business development; and the Defense Information Systems Agency (DISA) for oversight of technical development. The program is responsible for the strategic implementation of Electronic Commerce (EC) policy. Electronic Commerce is an evolving business methodology for enterprise-wide conduct of secure business transactions via electronic means. The JECPO allows DoD to centralize EC policy recommendations, planning, and coordination efforts. It will also ensure consistent implementation based on open standards for interoperability in a common business environment. In FY 2002 the budget request is \$5.5 million and 35 FTEs. FY 2002 remains level with the FY 2001 President's Budget request.

DIRECTOR OF ACQUISITION CAREER MANAGEMENT (DACM): On March 13, 1992, the Deputy Secretary of Defense directed that DLA provide administrative, logistical and resource support for the Acquisition Career Management System. Section 1707(b) of Chapter 87, Title 10 U.S. Code, requires that the DACM provide system oversight and career program services to the acquisition workforce in the Office of the Secretary of Defense and the Defense Agencies (including DLA). The DACM serves in a dual capacity as Director of Acquisition Education, Training and Career Development (DAETCD) for DoD and supports the career system policy formulation and implementation activities of the DAETCD. In FY 2002 the budget request is \$806 thousand and 2 FTEs.

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Budget Activity #4: Defense-Wide Other Logistics Programs

I. Description of Operations Financed (continued):

CONTINUITY OF OPERATIONS (COOP): The COOP mission transferred to DLA during FY 1994. COOP mission is under the staff cognizance and oversight of the Office of the Secretary of Defense. In FY 2002 the budget request is \$3.6 million and 11 FTEs.

DEFENSE MICROELECTRONICS ACTIVITY (DMEA): DMEA was established by the Deputy Secretary of Defense as a DoD activity under the authority and control of the Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&MR)). DLA provides reimbursable administrative support services as requested by DUSD(L&MR).

The DMEA mission is to provide solutions to obsolete microelectronics by leveraging the capabilities and payoffs of the most advanced microelectronics technology to solve problems in fielded weapon systems. The DMEA resolves all sustainment and modification issues relating to microelectronics technology regardless of where those devices are used. Diminishing manufacturing sources (DMS) of microelectronics is the driving factor of obsolete DoD systems and mission degradation. This is a Defense-wide issue rather than an application specific issue, since the same microelectronics devices are used in many systems throughout the entire Department. An OSD Integrated Process Team (IPT) found the magnitude of the DMSMS IC problem is growing rapidly and DMSMS decisions are often made using fragmented data. DMEA was designated as the DoD IC DMSMS Executive Agent to address these problems. DMEA was directed to establish a separate activity, independent from other current DMEA functions, to carry out the chartered responsibilities.

The DMEA also provides technical and application engineering support for the implementation of advanced microelectronics research technologies and manages an organic capability to support these technologies within the DoD. These advanced microelectronics research technologies are translated into solutions for military needs, with a view

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Operations and Maintenance, Defense-Wide
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I. Description of Operations Financed (continued):

toward developing and evaluating the feasibility of developed solutions to solve the technological challenges of obsolete microcircuits. DMEA uses a unique and innovative methodology to reverse engineer microelectronic devices, analyze solution sets, and then build and test the prototype solution.

DMEA's microelectronics engineering specialists, supported by analysis, design, test and prototyping equipment, produce solutions which are technically correct, logistically supportable, schedule responsive, and fiscally affordable for the entire spectrum of microelectronics. The DMEA engineers use design stations populated with proprietary design tools from a variety of vendors. These tools are used in a secure government environment under non-disclosure agreements. The DMEA engineers determine the best value approach for the specific requirement and use the appropriate design tool for the approach. By using these tools, the DMEA can determine the performance-based specifications that meet the requirements and provide seamless access to the industrial base. The solutions are validated through prototyping and placed on contract with a vendor to begin production. This process is favorably viewed by industry because DMEA converts non-producible components to producible. This not only provides a technically correct solution, regardless of the type of microelectronics problem, but also allows the government specialists the ability to select the best value approach for DoD if more than one solution set is available.

The DMEA "smart" government approach coupled with top-flight industry expertise provides the best value. Creating these commercially viable solutions cuts across the entire DoD. In FY 2002 the budget request is \$15.0 million, 136 direct-funded FTEs and 94 reimbursable FTES.

BUSINESS PROCESS REENGINEERING CENTER (BPRC): BPRC is a program established under the authority, direct oversight, and operational control of Office of Under Secretary of Defense Acquisition, Technology and Logistics (OUSD(AT&L)). DLA provides financial and

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administrative services as requested by OUSD(AT&L) for this activity. BPRC functionally transferred to DLA in FY 1998 from Defense Information Services Activity (DISA).

I. Description of Operations Financed (continued):

The BPRC supports the Office of the Secretary by proposing redesigns of processes, organizations, and the culture of Department of Defense activities. Business process reengineering results in highly streamlined processes by providing for a cross-functional, integrated analysis of multiple activities or functions that contribute to a shared purpose. In FY 2002 budget request for this program is \$2.6 million and 26 FTEs. The program remains level with the DLA FY 2001 President's Budget request.

RAPID ACQUISITION OF MANUFACTURED PARTS (RAMP): RAMP transferred to DLA from the Navy in FY 1999. The RAMP mission was to develop methods to reduce the acquisition and manufacturing lead times for parts in limited supply. It's objective was to develop the capability to more quickly and efficiently manufacture low-volume, hard-to-obtain parts. In FY 2002 DLA has internally realigned funding and FTEs for RAMP. No funding has been identified for FY 2002.

DEFENSE STANDARDIZATION PROGRAM OFFICE (DSPO) (MILSPEC): DSPO transferred from OUSD(AT&L) to DLA in FY 1999. The DSPO mission is to develop and manage DoD-wide policies and procedures to implement Public Laws related to standardization, acquisition, and metrication. This includes developing and maintaining performance specifications, standards, handbooks, and other standardization documents. This also includes developing policies, procedures, and training to facilitate and promote the acquisition of commercial and non-developmental items by making more aggressive use of market research and commercial item descriptions. In FY 2002 the budget request for this program is \$4.8 million and 11 FTEs. Program increases are attributable to contractual administration costs to maintain performance specifications and other standardized documents.

LAW ENFORCEMENT SUPPORT OFFICE (LESO): LESO, under the DoD Coordinator for Drug Enforcement Policy and Support (CDEP&S), distributes excess DoD personal property to

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Federal and State Law Enforcement Agencies in support of counterdrug activities. Beginning with the National Defense Authorization Act for FY 1989, DoD received enhanced

I. Description of Operations Financed (continued):

legal authority to provide support to law enforcement efforts to counter trafficking in illicit drugs. The Secretary of Defense declared the detection and monitoring of trafficking of illicit drugs to be a high priority national security mission of DoD, and established the CDEP&S. The CDEP&S establishes policy and oversees DoD programs to support the National Drug Control Strategy. The FY 2002 request includes 5 FTEs with no corresponding funding. This program is budgeted at the Department level. DLA is reimbursed during execution.

DoD CLASSIFIED PROGRAM: The FY 2002 budget request includes \$1.3 million and 14 FTEs to reflect a transfer from the Department to DLA.

The O&M appropriation funds the contracts, supplies, equipment maintenance, communications, salaries, awards, personnel benefits, travel, per diem, and training in support of these programs.

II. Force Structure Summary: N/A

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III. Financial Summary (O&M: Dollars in thousands):

A. Subactivities:	FY 2000 Actuals	FY 2001		Current Estimate	FY 2002 Estimate
		Budget Request	Appropriated		
1. DLA Info Operations	47,559	30,545	30,383	33,552	33,823
a. JTAV	18,540	10,000	9,947	9,841	8,959
b. DPAS	18,415	9,039	8,991	12,391	13,533
c. LCM	5,966	5,882	5,851	5,786	5,782
d. JECPO	4,638	5,624	5,594	5,534	5,549
2. DMEA	13,921	14,764	14,671	14,482	15,062
3. BPRC	3,098	2,558	2,558	2,558	2,641
4. RAMP	994	0	0	0	0
5. DSPO	4,464	4,592	4,567	4,518	4,837
6. DACM	842	790	786	778	808
7. COOP	3,668	3,515	3,496	3,458	3,588
8. LESO	430	0	0	0	0
9. DoD Classified Program	0	1,139	1,133	1,121	1,321
Total	74,976	57,903	57,594	60,467	62,080

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IV. Financial Summary (O&M: Dollars in thousands):

<u>B. Reconciliation Summary:</u>	Change	Change
	FY 2001/ FY 2001	FY 2001/ FY 2002
1. Baseline Funding	57,903	60,467
a) Congressional Adjustments (Distributed)	0	0
b) Congressional Adjustments (Undistributed)	(272)	0
c) Congressional Earmark	(37)	0
2. Appropriated Amount	57,594	0
3. FY 2001 Rescission	(127)	0
4. Price Change	0	1,386
5. Approved Transfers	0	4,500
6. Program Changes	3,000	(4,273)
7. Current Estimate	60,467	62,080

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C. Reconciliation of Increases and Decreases:

	<u>(Dollars in Thousands)</u>	
	<u>Amount</u>	<u>Totals</u>
1. FY 2001 President's Budget Request		57,903
2. Congressional Adjustments (Distributed)		0
3. Congressional Adjustments (Undistributed)		
Management Headquarters Personnel Reduction	234	
Defense Joint Accounting Service	(38)	
Total Congressional Adjustments (Undistributed)		(272)
4. Congressional Earmarks		
Section 8047 - Indian Lands Mitigation	(28)	
Section 8139 - Mid-East Regional Security Issues	(3)	
Section 8142 - Bosque Redondo Memorial	(6)	
Total Congressional Earmarks		(37)
5. FY 2001 Appropriated Amount		57,594
6. FY 2001 Rescission		(127)
7. Functional Transfers-In		
Total Functional Transfers-In		0
8. Other Transfers-In (Non-Functional)		
Total Other Transfers-In (Non-Functional)		0

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C. Reconciliation of Increases and Decreases (cont'd):

9.	Functional Transfers-Out		
	Total Functional Transfer-Out		0
10.	Other Functional Transfers-Out		
	Other Total Functional Transfer-Out		0
11.	Price Change		0
12.	Program Increase		
	Increase to support the Defense Property	3,500	
	Accountability (DPAS) fielding efforts		
	Total Program Increase		3,500
13.	Program Decrease		
	Reduction in civilian personnel cost base	(500)	
	Total Program Decrease		(500)
14.	Revised FY 2001 Current Estimate		60,467
15.	Price Growth		1,386
16.	Transfers-In		
	Realignment from Procurement, Defense-wide into	4,500	
	O&M, Defense-wide for DPAS to fund software		
	upgrades		
	Total Transfers-In		4,500
17.	Transfers-Out		
	Total Transfers-Out		0

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C. Reconciliation of Increases and Decreases (cont'd):

18.	Program Increases		
	a) Increase associated with DMEA's Integrated Circuit Microelectronic Diminishing Manufacturing Sources and Material Shortages	116	
	b) Additional funding to support the Classified Program labor	159	
	c) Additional Defense Standardization Office requirements	219	
	d) Fact of Life increase to support Defense Acquisition Career Management (DACM) requirements	12	
	e) Increase to support Continuity of Operations (COOP)	50	
	Total Program Increases		556
19.	Program Decreases		
	a. Reduced requirements in the Joint Total Asset Visibility (JTAV) Office	(1,057)	
	b. Reduction in the Defense Accountability System (DPAS) requirements	(3,599)	
	c. Fact-of-life decrease for the Logistics Community Management (LCM) Program	(119)	
	d. Reduced Joint Electronics Commerce Program Office requirements	(54)	
	Total Program Decreases		(4,829)
20.	FY 2002 Budget Request		62,080

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IV. Performance Criteria and Evaluation Summary:

Other Logistics Programs (OLP) includes multiple program offices of which DLA is either the executive agent or the budget administrator. Performance criteria for this activity group follows.

The BPRC mission is to propose redesign of processes, organizations and culture to streamline functions and reduce inefficiencies across the Department. Performance measures include developing network architecture and reducing purchases of unneeded equipment. In FY 1999 80 percent of the architecture development was completed. BPRC expects to achieve an additional 2 percent in FY 2000 and 2001. Architecture development was measured through comparison to projected milestones. Unneeded equipment purchases were reduced by 90 percent in FY 1999. BPRC projects to reduce unnecessary equipment purchases an additional 2 percent in FY 2000 and 2001. Progress is measured through surveys.

The Defense Standardization Program Office (DSPO) mission is to develop policies, procedures and guidance to ensure standardized policy across the Military Departments and Defense Agencies. In addition, DSPO monitors implementation of the Military Specification Reform Initiatives for the Department. One performance indicator is the completion and quality of updated policy. This is measured by comparison of completed policies against their milestone plan and through customer surveys. Another indicator is the implementation of document improvements or revisions based on the Military Specification (MILSPEC) Reform Initiatives. There are approximately 27 thousand document improvements necessary as a result of MILSPEC reform. In FY 1999, 93 percent of those improvements was completed. The goal is to reach 100 percent by the end of FY 2000.

The Joint Electronic Commerce Program Office mission supports, facilitates, and accelerates application of electronic business practices and associated information technologies to improve Department-wide processes and support weapons and combat support systems throughout their life cycles. The goal is to create an electronic mall

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IV. Performance Criteria and Evaluation Summary (Continuation):

which allows on-line shopping. All four Services and DLA will participate. This initiative, when fully deployed will reduce paper and streamline supply, contracting and payment processes in the Department. Performance is measured by customer surveys, dollar value of sales and the value of on-line transactions. In FY 1999 \$51.5 million in sales was realized and \$17.3 million transactions were recorded. We expect sales to increase by another \$2 million in FY 2000 and 2001. Transactions are expected to reach 23.0 million in FY 2000 and \$28.7 million in FY 2001.

The Defense Property Accountability System mission is to field and sustain an integrated system to improve accounting and accountability of DoD-owned property for the Departments of the Army and Navy and most Defense Agencies. A critical performance measure for this system is site implementations. In FY 1999, DPAS implemented the system throughout much of the Army, a portion of the Navy and some of the Defense Agencies. Implementation will continue in the Departments of the Army and Navy and several Defense Agencies during FY 2002.

Other measures used to track performance are customer satisfaction, funding execution and FTE execution. While not the primary performance indicator, these measures are important to the success of Department initiatives.

The first is Customer Satisfaction. In FY 1999, we achieved a 90 percent customer satisfaction rating. We project this rating to increase 2 percent over FY 2000 and 2001. Customer satisfaction is measured through surveys, comment cards and informal as well as formal customer feedback. Problems identified in this measure will be assessed and corrective action taken.

Execution of funding is also a performance measure. In FY 1999, we executed 97 percent of funding in support of this activity group. It is our goal to achieve a 99 percent rating in FY 2000 and 2001 through improved financial management processes and more

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V. Performance Criteria and Evaluation Summary (Continuation):

aggressive execution plans. Activities performing at less than projected execution rates will be required to reassess financial plans to ensure that this measure is achieved. Another critical performance measure to this group is FTE execution. While our Agency is on a plus 4 percent glide slope for FTEs, this group has remained static, due in part to mission priorities. In FY 1999 we executed 97 percent of our FTEs. We expect to execute 100 percent of our FTEs in fiscal years 2000 and 2001 due to more aggressive and realistic hiring plans.

	FY 2000 Actual	FY 2001 Estimate	FY 2002 Estimate
BPRC Architecture Development	80%	82%	84%
BRPR Reduction in Unneeded Equipment Purchases	90%	92%	94%
DPAS Software Completion Rate	75%	90%	100%
Customer Satisfaction	90%	90%	90%
Funding executed to meet Department requirements	97%	99%	99%
FTEs executed to meet Department requirements	97%	100%	100%

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V. <u>Personnel Summary:</u>	FY 2000	<u>FY 2001</u>	FY 2002	Change <u>FY 2001/ FY 2002</u>
<u>Active Mil End Strength (Total)</u>	0	0	20	20
Officer	0	0	2	2
Enlisted	0	0	18	18
<u>Civilian End Strength (Total)</u>	300	268	361	93
U.S. Direct Hire	300	268	361	93
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	300	268	361	93
Foreign National Indirect Hire	0	0	0	0
(Reimbursable Civilians Included Above - Memo)	76	5	99	94
<u>Active Mil FTEs (Total)</u>	0	0	20	20
Officer	0	0	2	2
Enlisted	0	0	18	18
<u>Civilian FTEs (Total)</u>	296	268	361	93
U.S. Direct Hire	296	268	361	93
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	296	268	361	93
Foreign National Indirect Hire	0	0	0	0
(Reimbursable Civilians Included Above - Memo)	76	5	99	94

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VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			
	<u>FY 2000</u>	<u>Price</u>	<u>Prog</u>	<u>FY 2001</u>	<u>Price</u>	<u>Prog</u>	<u>FY 2002</u>
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>	<u>Growth</u>	<u>Growth</u>	<u>Est</u>
101 Executive, General & Special Schedule	18,988	753	3,656	23,397	850	(97)	24,150
103 Wage Board	384	15	0	399	14	0	413
107 VSIP	41	0	(41)	0	0	0	0
199 Total Civilian Personnel Compensation	19,413	768	3,615	23,796	864	(97)	24,563
308 Travel Of Persons	1,007	16	(4)	1,019	17	(9)	1,027
399 Total Travel	1,007	16	(4)	1,019	17	(9)	1,027
416 GSA Managed Supplies And Materials	56	1	0	57	1	0	58
421 Locally Purchased Supplies & Materials	245	0	0	245	0	0	245
499 TOTAL FUND SUPPLIES & MATERIALS PURCHASES	301	1	0	302	1	0	303
506 DLA Equipment	39	2	0	41	0	0	41
507 GSA Equipment	22	0	0	22	0	0	22
550 Commercial Purchase of Equipment	66	1	0	67	1	0	68
599 Total Revolving Fund Equipment Purchases	127	3	0	130	1	0	131

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647	DISA Information System	315	(20)	0	295	(47)	0	248
673	DFAS	634	31	0	655	(32)	0	633
679	Cost Reimb Purchases	1,309	21	0	1,330	23	0	1,353
699	Total Purchases	2,258	32	0	2,290	(56)	0	2,234

VI. OP 32 Line Items (Dollars in Thousands) (cont'd):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>				
	<u>FY 2000 Actual</u>	<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2001 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>		<u>FY 2002 Est</u>
912	Rental Payments to GSA (SLUC)	188	4	(1)	191	4	(1)	194
913	Purchased Utilities	49	1	0	50	1	0	51
914	Purchased Communications	47	1	0	48	1	0	49
915	Rents (non-GSA)	251	4	0	255	4	0	259
920	Supplies & Materials (non-fund)	48	1	2	51	1	0	52
921	Printing & Reproduction	35	0	0	35	0	0	35
922	Equipment Maintenance by Contract	351	5	0	356	6	0	362
925	Equipment Purchases	105	2	0	107	2	0	109
933	Studies, Anal, & Eval	849	13	0	862	14	0	876
934	Contract Engineering & Technical Services		17	0	1,050	18	0	1,068

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Programs

	1,033						
987 Other Intra-Govt							
Purchases	1,435	22	(329)	1,128	19	159	1,306
989 Other Contracts	47,472	687	(19,369)	28,790	489	175	29,454
998 Other Costs	7	0	0	7	0	0	7
999 Total Other	51,870	756	(19,696)	32,930	558	334	33,822
Purchases							
9999 Total	74,976	1,576	(16,085)	60,467	1,386	227	62,080

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed:

The Defense Logistics Agency (DLA) Other Logistics Services (OLS) includes \$129.91 million in FY 2002 and no full time equivalents. The following programs are included in OLS:

- Unemployment Compensation
- Price Comparability
- Quality of Life
- Continuing Health
- Counter-Drug Activities
- Contingency Operations
- Disability Compensation
- Automated Document Conversion System (ADCS) Aging Aircraft Program
- Procurement Technical Assistance Program (PTAP)
- Inventory Management, Catalog Production & Distribution of Hard Copy Map Function
- Defense Security Service (DSS)
- Improved Cargo Methods & Technologies
- Logistics Transformation
- Automatic Identification Technology (AIT)
- Critical Infrastructure Protection (CIP)
- Defense Finance and Accounting Service (DFAS)
- Disaster Relief Blankets
- Microcircuits: GEM
- Demolition
- Joint Logistics Warfighting Initiative
- Defense Threat Reduction Agency/Defense Contract Management Agency Relocation
- Training Initiative
- Managerial Support

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

A description of the programs included in this activity group follows:

Unemployment Compensation: Reflects funding of unemployment costs for all Defense Agencies. The Department of Labor consolidates the Defense Agencies unemployment costs. DLA estimates include resources for consolidated Defense-wide payments. Decreases in funding in this area could negatively impact the ability to pay estimated Defense Agency unemployment costs. The budget request for this program in FY 2002 is \$15.194 million. These requests are based on estimated unemployment compensation due to Department downsizing and consolidation, i.e. Management Headquarters reductions.

Price Comparability: Price Comparability is that category of costs associated with performing tasks that a commercial company would not include in their normal standard pricing. These costs include readiness support costs. This effort will allow customers a better opportunity to compare DLA prices with those in the commercial sector while minimizing risks to readiness. For example, included in this project is the cost of storing inventory for wartime demand only (War Reserve stock). A strictly business approach would dictate that this materiel be disposed of or to pass the cost of retaining this inventory on to the customer requiring it. By removing the cost of retaining this inventory out of the DLA product line, it more adequately describes DLA prices in business terms. The budget request for this program is \$32.377 million in FY 2002.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Quality of Life: Morale, Welfare, and Recreation costs are \$12.309 million in FY 2002. Funding is based on estimates for operations costs for DLA activities. Additional decreases in funding would negatively impact the quality of life of the DLA workforce.

Continuing Health: Funding to cover Agency expenses for continuing health coverage for reduction-in-force and BRAC affected employees. The budget request for this program is \$1.011 million in FY 2002. The program request is for Agency estimated health coverage costs and remains relatively level with previous budget requests.

Counter-Drug Activities: Funding is for approved counter narcotics projects, mandated drug testing, and drug abuse education. This program funding is budgeted at the Department level with Agency reimbursement in the year of execution.

Contingency Operations: Congressional supplemental funding to cover Agency costs incurred in support of Bosnia and Kosovo contingency operations in FY 2000.

Disability Compensation: Residual funding is required to cover disability compensation for the closed Clothing Factory (DPSC). The budget request for this program is \$1.089 million in FY 2002. This program request is for Agency disability compensation estimates and remains relatively level with previous budget requests.

Automated Document Conversion System (ADCS) Aging Aircraft Program: Funding, as directed by Congress, is for the Aging Aircraft Program. There is no Agency request for this program in FY 2002.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Procurement Technical Assistance Program (PTAP): The Procurement Technical Assistance Cooperative Agreement Program (PTACAP) was established by Congress in the FY 1985 DoD Authorization Act, Public Law (PL) 98-525. The PL amended Title 10, United States Code (USC) by adding Chapter 142. Title 10, USC, as amended, continues to authorize the Secretary of Defense, acting through the Director, DLA, to enter into cost sharing cooperative agreements with state and local governments, nonprofit organizations, Indian tribal organization and Indian economic enterprises to establish and conduct procurement technical assistance programs. The DoD Authorization and Appropriations Acts make funds available to fund a program to assist state and local governments and nonprofit entities, Indian tribal organizations, and Indian economic enterprises with establishing or maintaining PTACAP activities. Activities include helping business firms market their goods and/or services to DoD, other Federal agencies and state and local governments. The budget request for this program is \$18.573 million in FY 2002. This program increase will be used to enter into anticipated additional cost sharing cooperative agreements.

Inventory Management, Catalog Production & Distribution of Hard Copy Map Function: In May 1996, the JCS Combat Support Agency Review Team recommended map management be transferred from the NIMA to DLA. Approximately 70,000 map items transferred to DLA. DLA serves as the DoD Integrated Materiel Management and Distributor of those items. DLA provides the items as free issue. Transfer of Hardcopy Media Inventory Management, Cataloging, and Distribution functions from NIMA to DLA began in FY 1998. The budget request for this program is \$26.781 million in FY 2002. This program decrease is due to going from an in-house re-design/development of a replacement system to a COTS replacement.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Defense Security Service (DSS) Fee-For-Service: DSS became an activity group of the Defense-Wide Working Capital Fund in FY 1999 and operates on a reimbursable basis. Funds will cover DSS support to DLA for Personnel Security Investigations, National Industrial Security Investigations, and DoD Security and Education Training Programs. The budget request for this program is \$140 thousand in FY 2002. Funding is projected to cover DLA estimated O&M activity workload based on data from previous years.

Improved Cargo Methods & Technologies: Funding, as directed by Congress, in FY 2000 was to evaluate cost saving opportunities that exist from integrating the latest private sector logistics research, transport technology, and security development into the practices and procedures for moving military cargo around the United States and throughout the world. As directed by Congress, this evaluation was accomplished by a not-for-profit foundation having detailed knowledge of national and international commercial practices in all elements of the supply chain. The analysis evaluated the ability of third-party logistics providers to meet military requirements and ways to improve commercial cargo security procedures across distribution networks. There is no budget request for this program in FY 2002.

Logistics Transformation: Funding request is for conducting studies for specific initiatives offering the potential for DoD to transform the current "mass model" logistics structure into world-class integrated supply chains focused on warfighter needs. Initiatives will compliment ongoing reengineering efforts with the Services and DLA consistent with the Logistics Functional Requirements and Joint Vision 2010. The budget request for this program is \$7.462 million in FY 2002. The program increase is due to fact of life and continued Department logistics transformation initiatives.

Automatic Identification Technology (AIT): Funding request is to support a suite of technologies that enables the automatic capture of source data, thereby enhancing the ability to identify, track, document, and control deploying forces, equipment, and personnel and sustainment cargo. AIT will streamline the DoD acquisition logistics and

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
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Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

sustainment business processes and enhance Joint Total Asset Visibility while simultaneously providing a Common Operating Picture to CINC's and other decision makers. AIT will also facilitate improved transportation and supply visibility, and serve as a tool for acquisition and sustainment managers to manage configuration management of DoD weapons systems and their major components. The budget request for this program is \$3.025 million in FY 2002. This program remains relatively level.

Homeless Blankets: The Steward B. McKinnley Homeless Assistance Act of 1987 created the requirement for DLA to make blankets available to qualified US 501(C)3 organizations working with the homeless. Homeless shelters issue a request to the Agency and blankets are issued on a first come, first served basis up to the amount of funding available. The budget request for this program is \$3.086 million in FY 2002. This program remains relatively level with previous budget requests.

Demolition: The O&M demolition account will be used for the removal of primary facilities at the DLA permitted installations (Sharpe, Tracy, Columbus, Richmond, and New Cumberland) that are excess (unused/underutilized) to the needs of the installation, and are uneconomical to repair and maintain. This includes over 1.5 million square feet of aged (WWI and WWII) storage and administrative buildings that are not included in MILCON facility replacement programs. Inclusion of this demolition work in the DWCF would unnecessarily increase the cost to Distribution and ICP customers. Additional facility demolition required to meet infrastructure goals is currently included on a cubic foot or square foot replacement basis in future MILCON projects currently programmed for the permitted installations. There is no budget request for this program in FY 2002.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Microcircuits GEM (Generalized Emulation of Microcircuits): Funding in FY 2000 (\$1.446 million) and FY 2001 (\$2.2 million), as directed by Congress, is for the maintenance of GEM System emulation production capability to meet the current and increasing non-procurable device requirements experienced by DLA and the Services. Funding supports both production and sustainment of non-procurable and obsolete microcircuits. Program benefits are realized by the Warfighter through increased levels of mission readiness due to microcircuit availability. There is no budget request for this program in FY 2002.

Critical Infrastructure Protection (CIP): CIP is an integrated, war-fighter-focused effort to identify and mitigate the vulnerabilities of critical assets that are essential to Commander-in-Chief mission accomplishment and operational readiness. Presidential Decision Directive 63, Critical Infrastructure Protection, requires a public-private partnership to provide protection; establishes a national organizational structure to affect that partnership; and directs DoD, as well as the other federal departments, to develop a plan for protecting its portion of the Federal Government critical infrastructures. The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence is the DoD Chief Infrastructure Assurance Officer, the CIP Functional Coordinator for National Defense, and responsible for both protection of DoD critical infrastructure and for DoD participation in the national program. The DoD CIP Plan identifies the Defense Logistics Agency as the lead component for the Logistics Sector DoD-wide. In this role, DLA is responsible for the mutual coordination and overall program management of CIP within the Logistics sector. Funding is necessary to carry out DLA lead the Logistics Sector in defining end-to-end sector functionality and supporting assets; determining assurance levels to meet both military and sector operational requirements; assessing the critical infrastructure vulnerabilities of the sector; and implementing sector assurance plans. Funding for CIP is \$352 thousand in FY 2002.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Defense Finance and Accounting Service (DFAS): Funding request is required to reimburse DFAS for accounting services provided to the activities and programs reflected in Other Logistics Services. Prior to FY 2001, this workload was reflected in the Defense Contract Management Command (DCMC) budget. The budget request is \$1.414 million for FY 2002.

Joint Logistics Warfighting Initiative (JLWI): JLWI is a project to improve the logistics system supporting deployed warfighters. The JLWI is intended to improve readiness by enhancing logistics responsiveness through process improvements to the requisitioning, distribution, asset visibility, and retrograde functions and by validating these improvements in a real world operational environment. The JLWI objective is to ensure streamlined logistics systems, processes, and functions fully support operational requirements in Joint or Cooperative Combined Task Force operations. The JLWI Implementation Plan developed jointly by the Joint Staff, DUSD (Logistics), and USCENTCOM staff provides a blueprint for testing streamlined logistics support processes in the CENTCOM Area of Responsibility. Funding for this program is \$7.059 million in FY 2002.

Defense Threat Reduction Agency (DTRA)/Defense Contract Management Agency (DCMA) Relocation: One-time DLA expenses related to the relocation of DTRA to the DLA HQ Complex and DLA Defense Contract Management Command/DCMA off-site move.

Training Initiative: Funding is provided to support training initiatives as Department directed. Funding realigned to the Department level with no Agency request in FY 2002.

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

I. Description of Operations Financed (continued)

Managerial Support: Funding for programs such as:

Prior Year Invoices: Prior year bills received after the close of the fiscal year.

Interest Penalty: Penalties incurred due to payment processing delays.

Official Representation Funds (ORF): Special and official functions or ceremonies with DoD personnel and distinguished non-DoD personnel. Beginning in FY 1998 all DLA activities were required to use O&M funds for ORF functions.

Investigative Activities: DLA confidential investigations.

Director's Medallion: Purchase of medallions to be presented by the DLA Director for special accomplishments.

The budget request for this program is \$38 thousand in FY 2002.

II. Force Structure: N/A

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

III. Financial Summary (O&M: Dollars in thousands):

A. Subactivities:	FY 2000	FY 2001			FY 2002
		Actuals	Budget Request	Appropriated	
Unemployment Compensation	9,000	15,711	13,690	13,262	15,194
Price Comparability	33,813	38,608	38,391	38,348	32,377
Quality of Life	13,527	12,711	12,128	12,009	12,309
Continuing Health	356	994	982	980	1,011
Defense Finance & Accounting Service	0	0	0	899	1,414
Counter Drug Activities	845	0	0	0	0
Disability Compensation	743	1,091	1,091	1,091	1,089
Automated Document Conversion System	28,926	0	4,000	4,000	0
Procurement Technical Assistance	16,823	18,022	17,884	17,856	18,573
Demolition	0	4,823	4,787	4,779	0
Inventory Mgmt, Catalog Production & Distribution of Hard Copy Maps	23,612	31,240	30,999	30,953	26,781
Defense Security Service	1,270	600	600	139	140
Disaster Relief Blankets	3,076	3,032	3,009	3,004	3,086
Microcircuits: GEM	1,446	0	2,200	2,200	0
Improved Cargo Methods & Technologies	3,857	0	0	0	0
Logistics Transformation	7,800	7,200	7,200	7,200	7,462
Automatic Identification Technology	500	2,997	2,973	2,970	3,025
Critical Infrastructure Protection	350	0	0	0	352
Joint Logistics Warfighting Initiative	0	10,000	10,000	10,000	7,059
Training Initiative	0	54	54	0	0
Managerial Support	107	240	240	40	38
Contingency Operations	4,679	0	0	0	0
DTRA/DCMA Relocation	622	0	0	0	0
Total	151,352	147,323	150,228	149,730	129,910

DEFENSE LOGISTICS AGENCY
 Operations and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity #4: Defense-Wide Other Logistics Services

B. Reconciliation Summary:

	Change	Change
	FY 2001 / FY 2001	FY 2001/ FY 2002
1. Baseline Funding	147,323	149,730
a) Congressional Adjustments (Distributed)	6,200	0
b) Congressional Adjustments (Undistributed)	(3,203)	0
c) Congressional Earmark	(92)	0
2. Appropriated Amount	150,228	0
3. FY 2001 Rescission	(444)	0
3. Price Change	0	2,227
4. Program Changes	(54)	(22,047)
5. Current Estimate	149,730	129,910

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

C. Reconciliation of Increases and Decreases:

	<u>(Dollars in Thousands)</u>	
	<u>Amount</u>	<u>Totals</u>
1. FY 2001 President's Budget Request		147,323
2. Congressional Adjustments (Distributed)		
a) Microcircuits: GEM	2,200	
b) ADCS Aging Aircraft Program	4,000	
Total Congressional Adjustments (Distributed)		6,200
3. Congressional Adjustments (Undistributed)		
Management Headquarters Reduction	(3,107)	
Defense Joint Accounting Service	(96)	
Total Congressional Adjustments (Undistributed)		(3,203)
4. Congressional Earmarks		
Section 8047 - Indian Lands Mitigation	(71)	
Section 8139 - Mid-East Regional Security Issues	(7)	
Section 8142 - Bosque Redondo Memorial	(14)	
Total Congressional Earmarks		(92)
5. FY 2001 Appropriated Amount		150,228
6. FY 2001 Rescission		(444)
7. Functional Transfers-In		
Total Functional Transfers-In		0
8. Other Transfers-In (Non-Functional)		

DEFENSE LOGISTICS AGENCY
 Operations and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity #4: Defense-Wide Other Logistics Services

Total Other Transfers-In (Non-Functional) 0

C. Reconciliation of Increases and Decreases:

9. Functional Transfers-Out	
Total Functional Transfer-Out	0
10. Other Functional Transfers-Out	
Other Total Functional Transfer-Out	0
11. Price Change	0
12. Program Increase	
Total Program Increase	0
13. Program Decrease	
Training initiative to OSD program office.	
Total Program Decrease	(54)
14. Revised FY 2001 Current Estimate	149,730
15. Price Growth	2,227
16. Transfers-In	
Total Transfers-In	0
17. Transfers-Out	
Total Transfers-Out	0

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

C. Reconciliation of Increases and Decreases (cont'd):

18. Program Increases		
a) Continuing Health increase due to Agency downsizing and consolidation.	31	
b) Unemployment increase due to estimated program requirements.	1,932	
c) DFAS payment increase due to estimated accounting services required.	557	
d) Disaster Relief Blanket increase due to estimated requirements.	30	
e) Logistics Transformation increase due to estimated program requirements.	140	
f) Critical Infrastructure Protection increase to support initiatives as logistics program lead.	352	
g) Procurement Technical Assistant increase to support additional center award requirements.	413	
h) Quality of Life increase due to estimated program operations costs.	96	
i) Automatic Identification Technology increase due to estimated program requirements.	5	
Total Program Increases		3,556
19. Program Decreases		
a) Disability compensation decrease due to estimate program requirements.	(2)	
b) Director's Medallions decrease due to estimated program requirements.	(1)	
c) Price Comparability decrease due to competing Agency requirements	(6,622)	

DEFENSE LOGISTICS AGENCY
 Operations and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity #4: Defense-Wide Other Logistics Services

C. Reconciliation of Increases and Decreases (cont'd):

d) Mapping Function decrease due to going from a in-house redesign/development of a replacement system to a COTS replacement.	(4,698)	
e) Microcircuits: GEM decrease due to FY 2001 Congressional add only.	(2,238)	
f) ADCS Aging Aircraft Program decrease due to FY 2001 Congressional add only.	(4,068)	
g) Joint Logistics Warfighting Initiative decrease due to completed Department operational initiatives.	(3,112)	
h) Demolition decrease due to completion of one- time projects.	(4,860)	
i) Official Representation Funds decrease due to estimated program costs.	(1)	
j) Defense Security Service decrease due to revised Agency costs.	(1)	
Total Program Decreases		(25,603)
20. FY 2002 Budget Request		129,910

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

IV. Performance Criteria and Evaluation Summary:

Other Logistics Services (OLS) includes multiple programs of which DLA is either the executive agent or the budget administrator. Measures used to track performance are customer satisfaction and funding execution. These measures are important to the success of these Department initiatives. Performance criteria for this activity group follows:

The first performance measure is Customer Satisfaction. In FY 2000, we achieved a 90 percent customer satisfaction rating. We project this rating to increase 2 percent over FYs 2002 and 2003. Customer satisfaction is measured through surveys, comment cards and informal as well as formal customer feedback. In addition, customer satisfaction is measured through Congressional inquiries and appeals as related to the program execution of Congressional adds. Problems identified in this measure will be assessed for corrective action.

Execution of funding is an imperative performance measure for this activity group. In FY 2000, we achieved a 98 percent execution rating of funding in support of this activity group. It is our goal to achieve a 99 percent rating in FYs 2002 and 2003 through improved financial management processes, increased training through the financial certification program and more aggressive execution plans. In addition, more accurate budget estimating regarding funding projections for several of these activity group programs, i.e., Unemployment, Continuing Health Benefits, Disability Compensation, is an important factor of execution. We will continue to strive to become more accurate in factoring in Department and Agency initiatives and the impact of these initiatives on these programs. We will continue tracking trends and reviewing aged accounts to ensure previous funding levels were appropriate and adequate. Programs performing at less than projected execution rates will be required to reassess financial plans to ensure that this measure is achieved.

V. Personnel Summary: N/A

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			<u>FY 2002 Est</u>
	<u>FY 2000 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>	<u>FY 2001 Est</u>	<u>Price Growth</u>	<u>Prog Growth</u>	
106 Benefits to Former Employees	356	0	624	980	0	31	1,011
110 Unemployment Compensation	9,000	0	4,262	13,262	0	1,932	15,194
111 Disability Compensation	743	0	348	1,091	0	(2)	1,089
199 Total Civilian Personnel Compensation	10,099	0	5,234	15,333	0	1,961	17,294
417 Locally Procured Fund Managed Supplies & Materials	14	0	(1)	13	0	(1)	12
499 Total Fund Supplies & Materials Purchases	14	0	(1)	13	0	(1)	12
673 Defense Finance & Accounting Services	0	0	899	899	(42)	557	1,414
678 Defense Security Services	1,270	20	(1,151)	139	2	(1)	140
679 Cost Reimbursable Purchases	71,806	1,149	8,375	81,330	1,383	(11,227)	71,486
699 Total Purchases	73,076	1,169	8,123	82,368	1,343	(10,671)	73,040

DEFENSE LOGISTICS AGENCY
Operations and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Defense-Wide Other Logistics Services

VI. OP 32 Line Items (Dollars in Thousands) (cont'd):

	<u>Change FY 2000/2001</u>			<u>Change FY 2001/2002</u>			<u>FY 2002</u> <u>Est</u>
	<u>FY 2000</u> <u>Est</u>	<u>Price</u> <u>Growth</u>	<u>Prog</u> <u>Growth</u>	<u>FY 2001</u> <u>Estt</u>	<u>Price</u> <u>Growth</u>	<u>Prog</u> <u>Growth</u>	
920 Supplies & Material (Non-Fund)	4,522	72	610	5,204	88	(2,206)	3,086
932 Management & Professional Support Services	28,926	463	(25,389)	4,000	68	(4,068)	0
933 Studies, Analysis & Evaluations	12,507	200	7,463	20,170	343	(2,616)	17,898
934 Engineering & Technical Services	0	0	4,779	4,779	81	(4,860)	0
988 Grants	16,823	269	764	17,856	304	413	18,573
989 Other Contracts	5,301	85	(5,386)	0	0	0	0
998 Other Costs	84	1	(78)	7	0	0	7
999 Total Other Purchases	68,163	1,090	(17,237)	52,016	884	(13,336)	39,564
9999 Total	151,352	2,259	(3,881)	149,730	2,227	(22,047)	129,910

FY 2002 Amended Budget Submission

Defense Legal Services Agency (DLSA)



June 2001

DEFENSE LEGAL SERVICES AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-wide Activities

I. Description of Operations Financed:

The Defense Legal Services Agency (DLSA) provides legal services to the Office of the Secretary of Defense, Department of Defense Field Activities, and the Defense Agencies. The largest component of DLSA, the Defense Office of Hearings and Appeals (DOHA), adjudicates numerous types of cases that arise from all Military Departments and Defense Agencies. DOHA provides hearings and issues decisions in personnel security clearance cases for contractors performing classified work for all DoD components and twenty other Federal Agencies and Departments. In addition, DOHA conducts personal appearances and issues decisions in security clearance cases for DoD civilian employees and military personnel. DOHA also conducts hearings and issues decisions in cases involving claims for DoD Dependents Schools Activity benefits and CHAMPUS payment for medical services. A recently added claims function includes review of uniformed service and carrier claims for loss or damage of household goods and review of waiver applications. DOHA traditionally provides support to the Deputy General Counsel (Legal Counsel). Finally, DOHA functions as the point of contact for selection of third party neutrals in DOHA alternative dispute resolution processes. As experienced in FY 2001, it is anticipated that the increasing number of referrals of completed industrial security clearance cases from the Defense Security Service (DSS) will continue in FY 2002, which will subsequently result in more cases requiring review and participation by the DOHA. Since DOHA's personnel security missions are essential to national security, budget estimates provide for additional personnel and related costs to adjudicate the cases generated by the DSS elimination of periodic reinvestigation backlogs.

All customary expenses required to operate a government activity are financed, including salaries and benefits, travel, rental of office space, rental of equipment, communications, and the cost of supplies and equipment.

DEFENSE LEGAL SERVICES AGENCY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4, Administration and Service-wide Activities

II. Financial Summary (O&M: \$ in thousands):

A. Activity Groups:	FY 2000 <u>Actuals</u>	<u>FY 2001</u>			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
1. DLSA HQ	2,094	2,899	2,899	2,801	2,860
2. DOHA	<u>7,706</u>	<u>9,697</u>	<u>9,600</u>	<u>8,619</u>	<u>9,215</u>
Total	9,800	12,596	12,499	11,420	12,075

B. Reconciliation Summary:

	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
1. Baseline Funding	12,596	11,420
Congressional Adjustments	-97	0
Subtotal Appropriated Amount	12,499	0
FY 2001 Government-wide Rescission	-27	0
Price Changes	0	451
Program Changes	-1,052	204
Subtotal Baseline Funding	11,420	12,075
Current estimate	11,420	12,075

C. Reconciliation of Increases and Decreases:

1. FY2001 President's Budget Request:	12,596
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DEFENSE LEGAL SERVICES AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
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II. Financial Summary (O&M: \$ in thousands) (Con't):

C. <u>Reconciliation of Increases and Decreases (Cont'd):</u>		
2. Congressional Adjustments (Distributed):		0
3. Congressional Adjustments (Undistributed):		
a) Headquarters Personnel Reduction	-93	
4. Congressional Adjustments (General Provisions):	0	
Total Congressional Adjustment (Undistributed)		-93
5. Congressional Earmarks:		
a) Congressional Earmarks Billpayer	-4	
Total Congressional Earmarks		-4
5. FY 2001 Appropriated Amount		12,499
6. FY 2001 Rescission		-27
7. Functional Transfers-In		0
8. Other Transfers-In (Non-Functional)		0
9. Functional Transfers-Out		0
10. Other Transfers-Out (Non-Functional)		0
11. Price Change		0
12. Program Increase		0
13. Program Decrease - Underexecution of the FY 2000 Civilian Personnel Program		-1,052
14. Revised FY 2001 Current Estimate		11,420

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II. Financial Summary (O&M: \$ in thousands) (Con't):

C. Reconciliation of Increases and Decreases (Cont'd):

15. Price Growth		451
16. Transfers In		0
17. Transfers Out		0
18. Program Increase		
a. Program Growth in FY 2002		
(1) Increase of one (1) FTE restores civilian manpower to authorized level after previous hiring difficulties reduced end strength in previous fiscal years	132	
(2) Travel costs related to the elimination of periodic reinvestigation backlogs. The DOHA has multiple sites to which parties must travel for hearings and personal appearances.	63	
(3) Fact-of-Life increase for Court Reporting Contracts	37	
Total Increases		232
19. Program Decreases		
a. Program Decreases in FY 2002		
(1) Pentagon Reservation Maintenance Revolving Fund rent rate reduction for decrease in Pentagon Renovation related construction contracts.	-28	
Total Decreases		-28
20. FY 2002 Budget Request		12,075

III. Performance Criteria and Evaluation Summary:

The Defense Legal Services Agency (DLSA) provides legal services to the staff elements of the Office of the Secretary of Defense and the Defense Agencies. DLSA's activities include providing opinions and counseling on legal compliance issues affecting policy formulation and implementation; participation in developing the Department's legislative

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III. Performance Criteria and Evaluation Summary (Con't):

program, including drafting legislation and comments; negotiations on behalf of DoD clients with private entities and other Government agencies; ensuring proper use of Government funds and property; adherence to ethical standards; and participation in contractual matters. The Defense Office of Hearings and Appeals (DOHA), the largest component of DLSA, provides hearings and issues decisions in personnel security clearance cases for contractor personnel doing classified work for all DoD components and 20 other Federal Agencies and Departments and conducts personal appearances and issues decisions in security clearance cases for DoD civilian employees and military personnel. DOHA also conducts hearings and issues decisions in cases involving the special education programs of the Department of Defense's overseas and domestic school systems, and CHAMPUS payment for medical services. DOHA also adjudicates various financial claims including, but not limited to, claims related to uniform services members' pay, allowances, travel, transportation, retired pay, and survivor benefits; claims by transportation carriers for amounts collected from them for loss and damage incurred to property incident to shipment at Government expense; claims for proceeds of sale of unclaimed property coming into the custody or control of the Army, Navy, Air Force or Coast Guard; and petitions for waiver of debts owed by employees to the Government. DLSA is evaluated on the basis of the quality and timeliness of its myriad of services; adherence to appropriate standards of professional conduct and Department of Defense ethical standards; the professional independence, impartiality and competence exhibited by its attorneys; and its overall responsiveness to the needs of its clients.

Industrial Security Clearance Review (ISCR) Program

The due process hearings and appeals of the Industrial Security Program are DOHA's central mission implementing Department of Defense Directive 5220.6. The Industrial Security Program was created as a result of the Supreme Court's decision in *Greene v. McElroy*, 360 US 474, 79 S. Ct. 1400, 3 L. Ed.2d 1377 (1959). In response to the *Greene* decision, President Eisenhower signed Executive Order 10865 on February 20, 1960. Executive Order 10865 requires a hearing in which contractor employees be given the opportunity to appear before the decision-maker to confront and cross-examine witnesses and attempt to rebut the Government's case.

Executive Order 10865, as amended by Executive Order 10909, Executive Order 11382 and

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III. Performance Criteria and Evaluation Summary (Con't):

Executive Order 12829 mandate the due process regulation found in Department of Defense Directive 5220.6. Executive Order 12829, January 6, 1993, established DoD as the executive agent for the entire federal government's implementation of the new National Industrial Security Program (NISP) along with continuing responsibility for implementation of the procedural requirements of Executive Order 10865. Section 203 of Executive Order 12829 continues the process mandated by Executive Order 10865. Finally, Executive Order 12968, signed August 2, 1995 by President Clinton did not affect the program and was specifically designed not to change the full due process given to contractors.

The workload associated with the Industrial Security (ISCR) cases DOHA handles is currently increasing as a result of security reinvestigation backlogs anticipated during FY 2000 and FY 2001.

Personal Appearance (PA) Program

Executive Order 12968, which President Clinton signed on August 2, 1995, mandated that the "opportunity to appear personally" be part of security clearance due process for all military and civilian clearance applicants. DoD Regulation 5200.2-R provides for "personal appearances" by military and civilian clearance applicants which are handled by the same DOHA Administrative Judges who handle cases involving employees of Defense contractors and of other contractors. This decision was made in part due to the collective experience of the DOHA Administrative Judges in convening industrial security clearance hearings and the logic of centralizing security clearance due process proceedings generally in the Department. DOHA is the only DoD entity with experience providing a clearance applicant with the opportunity to appear personally as a regular part of due process.

The workload associated with the personal appearance cases DOHA handles is currently increasing as a result of security reinvestigation backlogs anticipated during FY 2000 and FY 2001.

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III. Performance Criteria and Evaluation Summary (Con't):

Claims Appeals Board

The Claims Appeals Board has ultimate settlement authority over many different types of claims and related matters. This authority is relatively new within the Department of Defense (DoD), and resulted from legislation in 1995 and 1996 which transferred claim settlement responsibility from the Comptroller General to, among others, the Secretary of Defense. The Board is a streamlined reconstitution of the portion of the GAO/OGC division which considered uniformed service and carrier claims. Under Title 31, United States Code, Section 3702, the Secretary of Defense now settles claims involving uniformed service members' pay, allowances, travel, transportation, retired pay, and survivor benefits. Additionally, he settles claims by transportation carriers involving amounts collected from them for loss or damage incurred to property incident to shipments at government expense. The Secretary's responsibilities in these areas are not restricted to DoD. The Secretary also has the statutory responsibility for settling the accounts of deceased DoD service members. As a result of a recent Office of Management and Budget (OMB) Determination Order, the Secretary was given the OMB Director's general claims settlement authority over most activities within DoD, and the bulk of the waiver authority within the Federal government; i.e., the Secretary now exercises the former authority of the Comptroller General to consider applications by service members and DoD employees to waive overpayment debts exceeding \$1,500, and upon request advises non-DoD agencies on waiver applications by their civilian employees.

Claims appeals board workload is expected to increase. For example, the number of carrier claims regarding loss and damage increased dramatically during the last year that such claims were considered at GAO, and they continue to increase. Changes to GAO's statutory authority to relieve certifying, dispersing and other accountable officers of financial liability may result in added responsibilities.

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III. Performance Criteria and Evaluation Summary (Con't):

<u>Workload:</u>	<u>FY 2000 Actual</u>	<u>FY 2001 Estimate</u>	<u>FY 2002 Estimate</u>
Cases Reviewed (ISCR & PA)	21,150	30,875	34,305
Hearing cases (ISCR/PA/TRICARE/DODEA)	1,069	1,500	1,666
Claims cases Reviewed	1,575	1,625	1,805
Mediations	25	30	33

IV. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Active Military End Strength (E/S) (Total)</u>				
Officer	2	2	2	0
Enlisted	6	9	7	-2
Total	8	11	9	-2
<u>Civilian End Strength (Total)</u>				
U.S. Direct Hire	83	93	94	1
<u>Active Military Average Strength (A/S) (Total)</u>				
Officer	2	2	2	0
Enlisted	6	9	7	-2
Total	8	11	9	-2
<u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	80	93	94	-1

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V. OP 32 Line Items as Applicable (Dollars in Thousands):

	Change from FY2000 to FY2001			Change from FY2001 to FY2002			FY 2002 Estimate
	FY 2000 Actuals	Price Growth	Program Growth	FY 2001 Estimate	Price Growth	Program Growth	
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
Exec, Gen & Spec Schedules	8,073	295	1,381	9,749	401	133	10,283
Disability Compensation	26	0	-24	2	0	-1	1
Travel of Persons	431	6	-251	186	3	63	252
PRMRF Purchases	332	5	-27	310	28	-28	310
Rental Payment to GSA	455	7	-1	461	7	0	468
Purchased Communications	51	1	3	55	1	0	56
Supplies & Materials	23	0	-3	20	1	0	21
Printing/Reproduction	9	0	0	9	0	0	9
Equipment Maintenance	5	0	0	5	0	0	5
Other Contracts	391	6	222	619	10	37	666
Other Costs	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>
Total	9,800	320	1,300	11,420	451	204	12,075

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Defense Prisoner of War/Missing Personnel Office (DPMO)



June 2001

DEFENSE PRISONER OF WAR MISSING PERSONNEL OFFICE
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I. Description of Operations Financed:

In 1996, Title 10, United States Code, Section 1501 directed the Secretary of Defense to establish an Office of Missing Persons to provide planning, policy and oversight within the Department of Defense for all issues pertaining to personnel recovery and for personnel accounting from all conflicts; past, present and future. The Secretary delegated this authority to the Defense Prisoner of War/Missing Personnel Office (DPMO). DPMO reports to, advises, and assists the Under Secretary of Defense for Policy and the Assistant Secretary of Defense for International Security Affairs for all matters relating to the process for investigation and recovery related to missing persons. In addition, DPMO has policy and oversight responsibility for the Department of Defense on the issue of Enemy Prisoners of War.

The Deputy Assistant Secretary of Defense for POW/Missing Personnel Affairs (DASD-POW/Missing Personnel Affairs) is the principal policy proponent on the Prisoner of War/Missing Personnel issue. He directs through the ASD/ISA, all policy and national security and intelligence aspects of the issue concerning Service Members, civilians and selected foreign personnel unaccounted from current and previous national conflicts. In an effort to build public credibility and trust, the DASD-POW/Missing Personnel Affairs maintains channels of communication on POW/MPA matters among the Department of Defense, Congress, POW/Missing Personnel families, veteran's organizations and the general public.

In addition, the DASD for POW/Missing Personnel Affairs provides support to the Presidentially mandated US-Russia Joint Commission on POW/MIAs. The commission works to ascertain the facts regarding American servicemen who were not repatriated and whose fate remains uncertain and may be resolved as a result of information available in the Former Soviet Union. Additional work by the Commission has been expanded to include research initiatives in a number of East European countries.

DPMO is responsible for several key mission areas. These include: Policy, Control, and Oversight; Outreach; Personnel Recovery; Personnel Accounting and Information Gathering in Southeast Asia, Northeast Asia, and throughout the world to account for those missing from all conflicts including WWII and the Cold War.

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II. Force Structure Summary: (N/A)

III. Financial Summary (O&M: \$ in Thousands):

	<u>FY 2001</u>			<u>Current</u>	<u>FY 2002</u>	
	<u>FY 2000</u>	<u>Budget</u>	<u>Request</u>		<u>Appropriated</u>	<u>Estimate</u>
A. <u>Activity Group:</u>	<u>Actuals</u>	<u>Request</u>	<u>Appropriated</u>	<u>Estimate</u>		
Defense Prisoner of War Missing Personnel Office	14,256	14,827	14,722		14,690	15,211

B. Reconciliation Summary:

	<u>Change</u>	<u>Change</u>
	<u>FY 2001/FY 2001</u>	<u>FY 2001/FY 2002</u>
1. Baseline Funding	14,827	14,690
a. Congressional Adj.	-90	0
b. Congressional Earmark Billpayers	-15	0
2. Appropriated Amount (Subtotal)	14,722	0
a. FY 2001 Government Wide Rescission	-32	0
3. Price Change	0	368
4. Program Change	0	153
5. Current Estimate	14,690	15,211

C. Reconciliation of Increases & Decreases:

1. FY 2001 President's Budget Request	14,827
2. Congressional Adjustments (Distributed)	-
0-	

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3.	Congressional Adjustments (Undistributed)		
	a. HQ Personnel Reduction	-55	
III.	<u>Financial Summary (O&M: \$ in Thousands) (Cont'd):</u>		
C.	<u>Reconciliation of Increases & Decreases: (con't):</u>		
	b. DJAS	-17	
	c. CAAS	-18	
	Total Congressional Adjustments (Undistributed)		-90
4.	Congressional Earmarks Billpayer		
	a. Indian Lands Mitigation		-12
	b. Mid East Regional Security Issues Pgm.	-1	
	c. Bosque Redondo Memorial		-2
	Total Congressional Earmarks Billpayer		-15
5.	FY 2001 Appropriated Amount		
	14,722		
6.	FY 2001 Rescission		
	-32		
7.	Functional Transfers - In		0
8.	Functional Transfers - Out		
	0		
9.	Price Growth		

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0		
10. Program Increases		
0		
11. Program Decreases		0
12. Revised FY 2001 Estimate		14,690
13. Price Changes		368
III. <u>Financial Summary (O&M: \$ in Thousands) (Cont'd):</u>		
C. <u>Reconciliation of Increases & Decreases: (con't):</u>		
14. Transfers - In		0
15. Transfers - Out		0
16. Program Increases		
a. Travel - program increases as more	114	
Korea War, World War II, and		
World War I sites are		
Investigated as directed by Congress and		
SECDEF, and fiscal support to New personnel		
recovery initiatives		
B. Contract - Studies/Analysis- Personnel Recovery	51	
Coalition Environment Study		
Total Program Increases		165
17. Program Decreases		-12

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18. FY 2002 Budget Request

15,211

IV. Performance Criteria Summary:

In 1996, Title 10, United States Code, section 1501 directed the Secretary of Defense to establish an Office of Missing Persons. This legislation required the existing office (DPMO) to greatly expand the scope of its roles and responsibilities to include establishment of comprehensive and uniform procedures for determining and updating the status of missing persons, their personnel files and contents and mandated case review dating to 2 September 1945. Under these requirements, the mission has expanded to encompass policy oversight of the

IV. Performance Criteria Summary (cont'd):

personnel recovery process as well as the traditional POW/MIA accounting effort. DPMO's efforts to fulfill these requirements have yielded results in the following areas:

Policy

DPMO continued to advocate in FY 01 for organizations not directly within our command authority during the entire budget cycle. These organizations have a significant role in the historical accounting process and live isolated personnel recovery missions. This advocacy directly contributed to increased funding for key components of the recovery process during the FY 02 - 07 POM process. This process resulted in several specific achievements: 1) 100 percent budget increase for the Central Identification Laboratory - Hawaii (CILHI), 2) 39 percent increase in CILHI personnel, 3) increased funding for the USAF for military air for repatriation of remains from recovery operations worldwide, 4) funding for the Armed Forces DNA Identification Laboratory to continue to produce analysis in support of CILHI operations, 5) restitution of staffing and funding for the Joint Task Force - Full Accounting to continue recovery operations in Southeast Asia. With the success of DPMO's advocacy efforts in FY 2000 and 2001, these organizations continue to depend on DPMO to advocate their fiscal requirements. This success will ensure continued operations for the fullest possible accounting of US service members who died in service

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to our nation. It will also help to ensure US forces are trained, equipped, and capable to respond during contingencies operations. Successful negotiations with the DPRK resulted in agreement to conduct 5 Joint Recovery Operations during the calendar year, four being in FY 2001. These recovery operations have the potential to be our most successful to date since the U.S. teams were granted access to the widest geographic areas in North Korea, thus increasing the chances for recoveries.

Outreach

Families of our unaccounted military service personnel continued to benefit from our "Family Update" program. DPMO conducted ten meetings at cities in the US that offered families' personal attention and direct access to a team of specialists that discussed current accounting activities and efforts.

IV. Performance Criteria Summary (cont'd):

This year we reached more than 800 family members with information on government operations in Southeast Asia, North Korea, in China, and in multiple global areas where Americans were lost during World War II and the Cold War. Experts explained the Government's use of cutting-edge technologies being used to identify remains, including mitochondrial DNA, archival research, and other important topics. At these meetings, families were afforded the opportunity to review details of their specific cases and discuss issues of concern with subject matter experts. To further build and extend our support for the Department's efforts, Family Update Program experts also met with veterans organizations and concerned citizens to present them with on-going missions and the status of our efforts to obtain the fullest possible accounting.

DPMO continued its aggressive, multi-pronged outreach program by meeting with varied audiences throughout the world and national veterans service organizations across the Nation. Additionally, specific audiences that included non-Government family and veterans organizations and legislative members were targeted with meetings and the DPMO Weekly Update. We published brochures and other information to attendees at update sessions and encouraged attendees to disseminate the materials to increase publicity of our efforts. For the third year we designed, printed, and distributed National POW/MIA Recognition Day

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posters to increase public awareness of our efforts. We advised veterans' service and family organizations of availability of the posters, and distributed them to all constituencies, including members of Congress. Enhancements are continually made to the DPMO Internet web site that made it more user-sensitive and -friendly and compliance with the mandated handicapped accessibility issues described in the amended section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d). This act, as amended requires that when federal departments develop, procure, maintain, or use Electronic and Information Technology (EIT), they shall ensure the EIT allows federal employees with disabilities to have access to and use of information and data that is comparable to other employees. This also includes members of the public who have disabilities. These improvements include uniformity between database displays and currency of information displayed on our Internet web site that continued to experience a sharp increase in the number of times it was contacted for information.

IV. Performance Criteria Summary (cont'd):

Congressional and public interest in the POW/MIA issue remained high for FY 2001 as was evidenced by DPMO responding to close to 2,000 written and telephonic requests for information covering many areas within the issue. Interest remained high on progress in Vietnam War and Korean War accounting efforts.

World War II accounting efforts witnessed an increase in interest, both from the public and congressional sectors. DPMO officials continued our efforts to maintain our mission as a strictly humanitarian issue and not have it linked to any other issues humanitarian, political, or intelligence related. The DASD and other DPMO officials successfully maintained open channels of communication with individual members' offices and oversight committee staff members and sustained its reputation for openness and providing requested information in a timely manner.

Personnel Recovery

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Personnel recovery continues to gain importance within the Department of Defense and the interagency community. DPMO promulgated several DoD Directives and Instructions this year: DoD Directive 2310.2, Personnel Recovery; DoD Directive 1300.7, Training and Education to support the Code of Conduct; DoD Instruction 2310.4, Repatriation of Prisoners of War, Hostages, Peacetime Government Detainees and Other Missing or Isolated Personnel; DoD Instruction 2310.6, Non-Conventional Assisted Recovery in DoD; DoD Instruction 1300.21, Code of Conduct Training and Education.

These policy directives published between October 2000 and January 2001 will provide important policy guidance that require proactive preparation and preclude ad hoc responses to personnel recovery situations. These documents brought about significant changes in the personnel recovery community, most significantly the shift of Executive Agency for Personnel Recovery from the Air Force to the Commander-in-Chief, United States Joint Forces Command, which took place officially with the publishing of DoD Directive 2310.2 in December 2000. This shift was critical in order to transition a function that many say is an "Air Force only" function into the joint

IV. Performance Criteria Summary (cont'd):

arena. As part of this realignment, the Joint SERE Agency merged with the Joint Combat Rescue Agency and the Joint Combat Search and Rescue Joint Test and Evaluation center to form the Joint Personnel Recovery Agency (JPRA).

Additionally, DPMO played a pivotal role in advocating the increased funding of important personnel recovery related equipment development such as the Combat Survivor Evader Locator System and for continued training of our high-risk-of-capture individuals in SERE techniques.

In its capacity as the DoD policy proponent for personnel recovery, DPMO has also committed to provide financial support to the only existing personnel recovery acquisition program - the Personnel Recovery Extraction Aided by Smart Sensors (PRESS) Advanced Concept Technology demonstration (ACTD). DPMO's total contribution of \$2.550 to this important program is critical to its success.

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DPMO fulfilled its charter as prescribed in the Missing Person Act ("coordinate with other Departments and agencies of the United States Government on all matters concerning missing personnel and personnel recovery") by facilitating and hosting the fourth annual DoD-wide personnel recovery conference in January 2001. More than 400 participants representing 106 commands, offices and agencies attended the conference. These conferences heighten awareness of Personnel Recovery (PR) at the highest levels of the U.S. government, facilitate the exchange of ideas within the recovery community, identify and resolve policy-level issues pertaining to PR within DoD and chart a course for the future of PR. The conference fully achieved all of these goals.

The USD (Policy) directed DPMO to establish a Personnel Recovery Response Cell (PRRC) (DoD Directive 2310.2) for activation during personnel recovery incidents and exercise the cell to ensure the procedures and coordination channels are current and functional.

DPMO continues to monitor the findings of an DPMO-initiated study supported by the Institute from Defense Analysis on the impact of operating in a coalition environment and its impact on personnel recovery. Results are being worked at various levels of DoD and the personnel recovery community.

IV. Performance Criteria Summary (cont'd):

Southeast Asia

DPMO's efforts focused on increasing both the efficiency and the pace of operations in the countries of Vietnam, Laos and Cambodia. DPMO closely supported President Clinton's historic visit to Vietnam in November 2000. The President highlighted the importance of bilateral cooperation on the MIA issue in his meetings with Vietnamese leaders, and, in the company of the Deputy Assistant Secretary of Defense (DASD) for POW/Missing Personnel Affairs, made a visit to the excavation of an MIA's crash site, a cornerstone of his agenda. The office continued to act to increase the breadth and pace of investigation and recovery operations in Vietnam, Laos, and Cambodia. Operations assessment meetings, including technical, Last-Known-Alive and unilateral case meetings

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were held with the Vietnamese in Hanoi and Hawaii. Consultative talks and a provincial governor's meeting were supported in Laos, and DPMO representatives attended analysts' meeting in Cambodia. In the course of the meetings, government officials from all countries confirmed their willingness to cooperate fully on the MIA issue and demonstrated their openness to exploring new initiatives to improve operations and the safety of joint operational teams. This issue is extremely important in the wake of the April 7th, 2001 crash of a helicopter carrying 7 Americans and 9 Vietnamese.

DPMO's Southeast Asia analysts addressed the case of a missing American from the Gulf War, and met with the U.S. Army Central Identification Laboratory for discussions with their counterparts from other agencies as well as with forensic specialists. In June, analysts addressed the annual meeting of the National League of Families of the Missing from Southeast Asia.

Northeast Asia

The fiftieth anniversary of the Korean War commemoration began in June 2000. DPMO significantly broadened access to the isolated nation of North Korea and dramatically increased the overall accounting effort. As a 50 Korean War commemorative sponsor, DPMO published a

IV. Performance Criteria Summary (cont'd):

comprehensive report on the U.S. Government efforts to account for servicemen missing from the Korean War. While informing the public on total accounting efforts, the document served also to increase out contacts with the veteran's community, which assists DPMO in clarifying loss incidents of those still missing. DPMO continued to refine the 1999 release of the Personnel Missing in Korea (PMKOR), another public document posted on the DPMO website. This list, configured to allow the public to download it from the DPMO website by state or service, generated considerable public interest and more than 16,000 Internet "hits". DPMO research, in coordination with the services, enhanced and improved the list, which resulted in improved information for the public.

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The remains recovery effort in both North and South Korea increased significantly. As a result of successful negotiations with North Koreans, five recovery operations were conducted overlapping both FY 2000 and early FY 2001, resulting in 65 remains recoveries, the largest number since the program began in 1996. The winter 2001 negotiations with the North Koreans were the most successful to date, opening up two more heretofore unsurveyed regions including the famous Chosin Reservoir, a combined area of over 1700 losses. Three recoveries were also made in South Korea with more operations to follow. DPMO's Oral History Program for the Korean War continued to progress expanding to over 1100 interviews.

DPMO elicited cooperation from the People's Republic of China for the first time that led to four interviews of Chinese veterans from the war. A second oral history interview event, "A Veterans Exchange" resulted in additional five interviews of Chinese veterans, some of them in prison camp cadre. The information provided by veterans was particularly helpful in piecing together the conduct of battles and pinpointing the location of combat units during the battles of Unsan, the Chongchon River, and the Chosin Reservoir. In other Korean War accounting efforts, DPMO facilitated efforts to obtain mitochondrial DNA samples from suitable family members. Scientists now expect to use mitochondrial DNA to help identify Korean War remains. This includes two cases originally buried as unknowns disinterred from the National Memorial Cemetery of the Pacific commonly known as "The Punchbowl." Officials collected nearly 700 samples of mitochondrial DNA in 2000 for use in a family member database.

IV. Performance Criteria Summary (cont'd):

World War II

In accordance with Section 1506, Title 10, United States Code, The Defense POW/MPA Office in conjunction with the US Army CILHI, prepared a comprehensive report to Congress which details progress made on World War II recoveries around the world. The USG has maintained a recovery program for WWII losses since the end of that war (on average, five WWII excavation activities are conducted annually). DPMO has made extensive contributions

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to acquiring sufficient funding and manpower for CILHI to maintain a robust rate of investigations and recoveries for FY 2000 and the out years.

Cold War

From the closing days of World War II until the fall of the Berlin Wall, our nation led the struggle to save the free and democratic countries of the world from communist aggression. Since its creation in 1993, DPMO has continued our government's efforts to resolve the case of every American service member who remains unaccounted for. Specifically from the Cold War era (1946-1991), we have continued to investigate the fourteen missions in which aircrew members were lost and remain unaccounted for. DPMO published the Persons Missing Cold War (PMCOLD) database on its web page. Similar to the Persons Missing Korea (PMKOR) database already on line, PMCOLD serves as a historical record of the Cold War losses tracked by DPMO. It is expected that the information which PMCOLD makes readily available to the public will facilitate research into a period of history from which scores of US servicemen remain among the unaccounted for. The availability of this information will ease the process of public research into this period of our history and continue to assure our accountability to the families of missing servicemen. Efforts by the US-Russia Joint Commission, of which the DASD is a member, to pursue Cold War loss incidents have been intensified, with a number of site visits, witness interviews and archival searches conducted in FY 2001 and anticipated into FY 2002.

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IV. Performance Criteria Summary (cont'd):

DPMO's accessions by era for 2000 are summarized below:

Remains Recovered

Korea	19 accessions (DPRK-18/ROK-1)
	Believed to be 68 (DPRK-65/ROK-3) remains
Southeast Asia	66 (SRV-54, Laos-10, Cambodia-1, China-1)
World War II	21
Cold War	0
Total Number Remains Recovered:	106

Remains Identified

Korea	6
Southeast Asia	68 (SRV-37, Laos-22, Cambodia-9)
World War II	18
Cold War	0
Total Number Remains Identified:	90

DEFENSE PRISONER OF WAR MISSING PERSONNEL OFFICE
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4: Administration and Service-Wide Activities

V. Personnel Summary:

<u>FY 2001/FY 2002</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	Change
<u>Military End Strength</u>				
Officer	23	33	24	- 8
Enlisted	11	13	14	+1
Pending	<u>12</u>	<u>0</u>	<u>8*</u>	<u>-8</u>
Total	46	46	46	0
* Five of the eight pending have identified replacements with entry on duty dates established. The other three have active service requisitions against them.				
<u>Civilian End Strength</u>				
US Direct Hire	71	69	69	0
<u>Military FTE's</u>				
Officer	23	33	24	- 8
Enlisted	11	13	14	+1
Pending	<u>12</u>	<u>0</u>	<u>8</u>	-8
Total	46	46	46	0
<u>Civilian FTE's</u>				
US Direct Hire	71	69	69	0

DEFENSE PRISONER OF WAR MISSING PERSONNEL OFFICE
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-Wide Activities

VII. OP 32 Line Items:

	Change FY 2000/FY 2001			Change FY 2001/FY 2002			FY 2002 Estimate
	FY 2000 Actual	Price Growth	Program Growth	FY 2001 Estimate	Price Growth	Program Growth	
101 Exec, Gen & Spec Schedules	5,985	239	128	6,352	235	-12	6,575
308 Travel of Persons	1,630	24	205	1,859	32	114	2,005
673 Payments to DFAS	0	0	558	558	9	0	567
912 SLUC (GSA Leases)	964	15	-157	822	14	0	836
914 Purchased Comm.	96	2	9	107	2	0	109
915 Rents	0	0	5	5	0	0	5
920 Supplies & Materials	354	5	67	426	7	0	433
921 Printing & Reproduction	0	0	77	77	1	0	78
922 Equipment Maintenance	0	0	0	0	0	0	0
925 Equipment (Non-fund)	418	6	-424	0	0	0	0
933 Contract Studies and Analysis	0	0	3,027	3,027	43	22	3,092
989 Other Contracts	<u>4,809</u>	<u>72</u>	<u>-3,424</u>	<u>1,457</u>	<u>25</u>	<u>29</u>	<u>1,511</u>
9999 Total	14,256	363	71	14,690	368	153	15,211

FY 2002 Amended Budget Submission

Defense Security Cooperation Agency

(DSCA)



June 2001

DEFENSE SECURITY COOPERATION AGENCY
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-wide
Appropriation Highlights
(Dollars in Millions)

	<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
	Actual	Growth	Growth	Estimate	Growth	Growth	Estimate

Appropriation Summary:

O&M, Defense-wide
 Budget Activity 4: Admin

DSCA	62.555	1.022	-6.493	57.084	.990	7.137	65.211
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Description of Operations Financed:

These funds will be used to finance DSCA Headquarters administrative support, Partnership for Peace, Canadian Environmental Cleanup, an International Programs Security Requirements Course.

Narrative Explanation of Changes:

The funding changes between FY 2001 and FY 2002 are for a Partnership for Peace and International Programs Security Requirements Course.

DEFENSE SECURITY COOPERATION AGENCY
 FY 2002 AMENDED BUDGET SUBMISSION
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 SUMMARY OF INCREASES AND DECREASES

<u>Appropriation: Operation and Maintenance, Defense-Wide</u>	(\$000)
1. FY 2001 President's Budget Request	67,598
2. Congressional Adjustments (Distributed)	-10,000
3. Congressional Adjustments (Undistributed)	-557
4. Congressional Earmarks	-129
5. FY 2001 Appropriation Enacted	56,912
6. Transfers In	172
7. Transfers Out	
8. Revised FY 2001 Estimate	57,084
9. Price Growth	990
10. Transfers In	
11. Transfers Out	
12. Program Increases	
a. Annualization of New FY 2001 Program	
b. One-Time FY 2002 Costs	
c. Program Growth in FY 2002	7,137
d. New FY 2002 Program	
13. Total Increases	7,137
14. Program Decreases:	
a. One-Time FY 2001 Costs	
b. Annualization of FY 2001 Program Decreases	
c. Program Decreases in FY 2001	
15. Total Decreases	
16. Revised FY 2002 President's Budget	65,211

**Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities**

I. Narrative Description:

The Defense Security Cooperation Agency (DSCA) provides program management and program implementation support to Humanitarian Assistance and Demining, the Warsaw Initiative/Partnership for Peace programs in accordance with DoD's policy to provide emergency and on-emergency humanitarian assistance; and directs, administers, and supervises the humanitarian demining program.

In 1996, the United States Government negotiated a settlement with the Government of Canada for reimbursement of costs for environmental cleanup at four United States military installations in Canada. The United States and Canadian Government developed this requirement through extensive negotiations resulting in a formal Exchange of Notes wherein it was agreed that the United States would pay a settlement of \$100 million. At the beginning of FY 1999, Canadian support of these environmental cleanup activities totaled \$37.638 million in current year dollars.

In Warsaw in July 1994, President Clinton announced a major foreign policy initiative, saying he would seek \$100 million in FY 1996 to "help America's new democratic partners work with the United States to advance the Partnership for Peace's goals." The effort became known as the Warsaw Initiative. Congress approved the funds, thereby establishing a single, comprehensive United States bilateral program to advance closer relations and interoperability between NATO and Partnership for Peace (PfP) countries. The State Department and the Department of Defense (DoD) cooperatively administer the program; State's portion is provided as Foreign Military Financing; the remainder administered by DoD.

Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities

II. Description of Operations Financed:

The FY 2002 funds in the amount of \$2.650 million will be used for expenses to operate a government activity such as salaries and benefits, travel, training, rental of office space, rental of equipment, communications, and cost of supplies and equipment. Funds in the amount of \$11.1 million will be used for the Canadian Environment Cleanup program, \$50.224 million for Warsaw Initiative/Partnership for Peace program and \$1.237 million for the International Programs Security Requirements Course.

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group</u>	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u>			<u>FY 2002</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Appropriation</u>	<u>Current</u> <u>Estimate</u>	
DSCA	62,555	67,598	-10,000	57,084	65,211

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	67,598	57,084
Congressional Adjustments (Distributed)	-10,000	
Congressional Adjustments (Undistributed)	-557	
Congressional Earmark	-129	
Appropriated Amount	54,912	
FY 2001 Rescission	-128	

Defense Security Cooperation Agency
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity #4: Administration and Servicewide Activities

Transfer-In	300	
Price Change		990
Program Change		7,137
Current Estimate	57,084	65,211

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request		67,598
2. Congressional Adjustments (Distributed)	-10,000	
Total Congressional Adjustment (Distributed)		-10,000
3. Congressional Adjustments (Undistributed)		
Headquarters Management Personnel Reduction	-421	
Congressional Action	-136	
Total Congressional Adjustment (Undistributed)		-557
4. Congressional Earmarks:		
Congressional Earmarks	-129	
Total Congressional Earmarks		-129
5. FY 2001 Appropriated Amount		56,912
6. FY 2001 Recission	-125	
7. Functional Transfer-In	+297	

Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities

8. Revised FY 2001 Estimate		57,084
9. Price Growth		+990
10. Program Increases		
Increase for Partnership for Peace exercises and seminars.		+7,137
11. Program Decreases		
12. FY 2002 Budget Request		65,211

IV. Performance Criteria and Evaluation Summary:

The Defense Security Cooperation Agency (DSCA) provides program management and program implementation support for Humanitarian Assistance and Demining (HA/D) programs, the African Center for Strategic Studies (ACSS), Warsaw Initiative/Partnership for Peace (WI/PfP) program and the Canadian Environmental Cleanup program. In accordance with DoD's policy to provide emergency and non-emergency humanitarian assistance, and directs, administers and supervises the humanitarian demining program. Tangible performance criteria for the WI/PfP program include the number of PfP events supported, number of studies conducted, number of personnel involved, study recommendations acted upon by Partners, number of events hosted and others. Tangible performance criteria for the ACSS program include the number of seminars hosted in African countries.

<u>Personnel Summary:</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Civilian End Strength (Total)</u>				
U.S. Direct Hire	16	19	20	1
Foreign National Direct Hire	0	0	0	0

**Defense Security Cooperation Agency
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity #4: Administration and Servicewide Activities**

Total Direct Hire	16	19	20	1
Foreign National Indirect Hire	0	0	0	0
 <u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	16	19	20	1
Total Direct Hire	16	19	20	1

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change</u> <u>FY 2000 to FY 2001</u>			<u>Change</u> <u>FY 2001 to FY 2002</u>			<u>FY 2002</u> <u>Estimate</u>
	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	
Exec, Gen.							
Spec Schedules	1,293	42	228	1,563	47	75	1,685
Travel of Persons	1,159	19	0	1,178	20	0	1,198
SLUC (GSA Leases)	70	1	0	71	1	0	72
Purchased Utilities	33	1	0	34	1	6	41
Purchased							
Communications	54	1	0	55	1	0	56
Postal Services	1	0	0	1	0	0	1
Supplies & Materials	75	1	0	76	1	0	77
Printing & Reproduction	1	0	0	1	0	0	1
Equipment Maintenance	19	0	0	19	0	0	19
Facility Maintenance							
By Contract	3	0	0	3	0	0	3
Equipment (Non-Fund)	85	1	0	86	1	0	87
Contract & Professional							
Support Services	454	7	0	461	8	0	469
Studies, Analysis							
Evaluations	1,019	16	0	1,035	18	0	1,053

Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities

Other Contracts	56,244	900	-6,721	50,423	857	7,056	58,336
Other Cost	2,045	33	0	2,078	35	0	2,113
Total	62,555	1,022	-6,493	57,084	990	7,137	65,211

**DEFENSE SECURITY COOPERATION AGENCY
 FY 2002 AMENDED BUDGET SUBMISSION
 OPERATION AND MAINTENANCE, DEFENSE-WIDE**

SUMMARY OF PRICE AND PROGRAM CHANGES

	<u>FY 2000 Program</u>	<u>Foreign Currency Rate Difference</u>	<u>Price Growth</u>		<u>Program Growth</u>	<u>FY 2001 Program</u>
			<u>Percent</u>	<u>Amount</u>		
Civilian Personnel Compensation						
101	Ex., Gen. & Special Schedules	1,293		42	228	1,563
107	Voluntary Separation Incentive Pay	0		0	0	0
199	Total Civ Personnel Comp	1,293		42	228	1,563
<u>TRAVEL</u>						
308	Travel of Persons	1,159	1.6	19	0	1,178
399	Total Travel	1,159	1.6	19	0	1,178
<u>OTHER PURCHASES</u>						
912	SLUC (GSA leases)	70	2.0	1	0	71
913	Purchased Utilities	33	1.6	1	0	34
914	Purchased Communications	54	1.6	1	0	55
917	Postal Services	1		0	0	1
920	Supplies & Materials	75	1.6	1	0	76
921	Printing & Reproduction	1	1.6	0	0	1
922	Equipment Maintenance by Contract	19	1.6	0	0	19
923	Facility Maintenance by Contract	3	1.6	0	0	3
925	Equipment Purchases (Non-Fund)	85	1.6	1	0	86
932	Contract & Professional Spt Svcs	454	1.6	7	0	460
933	Studies, Analysis, & Evaluations	1,019	1.6	16	0	1,034
989	Other Contracts	56,244	1.6	900	-6,721	50,423
998	Other Costs	2,045	1.6	33	0	2,078
999	Total Other Purchases	59,504		961	-6,721	54,343
9999	Total	62,555		1,022	-6,493	57,084

**DEFENSE SECURITY COOPERATION AGENCY
 FY 2002 AMENDED BUDGET SUBMISSION
 OPERATION AND MAINTENANCE, DEFENSE-WIDE**

SUMMARY OF PRICE AND PROGRAM CHANGES

	<u>FY 2001 Program</u>	<u>Foreign Currency Rate Difference</u>	<u>Price Growth</u>		<u>Program Growth</u>	<u>FY 2002 Program</u>
			<u>Percent</u>	<u>Amount</u>		
Civilian Personnel Compensation						
101	Ex., Gen. & Special Schedules	1,563		47	75	1,685
107	Voluntary Separation Incentive Pay	0		0	0	0
199	Total Civ Personnel Comp	1,563		47	75	1,685
<u>TRAVEL</u>						
308	Travel of Persons	1,178	1.7	20	0	1,198
399	Total Travel	1,178	1.5	20	0	1,198
<u>OTHER PURCHASES</u>						
912	SLUC (GSA leases)	71	1.7	1	0	72
913	Purchased Utilities	34	1.7	1	6	41
914	Purchased Communications	55	1.7	1	0	56
917	Postal Services	1		0	0	1
920	Supplies & Materials	76	1.7	1	0	77
921	Printing & Reproduction	1	1.7	0	0	1
922	Equipment Maintenance by Contract	19	1.7	0	0	19
923	Facility Maintenance by Contract	3	1.7	0	0	3
925	Equipment Purchases (Non-Fund)	86	1.7	1	0	87
932	Contract & Professional Spt Svcs	461	1.7	8	0	469
933	Studies, Analysis, & Evaluations	1,035	1.7	18	0	1,053
989	Other Contracts	50,423	1.7	857	7,056	58,336
998	Other Costs	2,078	1.7	35	0	2,113
999	Total Other Purchases	54,343		923	7,062	62,328
9999	Total	57,084		880	7,137	65,211

FY 2002 Amended Budget Submission Defense Security Service (DSS)



June 2001

DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Appropriation Highlights

(Dollars in Millions)

Summary:

The Defense Security Service (DSS) is under the direction, authority and control of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence). DSS provides security services to the Department of Defense (DoD) through the integration of personnel security, industrial security, security training and education, information systems security and counterintelligence. Due to the integration of security services, combined with intelligence threat data, the DSS is uniquely positioned to facilitate the application of threat-appropriate security countermeasures.

The three primary business areas that comprise the DSS mission are the Personnel Security Investigations (PSI), whose investigations are used by the DoD adjudicative facilities to determine an individual's suitability to enter the armed forces, to access classified information, or to hold a sensitive position within the DoD. The National Industrial Security Program (NISIP), which primarily ensures that private industry, colleges, and universities that perform government contracts or research safeguard classified information in their possession. The Security Training and Education Program (the DSS Academy-DSSA) provides security education and training programs to support DSS components, DOD agencies, military departments and contractors. The Academy offers formal classroom training, computer-based training, correspondence and distance learning. The remainder of the DSS budget funds NFIP/JMIP counterintelligence activities and O&M/R&D activities of Department of Defense Polygraph Institute (DoDPI).

The majority of the DSS workload is driven by executive order requirements to ensure that appropriate security measures are taken when safeguarding classified material, either by DoD or contractor personnel.

DEFENSE SECURITY SERVICE
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Appropriation Highlights

	(Dollars in Millions)						
	<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
	<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
BA 3: Training and Recruiting	7.455*	0.162	(0.201)	7.416	0.113	0.061	7.590
BA 4: Administration and Service-wide Activities Activities	102.661	1.669	24.218	128.548	4.160	(-45.590)	87.118

* The DFAS DD 1002 Report for period ending 30 Sep 00 incorrectly indicates BA 3 FY 2000 actuals are \$6,610 thousand. This is due to DoDPI Training (non-pay) being incorrectly identified as BA 4; it should be identified as BA 3. DFAS corrected this for DD 1002 reports beginning in March 2001.

Narrative Explanation of Changes:

BA 3: Training and recruiting

FY2001 to FY2002: Price change is due to civilian pay and non-pay inflation. Program changes are negligible (less than 1%).

BA 4: Administration and Activities

FY2001 to FY2002: Price change is due to civilian pay and non-pay inflation. Program decrease is primarily due to a one-time National Industrial Security Program requirements of \$40.0 million in FY 2001; and a net change of -\$5.0 million from the 16 Aug 99 Program Decision Memorandum (\$10 million plus-up in FY 2001 and \$5 million plus-up in FY 2002-2005) for Case Control Management System interface requirements.

DEFENSE SECURITY SERVICE
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Summary of Increases and Decreases
 (Dollars in Millions)

	<u>BA 3</u>	<u>BA 4</u>	<u>Total</u>
FY 2001 President's Budget Request	7,445	126,929	134,374
1. Congressional Adjustments			
a. Congressional Earmarks		(253)	(253)
b. Congressional (Undistributed)	(29)	(234)	(263)
FY 2001 Appropriation Enacted	7,416	126,442	133,858
2. FY 2001 Rescission; Section 1403 of P.L. 106-554		(294)	(294)
3. Program Changes			
a. Reprogramming (National Industrial Security Program)		2,400	2,400
Revised FY 2001 Current Estimate	7,416	128,548	135,964
4. Price Growth	113	4,160	4,273
5. Transfers			
a. Transfers In			
b. Transfers Out			
6. Program Increases			
a. Annualization of New FY 2001 Program			
b. One-Time FY 2002 Costs			
DWCF (DFAS)		200	200
Congressional Earmarks		453	453
Congressional Adjustments (Undistributed)	61	703	764
FY 2001 Rescission; Section 1403 of P.L. 106-554		294	294
c. Program Growth in FY 2002			
Defense Joint CI Program		630	630

DEFENSE SECURITY SERVICE
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Summary of Increases and Decreases
 (Dollars in Millions)

	<u>BA 3</u>	<u>BA 4</u>	<u>Total</u>
7. Program Decreases			
a. One-Time FY 2001 Costs			
b. Annualization of FY 2001 Program Decreases			
c. Program Decreases in FY 2002			
NISP FY 2000 Backlog of Security Investigations		(2400)	(2400)
Joint Personnel Adjudication System (JPAS)		(47)	(47)
NFIP Manpower		(4)	(4)
Defense Finance & Accounting Service (DFAS)		(400)	(400)
NISP Periodic Reinvestigation Backlog		(40,000)	(40,000)
Military and Civilian Pay Raises		(8)	(8)
Case Control Management System		(5,000)	(5,000)
Savings Initiatives		(11)	(11)
FY 2002 Budget Request	7,590	87,118	94,708

DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Summary of Price and Program Increases
(Dollars in Thousands)

	FY00 Actuals	Price Growth	Program Growth	FY01 Estimate	Price Growth	Program Growth	FY02 Estimate
<u>CIVILIAN PERSONNEL COMPENSATION</u>							
101 Executive, General & Special Schedule	3321	123	720	4164	150	456	4770
106 Benefits to Former Employees	26	0	-26	0	0	0	0
199 TOTAL CIVILIAN PERSONNEL COMPENSATION	3347	123	694	4164	150	456	4770
<u>TRAVEL</u>							
308 Travel of Persons	237	4	280	521	9	12	542
399 TOTAL TRAVEL	237	4	280	521	9	12	542
<u>SUPPLIES & MATERIALS PURCHASES</u>							
416 GSA Managed Supplies & Materials	94	2	30	126	2	27	155
499 TOTAL SUPPLIES & MATERIALS PURCHASES	94	2	30	126	2	27	155
<u>OTHER FUND PURCHASES (EXCLUDE TRANSPORTATION)</u>							
678 Defense Security Service	105302	1684	10853	117839	3896	-44378	77357
699 TOTAL PURCHASES	105302	1684	10853	117839	3896	-44378	77357
<u>OTHER PURCHASES</u>							
921 Printing and Reproduction	23	0	-16	7	0	0	7
925 Equipment Purchases (non-Fund)	742	12	1931	2685	46	-2122	609
989 Other Contracts	371	6	10245	10622	170	476	11268
999 TOTAL OTHER PURCHASES	1136	18	12160	13314	216	-1646	11884
9999 TOTAL OPERATION & MAINTENANCE	110116	1831	24017	135964	4273	-45529	94708

DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-wide
FY 2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting

I. Description of Operations Financed:

The Defense Security Service (DSS) operates under the auspices of the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) (ASD(C3I)). DSS participates in many of the committees and subcommittees operating under the direction of the Security Policy Board which is chaired by the Deputy Secretary of Defense and the Director of Central Intelligence. As recognized by the Joint Security Commission (JSC), the personnel security system is at the heart of the government's security mission. DSS performs:

Security Education and Training - to provide a standardized system of resident, on-site and customized security training in the varied and interdependent security disciplines to support a sound information assurance program throughout the Department of Defense (DoD), other federal agencies and Defense Industry. This includes the Department of Defense Polygraph Institute, which provides courses in forensic psychophysiology to both DoD and non-DoD personnel. DSS programming of O&M Defense-wide (Budget Activity 3) includes amounts for this effort. DSS also programs resources for Foreign Counterintelligence Activities, in Budget Activity 4, to support the integration of counterintelligence experience and knowledge into the background investigation process.

(1) Defense Security Service Academy (DSSA). DSSA offers worldwide security education, training, awareness, and professional development support to the Department's security countermeasure professionals and programs, DoD contractors, and selected foreign governments. Committed to professional development of the DoD Security Community, DSSA has taken on an expanded role in developing quality assurance metrics for products, instruction and responsiveness. Institutional effectiveness research provides a linkage to DSSA curriculum and career mapping.

DSSA focuses on improving the performance of security programs and professionals through the production of courses, continuing education, and publications, consulting services, promotion of security and security preparation and its work with the Department and National policy makers and forums. DSSA presents over 31 security courses annually

DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-wide
FY 2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting

delivered in over 100 individual offerings. These include resident field extension, interdependent study, and interactive video. Customized courses are also provided. The DSSA selects and authorizes other organizations to present some of its courses, subject to quality control by the DSSA. DSSA also produces a series of select security modules and materials for organizations to train their personnel. DSSA publishes, collects, evaluates, and distributes security awareness materials for the DoD and its cleared contractors. It produces security awareness periodicals and videos as well as a wide range of training and program support materials. DSSA creates and distributes its products and training material in several media, including paper, magnetic and on-line. The principal customers of DSSA are Defense military, civilian and contractor activities and personnel. The DSSA offers support to foreign government representatives and supports the broader federal sector in several key areas on behalf of the Department.

The Defense Security Service Academy (DSSA) is the sole training source in several security areas within the federal government and is an integral part of mandatory training required for security professionals in many agencies. DSSA provides the Department of Defense (DoD) a common unifying means to prepare individuals for their security program roles and to assist the development of effective security programs. DSSA currently concentrates its support on security management, risk management, information security, special programs security, personnel security investigation and adjudication, management and investigations, technical security, industrial security management and contractor security, acquisition systems security, systems security engineering, technology control, international program security, foreign disclosure and automated information systems security.

This organization is the primary DoD resource for security program training, education, awareness and program development support. DSSA presents more than 25 courses of instruction including resident, field extension, customized, electronically delivered, and independent study relating to National and DoD security programs. Its students are U.S. Government military personnel and designated civilian employees and representatives of U.S. industry. DSSA provides technical assistance to DoD components and other federal entities in the development and improvement of their security programs.

DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-wide
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Budget Activity 3: Training and Recruiting

The Academy's mission is financed with DSS Operation and Maintenance Defense-wide dollars until the customer products and customer identification is developed. The FY 2001 DSS Operation and Maintenance Defense-wide contains \$4,767 thousand to pay for security training courses/products produced by the DSS Defense-wide Working Capital Fund (DWCF). 27 full-time equivalents are funded through the DWCF for DSSA beginning in FY 1999 and into the out years. When the customer delineation is complete, DSS will devolve these dollars to the customers. This funding will pay for 19 security and education courses attended by approximately 3,000 students and an enrollment of approximately 8,000 students in 41 independent study courses (including 35 CD-ROM course) from DoD Agencies and Military Departments and other federal agencies.

(2) Department of Defense Polygraph Institute (DoDPI).

The Department of Defense Polygraph Institute (DoDPI) is an educational, research and policy establishing institution for the forensic discipline of the psychophysiological detection of deception (PDD). The Institute offers graduate level initial PDD education as well as continuing education for local, state and federal agencies. The primary focus is to qualify federal PDD examiners for careers in law enforcement, intelligence, and the security fields. Since the inception of this program, DoDPI has modified its curriculum to accept both initial PDD and continuation education for all federal PDD examiners.

In addition to the instruction mission, DoDPI has been chartered to perform other distinct activities which include providing continuous effective research in forensic psychophysiology and alternative methods of credibility assessment and oversee a quality assurance review program that develops, establishes and monitors compliance with federal PDD standards; and maintain a certification of continuing education for all federal examiners. An overview of the DoDPI missions are more fully described below.

Instruction Division. The Department of Defense Polygraph Institute (DoDPI) Instruction Division provides students from local, state, and federal law enforcement and counterintelligence agencies with a graduate level academic education in forensic psychophysiology. DoDPI presents a minimum of three, 520 contact hour graduate level

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semesters per year. The Instruction Division is responsible for the curriculum development, review, maintenance, and implementation of the advanced courses in forensic psychophysiology and related disciplines that constitute the Continuing Education Program. Members of the instructional faculty support the DoDPI Research Division by participating in polygraph research studies.

Research Division. Congress specifies three general areas of inquiry for the DoDPI Research Division. It is mandated that the DoDPI Research program evaluate the validity of PDD techniques used by the DoD, investigate countermeasures and counter-countermeasures, and conduct developmental research on PDD techniques. In addition to these congressional mandated missions, the DoDPI Research program is investigating alternative measures, technology, and analysis techniques such as voice analysis, thermal imaging, pulse transit time, visual activity, electroencephalography, electromyography, vagal tone, electrocardiology, high definition-ERP, fMRI, and Laser technologies. Recent mission changes have added a focus on applicant security screening. The Institute has established a Scientific Review Committee to develop a coherent research agenda to include independent, objective, and peer reviewed scientific research of the polygraph as a personnel security tool, and the identification of potential technological advances that would enhance the polygraph process. The Research Division of DoDPI proposes an aggressive agenda that accomplishes it's stated mission and more. The Research Division seeks to advance and communicate the body of knowledge in the field of behavioral and psychophysiological detection of deception in support of federal polygraph testing and instructional programs.

Quality Assurance Division. The Quality Assurance Program (QAP) was initiated based upon JSC-I recommendations involving the standardization of PDD practices. The federal government, through DoDPI in May 1997, developed and implemented a compendium of federal standards titled the Federal PDD Examiner Handbook. The standards included in the Handbook have been adopted by the federal agencies. Currently 24 federal agencies adhere to the federal standards addressing instruction and certification of polygraph examiners and 23 federal agencies participate in the QAP Inspection Program (compliance with these standards is inspected on a biennial basis by the QAP). Three additional agencies, the Federal Protection Service, Federal Probation Service and the Washington, D.C.,

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Metropolitan Police Department are considering adoption of these standards in the near future. The QAP also provides quality control of individual PDD examinations, when requested, to assure compliance with federal standards prior to an examination being admitted into a legal tribunal. The QAP also provides direct quality control of individual complex PDD examinations, when requested by PDD programs. DoDPI provides technical assistance, based upon requests, for specific PDD examinations usually involving complex sensitive examinations.

The DoDPI support staff provides infrastructure support to the three line divisions by providing a wide-range of administrative and logistical support to the academic, research, and inspection missions through its operation of the Learning Resource Center, Precision Measurement Equipment Laboratory, Security Office, Supply Center Administrative Support Branch, Financial Management, Contract Administration and Information Management. These support activities focus on improving the work and training environments through state of the art facilities and equipment. Life-cycle management of equipment ensures well-maintained, updated equipment is available to the staff and students.

Thirty-two full time equivalents and \$2,715 thousand have been programmed in FY 2002 for DoDPI in the Operation and Maintenance Defense-wide Budget Activity 3.

II. Force Structure Summary: Not applicable to DSS

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group</u>	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		Budget <u>Request</u>	<u>Appropriation</u>	Current <u>Estimate</u>	
1. DSS Academy	4,669	4,767	4,748	4,748	4,864
2. DoD Polygraph Institute	2,786	2,678	2,668	2,668	2,726
Total	7,455*	7,445	7,416	7,416	7,590

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* The DFAS DD 1002 Report for period ending 30 Sep 00 incorrectly indicates FY 2000 actuals are \$6,610 thousand. This is due to DoDPI Training (non-pay) being incorrectly identified as BA 4; it should be identified as BA 3. DFAS corrected this for DD 1002 reports beginning in March 2001.

III. Financial Summary (O&M: \$ in Thousands): (Continued)

B. <u>Reconciliation Summary:</u>	Change	
Change	<u>FY 2001/FY 2001</u>	<u>FY 2001/FY 2002</u>
1. Baseline Funding	7,445	7,416
a) Congressional Adj (Distributed)		
b) Congressional Adj (Undistributed)		(29)
c) Congressional Adj (General Provision)		
d) Congressional Earmarks		
2. Appropriated Amount (Subtotal)	7,416	7,416
a) Adjustments to meet Congressional Intent		
b) Across-the-board Reduction (Recission)		
c) Approved Reprogrammings/Transfers		
3. Price Change		113
4. Program Changes		61
5. Current Estimate	7,416	7,590
C. <u>Reconciliation of Increases and Decreases:</u>	<u>Amount</u>	<u>Totals</u>
FY 2001 President's Budget Request		7,445
1. Congressional Adjustment		(29)
a) Distributed Adjustments		
b) Undistributed Adjustments		
1) DJAS	(29)	

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c) Adjustments to Meet Congressional Intent
 d) General Provisions
FY 2001 Appropriated Amount (subtotal) **7,416**
 2. Program Increases and Decreases
 a) Transfers
 (i) Transfers In
 (ii) Transfer Out

III. Financial Summary (O&M: \$ in Thousands): (Continued) **Amount** **Totals**

C. Reconciliation of Increases and Decreases: (Continued)

b) Program Increases
 (i) One-Time Costs
 (ii) Program Growth

 c) Program Decreases
 (i) One-Time Costs
 (ii) Program Reductions

Baseline Funding (subtotal) **7,416**

3. Reprogrammings/Supplemental
 a) Anticipated Supplemental
 b) Reprogrammings (Requiring 1415 Actions)
 (i) Increases
 (ii) Decreases

Revised FY 2001 Estimate

4. Price Change	113	113
5. Transfers		
a) Transfers In		
b) Transfers Out		
6. Program Increases:		
61		
a) Annualization of New FY 2001 Program		
b) One-Time FY 2002 Costs		
Congressional Undistributed	61	
c) Program Growth in FY 2002		
7. Program Decreases:		
a) Equipment purchase reduction		

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- b) Annualization of FY 2001 Program Decreases
- c) Program Decreases in FY 2002

FY2002 Budget Request
7,590

IV. Performance Criteria and Evaluation Summary:

<u>Workload</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
A. <u>Defense Security Service Academy</u>			
1) Courses (Classroom)	29	42	40
2) Student Output 1/	5,832	4,000	5,000
3) Courses (Independent Study)	5	5	5
4) Student Output 2/	4,984	5,000	5,200
5) Internal CBT	30	30	30
6) Student Output 3/		831	900
B. <u>Department of Defense Polygraph Institute (DoDPI)</u>			
Academic			
PDD enrollment 4/	91	97	84
Continuing education enrollment	531	465	580
Course iterations	31	28	34
Research			
External projects 5/	9	11	5
Internal projects	13	5	5
Quality Assurance			
Inspections 6/	14	12	12

- 1/ For FY 2000, number is comprised of student enrollments. Effective in FY 2001, DSSA is measuring student completions.
- 2/ For FY 2000, number is comprised of student enrollments. Effective in FY 2001, DSSA is measuring student completions.
- 3/ Internal DSS CBT completion was included in Student Classroom Output. Effective in

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- FY 2001, CBT has been separated from the classroom completions.
 4/ Includes roll-over of students in the summer PDD Course that cross two fiscal years.
 5/ DoDPI received approximately \$1 million from external sources to fund external research.
 6/ Includes 2 re-inspections.

V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Civilian End Strength (Total)</u>	35	40	32	(8)
U.S. Direct Hire	35	40	32	(8)
<u>Civilian FTEs (Total)</u>	35	40	32	(8)
<u>U.S. Direct Hire</u>	35	40	32	(8)

FY 2000 and FY 2001 totals include eight reimbursable FTEs that were added to DoDPI effective FY 2000. These eight reimbursable FTEs will be transferred to the DSS DWCF appropriation in FY 2002.

VI. Outyear Summary: N/A

VII. OP 32 Line Items as Applicable (Dollars in Thousands):

		FY 2000		Program FY 2001		Price Program		FY 2002
		Actuals	Growth	Growth	Estimate	Growth	Growth	Estimate
101	Exec,GS Sched	2,041	76	50	2,167	78	2	2,247
106	Ben-form Emp	21	0	-21	0	0	0	0
308	Travel	35	1	91	127	2	0	129
416	GSA Supplies	55	1	28	84	1	0	85
678	DSS	4,669	74	5	4,748	27	89	4,864
92	Printer	7	0	0	7	0	0	7

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1								
92 5	Equipment	458	7	-414	51	1	-52	0
98 9	Other Contracts	169	3	60	232	4	22	258
		7,455	162	-201	7,416	113	61	7,590

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I. Description of Operations Financed:

The Defense Security Service (DSS) operates under the auspices of the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) (ASD(C3I)). DSS administers the Personnel Security Investigations Program and serves as the Department of Defense (DoD) cognizant security authority for the National Industrial Security Program (NISP). As recognized by the Joint Security Commission, the personnel security system is at the heart of the government's security mission. Under the auspices of the NISP, DSS works in partnership with industry performing on classified government contracts or engaging in classified research and development to assist them in establishing and maintaining threat-appropriate security countermeasure systems. DSS participates in many of the committees and subject-specific subcommittees operating under the direction of the Security Policy Board which is chaired by the Deputy Secretary of Defense and the Director for Central Intelligence. In Budget Activity 4 DSS has three primary mission areas:

(1) National Industrial Security Program (NISP). The primary focus of DSS' industrial security efforts is in support of DoD implementation of the NISP. In this regard, DSS works to advance and communicate the DoD's directives to protect classified information. The NISP is intended to ensure that private industry, while performing on classified government contracts, properly safeguards the related classified and sensitive information in its possession and employee access thereto. Other aspects of the DSS industrial security mission include support for the Critical Assets Assurance Program; Arms, Ammunition and Explosives Program; and Acquisition Protection Program.

DSS administers the NISP on behalf of DoD and 22 other Federal Government departments and agencies with whom the Secretary of Defense (or designee) has signed Memoranda of Agreement. Industrial security is an integration of information, personnel, and physical security principles applied to the protection of classified information entrusted to industry. The objective of industrial security is to ensure that security systems are established and maintained to (1) deter and detect against acts of espionage and (2) to counter the threat posed by traditional and nontraditional adversaries which target the classified information in

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the hands of industry. DSS provides proactive, full-service industrial security countermeasure support to more than 13,000 cleared contractor facilities. As part of its NISP efforts, DSS maintains oversight for certain Special Access Programs in industry. The DSS

I. Description of Operations Financed: (Continued)

Counterintelligence office enhances the accomplishment of the traditional security countermeasure mission by (1) providing threat information and awareness training for the early detection and referral of cases of potential espionage and (2) assisting industry in the recognition and reporting of foreign intelligence collection attempts. NISP also processes international visit requests.

In addition to the NISP, DSS also has responsibility for three other industrially oriented security programs. The Arms, Ammunition and Explosives Program provides for the protection of sensitive conventional arms, ammunition and explosives in the custody of, or produced by, contractors associated with the DoD. The Critical Assets Assurance Program promotes the security of facilities that provide critical industrial production and services, thereby, ensuring emergency mobilization preparedness capability. The Defense Security Service (DSS) also provides service to contractors participating in the Acquisition Protection Program. Support is also provided to the On-Site Inspection Agency in connection with Arms Control Treaties.

The Defense Industrial Security Clearance Office (DISCO), located in Columbus, Ohio, processes and grants facility security clearances to industrial facilities sponsored for clearance by DoD, cleared contractors or any of the 22 other federal agencies. DISCO operates a customer service activity that provides information and assistance to industrial facilities, DoD activities, other agencies and the general public.

The NISP is financed through the Defense-wide Working Capital Fund (DWCF) in FY 2000 on a reimbursable basis. Operation and Maintenance Defense-wide funding for the NISP is held in the Security and Investigative Activities program element. The NISP funds remaining with DSS will maintain 11,950 NISP facility clearances in FY 2002. In the

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program years, the NISP remains financed through the Operation and Maintenance, Defense-wide appropriation until a clearly defined customer base can be developed. Future year budgets will show a devolvement of these funds to NISP customers.

I. Description of Operations Financed: (Continued)

(2) Foreign Counterintelligence Program (FCIP). The DSS FCIP, as executed through the DSS Counterintelligence (CI) Office, provides for the early detection and referral of cases of potential espionage, and assists the defense industry in the recognition and reporting for foreign collection attempts. The DSS FCIP also provides the application of security countermeasures in a threat-appropriate manner. Additionally, the DSS FCIP provides to the intelligence community, analytical referrals indicative of foreign collection interests and methods of operation against cleared defense contractors. The FCIP resources provided the DSS CI office are nine full-time equivalents and \$1,415 thousand in O&M Defense-wide.

The Department of Defense Polygraph Institute (DoDPI) is a federally funded institution providing introductory and continuing education courses in forensic psychophysiology. Its purpose is to qualify DoD and non-DoD federal personnel for careers as forensic psychophysicists; provide continuous research in forensic psychophysiology and credibility assessment methods; manage the continuing education certification program for all federal agencies; and manage the Quality Assurance Program that maintains quality standards and provides technical assistance to the federal polygraph programs. Congress specifies three general areas of inquiry for the DoDPI research division. It is mandated that the DoDPI Research program (a) evaluate the validity of PDD techniques used by the DoD; (b) investigate countermeasures and anti-countermeasures; and (c) conduct developmental research on PDD techniques, instrumentation, and analytical methods. Recent mission changes have added a focus on applicant security screening. The Institute has established a Scientific Review Committee to develop a coherent research agenda to include

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independent, objective, and peer reviewed scientific research of the polygraph as a personnel security tool, and the identification of potential technological advances that would enhance the polygraph process. The Research Division of DoDPI proposes an aggressive agenda that accomplishes it's stated mission and more. The Research Division seeks to advance and communicate the body of knowledge in the field of behavioral and psychophysiological detection of deception in support of federal polygraph testing and instructional programs. The FCIP resources furnished to DoDPI are nine full-time equivalents, \$924 thousand in Operation and Maintenance Defense-wide and \$664 thousand in Research, Development, Technology and Evaluation.

The FCIP is funded entirely with appropriated funds and is not included in the DSS DWCF.

(3) Defense Joint Counterintelligence Program (DJCIP). Technology Protection and Correlation Tools is a new FY 2001 Joint Military Intelligence Program (JMIP) initiative to develop and sustain a data correlation and threat modeling capability at the Joint Counter-Intelligence Assessment Group (JCAG) under the DJCIP (PE 0305146). This capability will allow the JCAG to map the threats against the DoD critical technologies and research programs/facilities, many of which reside in the cleared defense contractor community. The initiative will finance hardware, software, and data correlation tools. The DSS DJCIP resources are for twelve full-time equivalents and \$1,380 thousand will allow for continuous DSS analytical support for this critical new capability in FY 2002.

DJCIP is funded entirely with appropriated funds and is not included in the DSS DWCF.

II. Force Structure Summary: Not applicable to DSS

III. Financial Summary (O&M: Dollars in Thousands):

A. <u>Subactivity Group</u>	FY 2000 Actuals	FY 2001			FY 2002 Estimate
		Budget Request	Appropriation	Current Estimate	
1. Investigative Activities	72,799	92,564	92,200	94,380	52,008
2. Industrial Security	27,845	31,281	31,158	31,084	31,391

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3. Foreign Counterintelligence	2,017	2,334	2,334	2,334	2,339
4. Defense Joint CI Program	0	750	750	750	1,380
Total	102,661*	126,929	126,442	128,548	87,118

* The DFAS DD 1002 Report for period ending 30 Sep 00 incorrectly indicates FY 2000 actuals are \$103,506 thousand. This is due to DoDPI Training (non-pay) being incorrectly identified as BA 4; it should be identified as BA 3. DFAS corrected this for DD 1002 reports beginning in March 2001.

III. Financial Summary (O&M: Dollars in Thousands): (Continued)

B. <u>Reconciliation Summary:</u>	<u>Change</u>	<u>Change</u>
<u>2002</u>	<u>FY 2001/FY 2001</u>	<u>FY 2001/FY</u>
1. Baseline Funding	126,929	128,548
a) Congressional Adj (Distributed)		
b) Congressional Adj (Undistributed)	(234)	
c) Congressional Adj (General Provision)		
d) Congressional Earmarks		
e) Congressional Earmark Billpayers	(253)	
2. Appropriated Amount (Subtotal)	126,442	128,548
a) Adjustments to meet Congressional Intent		
b) Across-the-board Reduction (Recission)		(294)
c) Approved Reprogrammings/Transfers	2,400	
3. Price Change		4,160
4. Program Changes		(45,590)
5. Current Estimate	128,548	
87,118		

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<u>C. Reconciliation of Increases and Decreases:</u>	<u>Amount</u>
<u>Totals</u>	
FY 2001 President's Budget Request	126,929
1. Congressional Adjustment	(487)
a) Distributed Adjustments	
b) Undistributed Adjustments	
1) DJAS	(234)
2) Congressional Earmarks	(253)
c) Adjustments to Meet Congressional Intent	
d) General Provisions	
Appropriated Amount (subtotal)	126,442

III. Financial Summary (O&M: \$ in Thousands): (Continued)

<u>C. Reconciliation of Increases and Decreases:</u>	(Continued)	<u>Amount</u>
<u>Totals</u>		
2. Program Increases and Decreases		
a) Transfers		
(i) Transfers In		
(ii) Transfers Out		
b) Program Increases		
(i) One-Time Costs		
(ii) Program Growth		
c) Program Decreases		
(i) One-Time Costs		
FY 2001 Rescission; Section 1403 of P.L. 106-554		(294)
(ii) Program Reductions		
Baseline Funding (subtotal)		126,148
3. Reprogrammings/Supplemental		

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a) Anticipated Supplemental		
b) Reprogrammings (Requiring 1415 Actions)		
(i) Increases		
National Industrial Security Program		
2,400		
(ii) Decreases		
Revised FY 2001 Estimate		128,548
4. Price Change	4,160	4,160
5. Transfers		
a) Transfers In		
b) Transfers Out		
6. Program Increases:		2,280
a) Annualization of New FY 2001 Program		
b) One-Time FY 2002 Costs		
DWCF (DFAS)	200	
Congressional Earmarks	453	
Congressional Undistributed	703	
Congressional Rescission		294

III. Financial Summary (O&M: Dollars in Thousands): (Continued)

C. Reconciliation of Increases and Decreases: (Continued) Amount
Totals

c) Program Growth in FY 2002		
Defense Joint CI Program	630	
7. Program		Decreases:
(47,870)		
a) One-Time FY 2001 Costs		
b) Annualization of FY 2001 Program Decreases		
c) Program Decreases in FY 2002		
NISP FY 2000 Backlog of Security Investigations	(2,400)	
Joint Personnel Adjudication System	(47)	
NFIP Manpower	(4)	
Defense Finance & Accounting Service	(400)	

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NISP Periodic Reinvestigation Backlog	(40,000)
Military and Civilian Pay Raises	(8)
Case Control Management System (Aug 99 PDM)	(5,000)
Savings Initiatives	(11)

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87,118

IV. Performance Criteria and Evaluation Summary:

A. National Industrial Security Program (NISP) Personnel Security Investigation (PSI)

The security product measurement shown finances the Industrial personnel security investigations according to the rate established in the Defense-wide Working Capital Fund budget.

	FY 2000	FY 2001	FY 2002
	<u>Est Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Personnel Security Investigations			
Security Products Carry-In	58,500	89,500	27,800
Security Products New Orders	130,400	117,900	61,100
Security Products Completed	99,400	179,600	74,400
Security Products Carry-Out	89,500	27,800	14,500

IV. Performance Criteria and Evaluation Summary: (Continued)

B. Industrial Security Program (ISP)

Industrial Facility and Personnel Clearance Actions (In Thousands)

	FY 2000	FY 2001	FY 2002
	<u>Est Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Facility Clearances Maintained	10.6	10.8	11.0
Initial Facility Clearances	0.8	1.0	1.0

V. Personnel Summary:

	FY 2000	FY 2001	FY 2002	Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/FY 2002</u>
<u>Civilian End Strength (Total)</u>	16	24	30	6

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U.S. Direct Hire	16	24	30	6
<u>Civilian FTEs (Total)</u>	16	24	30	6
U.S. Direct Hire	16	24	30	6

VI. Outyear Summary: N/A

VII. OP 32 Line Items as Applicable (Dollars in Thousands):

		FY 2000 Actuals	Price Growth	Program Growth	FY 2001 Estimate	Price Growth	Program Growth	FY 2002 Estimate
10 1	Exec,GS Sched	1,280	47	670	1,997	72	454	2,523
10 6	Ben-form Emp	5	0	-5	0	0	0	0
30 8	Travel	202	3	189	394	7	12	413
41 6	GSA Supplies	39	1	2	42	1	27	70
67 8	DSS	100,633	1,610	10,848	113,091	3,869	-44,467	72,493
92 1	Printer	16	0	-16	0	0	0	00
92 5	Equipment	284	5	2345	2,634	45	-2070	609
98 9	Other Contracts	202	3	10,185	10,390	166	454	11,010
	Tota442	102,661	1,669	24,218	128,548	4,160	-45,590	87,118

FY 2002 Amended Budget Submission

Defense Threat Reduction Agency (DTRA)



June 2001

DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

Summary:

(Dollars in Thousands)

FY 2000	<i>Price</i>	<i>Program</i>	FY 2001	<i>Price</i>	<i>Program</i>	FY 2002
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
193,799	+5,072	+18,616	217,487	+5,287	+37,069	259,843

I. Narrative Description: The mission of DTRA is to defend the United States and its allies from weapons of mass destruction (WMD) by reducing the present threat and preparing for the future threat. The main components of the DTRA program are to: reduce the threat to the United States and its allies from nuclear, biological, chemical (NBC), conventional and special weapons through the execution of technology security activities, cooperative threat reduction (CTR) programs, arms control treaty monitoring and on-site inspection, force protection, NBC defense, and counterproliferation; support the U.S. nuclear deterrent; and, provide technical support on WMD matters to the Department of Defense (DoD) Components.

The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses and to integrate and focus WMD threat capabilities within the DoD. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Primary mission synergies have been identified, and the organization has been adjusted to best capitalize on them. Major program activities have been reviewed to sharpen the focus on the wider threat reduction mission, reprioritize, redirect resources, and develop the appropriate support baseline. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. Our goal is to create an agency that will be the DoD's "go to" organization for all threat reduction matters. The continuing challenge for DTRA is to formulate and establish its role within DoD and the wider U.S. government community working to protect U.S. interests against WMD threats as more than the sum of its predecessor agencies.

DEFENSE THREAT REDUCTION AGENCY
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II. Description of Operations Financed:

The Defense Nuclear Weapons School (DNWS) is the only Department of Defense (DoD) school for courses that familiarize the U.S. nuclear community with the national nuclear weapons stockpile and the nuclear weapons program. In addition, DNWS also provides training to the global nuclear community in nuclear weapons accident response procedures. To ensure comprehensive training, the DNWS maintains the DoD's only radioactive field training sites, as well as an extensive classified nuclear weapons display area.

The DNWS trains students from all levels of DoD, federal and state agencies, and allied countries. The school provides specialized training in U.S. nuclear weapons, incident response, and counterproliferation with emphasis on operational support.

DTRA Arms Control program (formerly On-Site Inspection program) has three primary objectives: conduct United States Government inspections of foreign facilities, territories or events; coordinate and conduct the escort of inspection teams for inspections or continuous monitoring activities in the United States and at U.S. facilities overseas; and acquire and field technology capabilities required to implement and comply with, and allow full exercise of U.S. rights and prerogatives under existing and projected arms control treaties and agreements.

The Technology Security program, develops and implements DoD policies on international transfer of defense-related goods, services, and technologies to ensure that: (1) critical U.S. military technological advantages are preserved, (2) transfers of defense-related technology which could prove detrimental to U.S. security interests are controlled and limited, (3) proliferation of weapons of mass destruction and their means of delivery is prevented, and (4) legitimate defense cooperation with foreign allies and friends is supported.

The mission of the Counterproliferation Support and Operations Directorate is to counter weapons of mass destruction (WMD) through innovative technology solutions across the entire

DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

II. Description of Operations Financed (Continued):

spectrum of threat reduction activities and scenarios. These WMD include high explosives, chemical weapons, biological weapons, nuclear/radiological and special advanced weapons. The spectrum of threat reduction activities includes prevention, detection, verification, deterrence, interdiction, protection, and consequence management. The scenarios include the full range that troops would likely face, to specifically include warfighting, peacekeeping, and terrorism. DTRA's Anti-Terrorism program provides teams comprised of active duty military and DoD civilians that are fully capable of assessing five broad areas relating to facility vulnerability to terrorist operations and the means of reducing mass casualties.

These assessments include: (1) Terrorist Options; (2) Physical Security; (3) Structural Engineering and Response; (4) Infrastructure Engineering and Response; and (5) Operations Readiness.

The mission of the Nuclear Support and Operations activity group is to provide operational and analytical support to the Department of Defense, DoD components and other organizations for nuclear matters. In addition, DTRA supports long-term sustainment of DoD nuclear weapon system capabilities and other Weapons of Mass Destruction (WMD) operational issues. This includes support to DoD management of nuclear programs, collaboration with Department of Energy for nuclear sustainment, and bilateral and alliance nuclear cooperation programs. Supporting the U.S. nuclear stockpile is one of the major components of the DTRA mission.

The DTRA Core Operational Support Activities program represents a wide range of functions which provide the necessary resources to support the Agency's core mission essential functions to safeguard America and its friends from weapons of mass destruction. Activities funded in this sub-activity group provide for the essential management, planning, and administration of a wide variety of management headquarters functions, operational and administrative support to all DTRA functional organizations.

DEFENSE THREAT REDUCTION AGENCY
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III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:

		<u>FY 2001</u>			
	<u>FY 2000</u>	<u>Budget</u>	<u>Appropriation</u>	<u>Current</u>	<u>FY 2002</u>
	<u>Actuals</u>	<u>Request</u>		<u>Estimate</u>	<u>Estimate</u>
Total DTRA	193,799	216,713	212,960	217,487	259,843
Total DTRA	193,799	216,713	212,960	217,487	259,843

B. Reconciliation Summary:

	<u>Change</u>	<u>Change</u>
	<u>FY 2001/2001</u>	<u>FY 2001/2002</u>
1. Baseline Funding	216,713	217,487
Congressional Adjustments (Distributed)	-2,000	0
Congressional Adjustments (Undistributed)	-1,459	0
Congressional Adjustments (General Provision)		0
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-294	0
2. Appropriated Amount (Subtotal)	212,960	0
Adjustments to Meet Congressional Intent	0	0
Across-the-board Reduction (Rescission)	0	0
Approved Reprogrammings/Transfers	0	18,677
3. Price Change	0	5,287
4. Program Changes	4,527	18,392
5. Current Estimate	217,487	259,843

DEFENSE THREAT REDUCTION AGENCY
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C. Reconciliation of Increases and Decreases:

	<u>BA3</u>	<u>BA4</u>	<u>Total</u>
1. FY 2001 President's Budget Request	1,089	215,624	216,713
2. Congressional Adjustment (Distributed)	-16	-1,984	-2,000
3. Congressional Adjustment (Undistributed)			
a. HQ Personnel Reduction	-4	-1,150	-1,154
b. DJAS	-2	-303	-305
Total Congressional Adjustment (Undistributed)	-6	-1,453	-1,459
4. Congressional Earmarks			
Congressional Earmarks Billpayer	-1	-293	-294
5. FY 2001 Appropriated Amount	1,066	211,894	212,960
6. Functional Transfers-In			
a. Printing	85	0	85
b. Base Support Contract	38	0	38
7. Functional Transfers-Out			
a. Printing	0	-85	-85
b. Base Support Contract	0	-38	-38
8. Program Increases			
a. FY000/2001 Balance Carried Fwd-Georgia (FY 2001 Base: (\$0))	0	5,000	5,000
b. Technology Security Process Improvement Plan (PIP) (FY 2001 Base: \$0)	0	1,492	1,492
c. Nuclear Management Information System (NUMIS) (FY 2001 Base: \$1,759)	0	279	279
d. Core Operations-GSA Rent Adjustment (FY 2001 Base: \$3,714)	0	2,000	2,000
e. Information Tech Support/Services (FY 2001 Base: \$17,740)	0	2,279	2,279

DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

C. Reconciliation of Increases and Decreases (Continued):

	<u>BA3</u>	<u>BA4</u>	<u>Total</u>
f. Administrative & Advisory Services (FY 2001 Base: \$0)	0	372	372
g. Civilian Salary Adjustment (FY 2001 Base: \$62,596)	7	3,315	3,322
h. Integration of DTRA Activities (FY2001 Base: \$216,713)	0	52	52
Total Program Increases	7	14,789	14,796
9. Program Decreases			
a. Recession - P.L. 106-554 (FY 2001 Base: \$216,713)	0	-468	-468
b. Enhanced Defense Financial Mgmt Training (FY 2001 Base: \$ 5)	0	-5	-5
c. Funding Offsets for DTRA High-Priority Requirements (FY 2001 Base: \$213,334)	0	-9,744	-9,744
d. Integration of DTRA Activities (FY 2001 Base: \$216,713)	-52	0	-52
Total Program Decreases	-52	-10,217	-10,269
10. Revised FY 2001 Estimate	1,144	216,343	217,487
11. Price Growth	22	5,265	5,287
12. Functional Transfers - In			
a. DoD Arms Control Treaty Manager Support	0	924	924
b. UNMOVIC - Southwest Asia operations (OCOTF)	0	3,700	3,700
c. Terrorist Device Defeat	0	7,500	7,500
d. Studies, Analysis, & Evaluation	0	564	564
e. Balanced Survivability Assessments	0	4,607	4,607
f. Targeting and Intelligence Community (IC) Support	0	1,382	1,382
Total Functional Transfers - In	0	18,677	18,677

DEFENSE THREAT REDUCTION AGENCY
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C. Reconciliation of Increases and Decreases (Continued):

	<u>BA3</u>	<u>BA4</u>	<u>Total</u>
13. Program Increases			
a. DNWS Travel (FY 2001 Base: \$31)	55	0	55
b. DNWS General Operating Support (FY 2001 Base: \$937)	25	0	25
c. Arms Control Treaty Assumption and Timeline Adjustments (FY 2001 Base: \$27,907)	0	2,963	2,963
d. Arms Control Treaty Support Costs (FY 2001 Base: \$3,544)	0	803	803
e. OSMAPS/Ground Truth Data Collection (FY 2001 Base: \$2,055)	0	678	678
f. Arms Control Treaty Manager Support (FY 2001 Base: \$3,458)	0	1,000	1,000
g. Base Operations Support for Darmstadt (FY 2001 Base: \$381)	0	238	238
h. Arms Control Technology-IMS Stations (FY 2001 Base: \$5,631)	0	6,039	6,039
i. Biological Weapon/Chemical Weapon Mocks (FY 2001 Base: \$190)	0	1,600	1,600
j. International Counterproliferation Pgm (FY 2001 Base: \$4,121)	0	4,879	4,879
k. Technology Security Management & Spt Travel (FY 2001 Base:\$841)	0	159	159
l. Technology Security Patent Application Review System (FY 2001 Base: \$293)	0	196	196
m. Counterproliferation Support - Reachback (FY 2001 Base: \$0)	0	1,250	1,250
n. Counterproliferation Support - SCIF (FY 2001 Base: \$0)	0	1,153	1,153
o. Counterproliferation Support - Modeling & Simulation (FY 2001 Base: \$0)	0	4,125	4,125
p. Nuclear Test Personnel Review (NTPR) (FY 2001 Base: \$5,707)	0	1,774	1,774
q. Nuclear Support Operations Travel (FY 2001 Base: \$2,266)	0	334	334
r. Nevada Test Site Remediation Costs (FY 2001 Base: \$500)	0	1,788	1,788
s. Information Technology Services (FY 2001 Base: \$19,223)	0	1,829	1,829
t. Communications Support (FY 2001 Base: \$4,133)	0	784	784
u. Agency Career Development Training (FY 2001 Base: \$2,071)	0	352	352
v. Other Core Operational Support (FY 2001 Base: \$14,836)	0	1,615	1,615
w. Tech Surveillance Countermeasures Spt (FY 2001 Base: \$0)	0	1,100	1,100
Total Program Increases	80	34,659	34,739

**DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
FY 2002 Amended Budget Submission**

C. Reconciliation of Increases and Decreases (Continued):

	<u>BA3</u>	<u>BA4</u>	<u>Total</u>
14. Program Decreases			
a. Technology Security Process Improvement Plan (FY 2001 Base: \$1,501)	0	-525	-525
b. Counterproliferation Support-One Time FY 2001 Costs (FY 2001 Base: \$2,876)	0	-1,539	-1,539
c. Nuclear Support and Operations Equipment (FY 2001 Base: \$1,271)	0	-1,009	-1,009
d. DTRA NCR Relocation Effort (FY 2001 Base: \$10,200)	0	-3,100	-3,100
e. European Operations Relocation to Darmstadt (FY 2001 Base: \$2,775)	0	-2,055	-2,055
f. GSA Rent Savings (FY 2001 Base: \$2,000)	0	-2,000	-2,000
g. Facilities Upgrades (FY 2001 Base: \$1,604)	0	-792	-792
h. FY2000/2001 Balance-Georgia (FY 2001 Base: \$5,000)	0	-5,000	-5,000
i. Support for CTBT (FY 2001 Base: \$327)	0	-327	-327
Total Program Decreases	0	-16,347	-16,347
15. FY 2002 Budget Request	1,246	258,597	259,843

DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

IV. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
<u>Active Military End Strength (E/S) (Total)</u>	970	972	972	0
Officer	500	496	496	0
Enlisted	470	476	476	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	865	969	975	6
U.S. Direct Hire	865	969	975	6
Foreign National Direct Hire				
Total Direct Hire	865	969	975	6
Foreign National Indirect Hire				0
(Reimbursable Civilians Included Above (Memo))	(30)	(43)	(43)	
<u>Active Military Average Strength (A/S) (Total)</u>	970	972	972	0
Officer	500	496	496	0
Enlisted	470	476	476	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	789	860	866	6
U.S. Direct Hire	789	860	866	6
Foreign National Direct Hire				
Total Direct Hire	789	860	866	6
Foreign National Indirect Hire				
(Reimbursable Civilians Included Above (Memo))	(25)	(43)	(43)	0

DEFENSE THREAT REDUCTION AGENCY
Operation & Maintenance, Defense-Wide
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V. OP32 Line Items as Applicable (Dollars in Thousands):

<u>LINE ITEM</u>	<u>DESCRIPTION</u>	<u>FY 2000 PROGRAM</u>	<u>FY 2001 PRICE GROWTH %</u>	<u>FY 2001 PRICE GROWTH AMT</u>	<u>FY 2001 PROGRAM GROWTH</u>	<u>FY 2001 PROGRAM</u>	<u>FY 2002 PRICE GROWTH %</u>	<u>FY 2002 PRICE GROWTH AMT</u>	<u>FY 2002 PROGRAM GROWTH</u>	<u>FY 2002 PROGRAM</u>
0101	Executive, General, and Special Schedule	61,261	5.61%	2,631	4,345	68,237	3.78%	2,489	491	71,227
0103	Wage Board	409	3.91%	16	0	425	3.76%	16	0	441
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	61,670		2,647	4,345	68,662		2,505	491	71,668
0308	Travel of Persons	12,877	1.60%	206	3,956	17,039	1.70%	290	3,605	20,934
0399	TOTAL TRAVEL	12,877		206	3,956	17,039		290	3,605	20,934
0416	GSA Managed Supplies & Materials	207	1.60%	3	-209	1	1.70%	0	0	1
0417	Locally Procured DoD Managed Supp. & Mat.	22	1.60%	0	45	67	1.70%	1	0	68
0499	TOTAL REVOLVING FUND SUPP & MAT. PURCHASES	229		3	-164	68		1	0	69
0507	GSA Managed Equipment	25	1.60%	0	98	123	1.70%	2	20	145
0599	TOTAL REVOLVING FUND EQUIPMENT PURCHASES	25		0	98	123		2	20	145
0671	Commo Services (DISA) - Tier 2	5,492	-0.40%	-22	-1,320	4,150	13.80%	573	705	5,428
0673	Defense Financing & Accounting Services	10	4.90%	0	1,530	1,540	-4.70%	-72	0	1,468
0699	TOTAL OTHER REVOLVING FUND PURCHASES	5,502		-22	210	5,690		501	705	6,896
0703	AMC SAAM/JCS Exercises	2,877	13.70%	394	-276	2,995	-3.80%	-114	871	3,752
0720	Defense Courier Services	7	1.70%	0	-7	0	-22.0%	0	0	0
0771	Commercial Transportation	359	1.60%	6	583	948	1.70%	16	-144	820
0799	TOTAL TRANSPORTATION	3,243		400	300	3,943		-98	727	4,572
0912	Rental Payments to GSA Leases (SLUC)	6,427	2.00%	129	-897	5,659	2.00%	113	-2,113	3,659
0913	Purchased Utilities	5	1.60%	0	124	129	1.70%	2	51	182
0914	Purchased Communications	420	1.60%	7	-79	348	1.70%	6	491	845
0915	Rents (non-GSA)	69	1.60%	1	784	854	1.70%	15	1,269	2,138
0917	Postal Services (U.S.P.S.)	111	0.00%	0	-4	107	0.00%	0	0	107
0920	Supplies and Materials	3,501	1.60%	56	-779	2,778	1.70%	47	336	3,161
0921	Printing & Reproduction	819	1.60%	13	-209	623	1.70%	11	241	875
0922	Equipment Maintenance by Contract	1,479	1.60%	24	257	1,760	1.70%	30	1,380	3,170
0923	Facility Maintenance by Contract	99	1.60%	2	264	365	1.70%	6	120	491
0925	Equipment Purchases	4,967	1.60%	79	1,821	6,867	1.70%	117	-1,571	5,413
0932	Management & Professional Support Services	193	1.60%	3	-196	0	1.70%	0	0	0
0933	Studies, Analysis & Evaluations	737	1.60%	12	-132	617	1.70%	10	408	1,035
0934	Engineering Technical Services	747	1.60%	12	-390	369	1.70%	6	372	747
0937	Locally Purchased Fuel	81	62.90%	51	-66	66	-1.00%	-1	205	270
0987	Other Intra-Governmental Purchases	27,208	1.60%	435	-4,184	23,459	1.70%	399	9,714	33,572
0989	Other Contracts	50,527	1.60%	808	2,127	53,462	1.70%	909	10,732	65,103
0998	Other Costs	12,863	1.60%	206	11,430	24,499	1.70%	416	15,876	40,791
0999	TOTAL OTHER PURCHASES	110,253		1,838	9,871	121,962		2,086	37,511	161,559
9999	GRAND TOTAL	193,799*		5,072	18,616	217,487		5,287	37,069	259,843

* Due to an error in the certified accounting reports, the FY2000 program for Budget Activity 3 reflected 0. This report reflects the correct amount for Budget Activity 3.

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FT 2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting
Defense Nuclear Weapons School

I. Description of Operations Financed: The Defense Nuclear Weapons School (DNWS) is the only Department of Defense (DoD) school for courses that familiarize the U.S. nuclear community with the national nuclear weapons stockpile and the nuclear weapons program. In addition, DNWS also provides training to the global nuclear community in nuclear weapons accident response procedures. To ensure comprehensive training, the DNWS maintains the DoD's only radioactive field training sites, as well as an extensive classified nuclear weapons display area. The DNWS trains students from all levels of DoD, federal and state agencies, and allied countries. The school provides specialized training in U.S. nuclear weapons, incident response, and counterproliferation with emphasis on operational support.

The DNWS funding supports mission-essential travel for DNWS instructors and travel costs required for DNWS guest lecturers. Funding also provides for shipment of nuclear trainers and associated equipment, printing of course materials, course material supplies, equipment maintenance of system trainers and exhibits in the classified weapons display area. To keep personnel costs down, DNWS provides distance learning, multimedia and automatic data processing equipment. The DNWS has a contract responsible for incorporating state-of-the-art learning technologies to optimize its education and training courses and to assist in maintaining curriculum and instructor expertise. Support contracts are required for specialized laundry services to remove radioactive particles from the protective clothing used at the DNWS contaminated field exercise site, classified storage igloos, weapons display area spares, new nuclear trainers and equipment, and for calibration services for all radiological survey instruments.

The FY 2001 current estimate for DNWS is \$1.1 million, the FY 2002 budget request is \$1.2 million.

II. Force Structure Summary: Not applicable.

DEFENSE THREAT REDUCTION AGENCY
 Operation and Maintenance, Defense-Wide
 FT 2002 Amended Budget Submission
 Budget Activity 3: Training and Recruiting
 Defense Nuclear Weapons School

III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:

	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
DNWS	1,264	1,089	1,066	1,144	1,246
Total	1,264	1,089	1,066	1,144	1,246

B. Reconciliation Summary:

	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
1. Baseline Funding	1,089	1,144
Congressional Adjustments (Distributed)	-16	0
Congressional Adjustments (Undistributed)	-6	0
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-1	0
2. Appropriated Amount (Subtotal)	1,066	0
Adjustments to meet Congressional Intent	0	0
Approved Reprogrammings/Transfers	123	0
3. Price Change	0	22
4. Program Changes	-45	80
5. Current Estimate	1,144	1,246

DEFENSE THREAT REDUCTION AGENCY
 Operation and Maintenance, Defense-Wide
 FT 2002 Amended Budget Submission
 Budget Activity 3: Training and Recruiting
 Defense Nuclear Weapons School

C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget Request	1,089
2.	Congressional Adjustments (Distributed)	-16
3.	Congressional Adjustments (Undistributed)	
a)	Headquarters Personnel Reduction	-4
b)	DJAS	-2
Total Congressional Adjustments (Undistributed)		-6
4.	Congressional Earmarks	-1
5.	FY 2001 Appropriated Amount	1,066
6.	Price Changes	0
7.	Functional Transfers - In	
a)	DNWS Printing and Reproduction	85
	Transfers support for printing services through Defense Automated Printing Service (DAPS) from the Nuclear Support and Operations budget activity group to DNWS. Increase in number of courses offered by DNWS has created the need for mass production of the DNWS course catalogs, graduation certificates, handouts, and course materials necessary to accommodate the expanding student population.	

DEFENSE THREAT REDUCTION AGENCY
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FT 2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting
Defense Nuclear Weapons School

C. Reconciliation of Increases and Decreases (Continued):

b) DNWS Support Contracts 38

Transfers contract support funding from the Nuclear Support and Operations budget activity group to DNWS. Contract support provides new state of the art technology required to meet the growing demands of customers within DTRA and across DoD and other organizations, enabling them to be better prepared and trained to address threats. DNWS is hosting various DTRA conferences, Director's WMD Response Symposium, JFCOM's Joint Task Force Civil Support training, mobile training support to WMD response teams and exercises, and new WMD courses.

Total Functional Transfers - In 123

8. Program Increase

Civilian Salary Adjustment (FY 2001 Base: \$161) 7

The FY 2001 civilian workyear costs are anticipated to be \$3.3M higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary organizational and staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon. In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects the DNWS's portion of the overall programmatic increase of \$3.3 million.

Total Program Increase 7

DEFENSE THREAT REDUCTION AGENCY
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FT 2002 Amended Budget Submission
Budget Activity 3: Training and Recruiting
Defense Nuclear Weapons School

C. Reconciliation of Increases and Decreases (Continued):

9. Program Decreases

Integration of DTRA Activities (FY 2001 Base: \$82) -52

The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding baselines for DTRA programs. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This decrease reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission structures. This decrease reflects an adjustment associated with faculty and guest speaker attendance at conferences and symposiums that will not be required in FY 2001.

Total Program Decreases -52

10. Revised FY 2001 Estimate 1,144

11. Price Growth 22

12. Program Increases

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
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Budget Activity 3: Training and Recruiting
Defense Nuclear Weapons School

a) DNWS Travel (FY 2001 Base: \$31)	55
This increase reflects faculty and guest speaker attendance at conferences and symposiums scheduled to be conducted in FY 2002 that were not scheduled in FY 2001.	

C. Reconciliation of Increases and Decreases (Continued):

b) DNWS General Operating Support (FY 2001 Base: \$937)	25
General operating cost increase is associated with supplies and materials, printing and equipment, and contract support. Increased contract support provides new state of the art technology required to meet the growing demands of customers within DTRA and across DoD and other organizations, enabling them to be better prepared and trained to address threats.	

Total Program Increases	80
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13. FY 2002 Budget Request	1,246
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IV. Performance Criteria and Evaluation Summary:

The DNWS will teach 19 courses, 56 in-resident classes and 20 Mobile Training classes, providing education and training relevant to U.S. Nuclear Weapons; Weapons of Mass Destruction; response to radiological, chemical and biological events; counterproliferation issues, nuclear accident response, and radiological and health environmental issues. More than 80 percent of the students rate DNWS's education and training as high quality and relevant to their jobs.

DEFENSE THREAT REDUCTION AGENCY
 Operation and Maintenance, Defense-Wide
 FT 2002 Amended Budget Submission
 Budget Activity 3: Training and Recruiting
 Defense Nuclear Weapons School

Student Projection by Service:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
USAF	477	518	533
USA	352	394	405
USN	361	402	414
USMC	344	385	396
CIV	372	400	412
USAFR	13	14	15
USAR	14	15	16
USNR	53	58	60
ANG14	14	15	15
TOTAL	2,000	2,201	2,266

V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
<u>Active Military End Strength (E/S)</u>	26	26	26	0
<u>(Total)</u>				
Officer	12	12	12	0
Enlisted	14	14	14	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S</u>				
<u>(Total)</u>				
Officer				
Enlisted				

DEFENSE THREAT REDUCTION AGENCY
 Operation and Maintenance, Defense-Wide
 FT 2002 Amended Budget Submission
 Budget Activity 3: Training and Recruiting
 Defense Nuclear Weapons School

V. Personnel Summary: (Continued)

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
<u>Civilian E/S (Total)</u>	2	2	2	0
U.S. Direct Hire	2	2	2	0
Foreign National Direct Hire				
Total Direct Hire	2	2	2	0
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))				
<u>Active Military Average Strength (A/S)</u> <u>(Total)</u>	26	26	26	0
Officer	12	12	12	0
Enlisted	14	14	14	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	2	2	2	0
U.S. Direct Hire	2	2	2	0
Foreign National Direct Hire				
Total Direct Hire	2	2	2	0
Foreign National Indirect Hire				

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 Budget Activity 3: Training and Recruiting
 Defense Nuclear Weapons School

VII. OP 32 Line Items as Applicable (Dollars in Thousands):

Change from FY 2000 to FY 2001 Change from FY 2001 to FY 2002

<u>LINE</u> <u>ITEM</u>	<u>DESCRIPTION</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2002</u> <u>Estimate</u>
0101	Executive, General, and Special Schedule	161	7	0	168	6	0	174
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	161	7	0	168	6	0	174
0308	Travel of Persons	76	1	-46	31	1	53	85
0399	TOTAL TRAVEL	76	1	-46	31	1	53	85
0771	Commercial Transportation	0	0	6	6	0	0	6
0799	TOTAL TRANSPORTATION	0	0	6	6	0	0	6
0920	Supplies & Materials (non centrally managed)	258	4	-175	87	1	2	90
0921	Printing & Reproduction	0	0	85	85	1	0	86
0922	Equipment Maintenance by Contract	4	0	27	31	1	-1	31
0925	Equipment purchases (non centrally managed)	117	2	-38	81	1	2	84
0987	Other Intra-Governmental Purchases	17	0	-17	0	0	0	0
0989	Other Contracts	631	10	14	655	11	24	690
0999	TOTAL OTHER PURCHASES	1027	16	-104	939	15	27	981
9999	GRAND TOTAL	1,264	24	-144	1,144	22	80	1,246

*Due to an error in the certified accounting reports, the FY2000 program for Budget Activity 4 reflected 191,599. This report reflects the correct amount for Budget Activity 4.

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Arms Control Inspections and Technology

I. Description of Operations Financed: As an integral part of the U.S. national security strategy, arms control activities enhance confidence in treaty and agreement compliance through effective inspection, monitoring, and verification, and, thus, contributes to a more stable and calculable world balance of power. The DTRA Arms Control program has three primary objectives: conduct United States Government inspections of foreign facilities, territories or events; coordinate and conduct the escort of inspection teams for inspections or continuous monitoring activities in the United States and at U.S. facilities overseas; and acquire and field technology capabilities required to implement and comply with, and allow full exercise of U.S. rights and prerogatives under existing and projected arms control treaties and agreements. The full and faithful implementation of existing arms control agreements remains an important element of the Administration's national security policy.

For the period 1995-2000, entry-into-force (EIF) related congressional reductions to the DTRA arms control program have exceeded \$63.5 million. Continuing to fund EIF-sensitive treaty related costs for treaties that are not imminent, e.g., Strategic Arms Reduction Treaty (START) II, and START III, is costly to DoD. DTRA continues to plan for treaty implementation based upon official treaty assumptions but is now budgeting for treaty EIF-sensitive costs based upon more realistic timeline assumptions. Although the official DoD planning assumptions indicate that EIF for START II and START III begins in FY 2001, and implementation of International Atomic Energy Agency (IAEA) strengthened safeguards begins in Calendar Year (CY) 2001, this budget submission assumes that EIF and implementation funding for these treaties/agreement will most likely not be required until FY 2003 and defers funding accordingly. The Department commits to reprogramming funding as necessary should EIF of any of these treaties occur. This approach demonstrates prudent management on the part of the Department, not a lack of support for the arms control program. Additionally, based upon Congressional action regarding the Comprehensive Test Ban Treaty (CTBT), there is no funding included in this budget for implementation of the CTBT.

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To accomplish its mission, DTRA organizes, trains, equips, deploys, and exercises operational control over inspection, monitoring, and escort teams, to ensure that the United States Government can exercise its full treaty rights for on-site inspection and to protect United States treaty rights with respect to inspected sites or activities. The DTRA also provides technical advice to United States Government elements concerned with developing, implementing, or evaluating compliance with arms control treaties and agreements. DTRA executes other missions requiring unique skills, organization, or experience resident in DTRA.

I. Description of Operations Financed (Continued):

DTRA concluded the inspection regime under the Intermediate-Range Nuclear Forces (INF) Treaty in May 2001 and continues its efforts to carry out the inspection, escort, and monitoring provisions of START I, the Conventional Armed Forces in Europe (CFE) Treaty, as well as providing support for the Chemical Weapons Convention (CWC), the Plutonium Production Reactor Agreement (PPRA) and the International Counterproliferation Program (ICP). Other missions include DoD Support to the United Nations Monitoring, Verification, and Inspection Commission (UNMOVIC) (previously funded under United Nations Special Commission (UNSCOM) on Iraq), support for the Bosnia Peace Plan initiative, the Biological Weapons Convention (BWC) the Confidence and Security Building Measures (CSBM), the Technical Equipment Inspections (TEI) Program, the Executive Agent for the Defense Treaty Inspection Readiness Program (DTIRP), the International Atomic Energy Agency (IAEA) Strengthened Safeguards System Protocol, the Fissile Material Cutoff Treaty (FMCT), and the Mayak Transparency Protocol.

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The driving motivation for the establishment of the DTRA was to enable the DoD to confront new threats with new responses and to integrate and focus Weapons of Mass Destruction (WMD) threat capabilities within the DoD. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction.

The FY 2001 current estimate for the Arms Control Inspections and Technology program is \$63.4 million; the FY 2002 budget request is \$82.0 million. Program growth associated with arms control mission changes is addressed in Sections II and III following.

II. Force Structure Summary: The DTRA FY 2002 Arms Control budget submission provides support for the full range of treaty implementation requirements and reflects the latest revision to treaty EIF dates as well as the latest assumptions for inspection and compliance requirements:

BUDGET TREATY ASSUMPTIONS

<u>TREATY</u>	<u>ASSUMPTIONS</u>	<u>TREATY</u>	<u>ASSUMPTIONS</u>
INF	Inspection Regime ended 31 May 2001	Open Skies	EIF-2nd Qtr FY 2002
START	EIF-5 Dec 1994; Baseline completed 30 June 1995; Other inspection activities continue	ICP	EIF-1 Dec 1996
START II	EIF-1st Qtr FY 2003*	Democratic People's Republic of Korea (DPRK) Agreed Framework	EIF Feb 1999

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BUDGET TREATY ASSUMPTIONS
 (Continued)

<u>TREATY</u>	<u>ASSUMPTIONS</u>	<u>TREATY</u>	<u>ASSUMPTIONS</u>
		Completed	30 May 2000
START III	EIF-1st Quarter FY 2003*	IAEA	EIF-1st Qtr FY 2003*
CFE	Activity Continues	Plutonium	EIF-23 Sept 1997
CFE Adapt.	EIF-3rd Qtr FY 2001		
NTBT	-TTBT Standdown -CTBT No implementation costs	BWC	EIF-NET 1st Qtr FY 2004
		Mayak Transparency Protocol	EIF-4th Qtr FY 2002
CW	CWC EIF-29 April 1997	Fissile Material Cutoff	EIF-1 st Qtr FY 2003

*DTRA is planning for treaty implementation based upon official treaty assumptions, but is budgeting for the treaty EIF-sensitive costs based upon more realistic timeline assumptions. Although the official DoD planning assumptions indicate that EIF for the START II and START III treaties is in FY 2001, and implementation of IAEA strengthened safeguards is in CY 2001, this budget submission reflects that EIF and implementation funding for these treaties/agreement will most likely not be required until FY 2003 and defers funding accordingly. The Department commits to reprogramming funding as necessary should EIF of any of these treaties occur. This approach demonstrates prudent management, not a lack of support for the arms control program.

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II. Force Structure Summary (Continued):

A. Intermediate-Range Nuclear Forces Treaty: The DTRA is charged with conducting inspections of Intermediate-Range Nuclear Forces (INF) facilities in the Commonwealth of Independent States (CIS), overseeing CIS inspections of INF facilities in the United States and Western Europe, establishment and operation of a Portal Perimeter Continuous Monitoring (PPCM) facility located in the CIS, and providing support for the CIS at the U.S. PPCM facility in Utah. Under the INF Treaty the 13-year inspection regime ended in May of FY 2001.

The FY 2001 current estimate for INF is \$5.6 million; the FY 2002 budget request is \$0 million. Monitoring costs currently attributable to both INF and START will be solely applied to START beginning in June of FY 2001.

B. Strategic Arms Reduction Treaty: DTRA's mission includes planning to accomplish inspection and escort activities in accordance with the terms of the Strategic Arms Reduction Treaty (START). This mission requires support in the areas of: inspections, escort activities, PPCM, and mock training activities. This funding will permit DTRA to accomplish its responsibilities with respect to U.S. implementation of the treaty in the time frame specified. Beginning in June of FY 2001, all monitoring costs at the PPCM Votkinsk, presently distributed between INF/START, will be solely attributable to START due to the cessation of the INF Treaty in May of FY 2001.

The FY 2001 current estimate for START is \$12.1 million; the FY 2002 budget request is \$14.3 million.

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C. Strategic Arms Reduction Treaty II: The DTRA mission includes planning to accomplish inspection and escort activities in accordance with the terms of the Strategic Arms Reduction Treaty (START) II. This mission will require support in the areas of: inspections, escort, and mock training activities. This funding will permit DTRA to accomplish its responsibilities with respect to U.S. implementation of the treaty in the timeframe specified.

Although the official DoD planning assumption for START II is 1st Quarter FY 2001, this budget submission reflects that EIF funding for this treaty will most likely not be required until FY 2003 and defers funding accordingly. The DoD commits to reprogramming funding as necessary should EIF of any of these treaties occur.

The FY 2001 current estimate for START II is \$.07 million; the FY 2002 budget request is \$.07 million.

II. Force Structure Summary (Continued):

D. Conventional Armed Forces in Europe Treaty: The DTRA arms control program is required to provide support for the Conventional Armed Forces in Europe (CFE) Treaty ensuring the former Warsaw Pact countries compliance. Unlike the bilateral Intermediate-Range Nuclear Forces Treaty (INF), CFE is a multilateral treaty between countries of the former Warsaw Pact and NATO. The United States is allocated 15 percent of the active inspections available to NATO. An adapted CFE Treaty was signed by States Parties at the November 1999 Istanbul Organization for Security and Cooperation in Europe (OSCE) Summit. At the earliest, EIF is anticipated for 3rd Quarter FY 2001 with information exchange in the 1st Quarter of FY 2002. This planning assumption is reflected in the FY 2002 CFE budget.

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The FY 2001 current estimate for CFE is \$2.8 million; the FY 2002 budget request is \$3.5 million.

E. Nuclear Test Ban Treaties: On 3 July 1993, President Clinton declared a 15-month moratorium on all underground nuclear testing under the Threshold Test Ban Treaty (TTBT). In January 1995, this moratorium was extended until a Comprehensive Test Ban Treaty (CTBT) enters into force. The CTBT is a means to strengthen international measures against nuclear weapons proliferation. On 13 October 1999, the Senate voted to not give its advice and consent to ratification of the CTBT. The United States still intends to continue the moratorium on nuclear test explosions and will monitor for the absence of nuclear test explosions by other relevant countries. DTRA provides travel for negotiations at the Geneva Conference on Disarmament and the CTBT Preparatory Commission. The DTRA FY 2002 budget does not contain any funding for CTBT implementation.

The FY 2001 current estimate for NTBT is \$0.3 million; the FY 2002 budget request is \$0.0 million.

F. Chemical Weapons U.S./CIS Bilateral and Multilateral Agreements: Funds for the Chemical Weapons Convention (CWC) are required to accomplish escort activities of international inspectors from the Organization for the Prohibition of Chemical Weapons (OPCW) and ensure compliance with the terms of the multilateral CWC. The OPCW will conduct periodic inspections of CW storage facilities and monitor the continuous destruction of CW weapons at chemical demilitarization facilities until all weapons at the site have been destroyed. The OPCW will also conduct periodic inspections at former CW production facilities until these have been certified by the OPCW as destroyed. The treaty requires that all CW and non-permitted production capabilities be destroyed by 2007.

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II. Force Structure Summary (Continued):

The FY 2001 current estimate for CWC is \$5.6 million; the FY 2002 budget request is \$8.2 million. The increase reflected in FY 2002 is primarily due to a planned increase in destruction sites and the DoD costs for Mock Challenge Inspection.

G. Open Skies Treaty: Open Skies (OS) is a multilateral treaty involving the European states (East and West), the Republic of Belarus and the Russian Federation Group of State Parties, Canada, and the United States. Open Skies involves reciprocal over-flights of states using specific aircraft with specified sensors. DTRA has been directed to plan and prepare for receiving and conducting Open Skies observation missions and for conducting and participating in aircraft and sensor certification inspections. Based on recent ratification activity by both the Lower House of the Russian Duma and Belarus, EIF is assumed to be the 2nd Quarter of FY 2002.

The FY 2001 current estimate for Open Skies is \$3.0 million; the FY 2002 budget request is \$4.2 million.

H. International Counterproliferation Program (ICP): The DoD International Counterproliferation Program (ICP) combines and expands the DoD/FBI and DoD/Customs programs for greater synergy and effectiveness. Participating governments of the Former Soviet Union, the Baltics, and Eastern Europe have agreed to work with the U.S. to stem the proliferation of weapons of mass destruction (WMD). Increased funding will allow the ICP program to fully mature and more completely engage countries in these regions which have made the long-term commitment to work cooperatively with the U.S. to stop the proliferation of WMD. Funding will permit for the establishment of a series of follow-on, specialized training programs designed for foreign officials involved with border security, customs, and law enforcement.

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Additionally, program training courses that are designed to deliver equipment, particularly those under the DoD/Customs program, will deliver twice as much equipment per training iteration than is currently feasible. Equipping these countries to deter, detect, investigate, and respond to the attempted proliferation of WMD is a prime objective of the ICP. To date, 9 countries have government to government WMD agreements in place with the U.S. Several others are under negotiation with the targeted number of former Soviet Union and Eastern European countries at 22.

The FY 2001 current estimate for ICP is \$4.1 million; the FY 2002 budget request is \$9.1 million.

II. Force Structure Summary (Continued):

I. Arms Control Technology: Executing the Arms Control Technology (ACT) mission requires that the Defense Threat Reduction Agency operate and maintain certain capabilities and equipment required to fulfill DoD responsibilities under treaty and arms control agreements and accomplish certain on-going arms control functional tasks in support of technology development. The Center for Monitoring Research (CMR) is a contractor-operated facility that develops hardware and software systems for collecting, analyzing, archiving and distributing real-time data from different sensor technologies. Additionally, the CMR has supported other researchers by providing access to data and integration for their work into operational systems. This requires that the CMR operate and maintain a data archiving system and a secure means for access to the system by DoD researchers as well as the capability to support researchers in testing their results at appropriate scale. The DTRA operates and maintains a variety of sensor sites, stations, and data processing centers in support of various research, development, and operational requirements in nonproliferation and arms control. Funding in Arms Control Technology also provides for operating and maintaining the Compliance

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Monitoring Tracking System (CMTS), which satisfies U.S. compliance obligations under multiple treaties in support of operational military commands. All activities satisfy requirements presented and approved by the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics).

The FY 2001 current estimate for Arms Control Technology is \$5.6 million; the FY 2002 budget request is \$11.8 million.

J. Other Missions: The primary mission of the DTRA arms control program is to conduct on-site inspections and continuous monitoring by U.S. personnel at specified facilities overseas, and to coordinate and conduct the escort of inspection teams for inspections or continuous monitoring activities in the United States and at U.S. facilities overseas. DTRA's mission has expanded to include other special interest projects, such as the Confidence and Security Building Measures (CSBM) inspections and evaluations, which are associated with the Conference on Security and Cooperation in Europe (CSCE). DTRA has been tasked by Department of Defense as the Executive Agent for the Defense Treaty Inspection Readiness Program (DTIRP), DoD Support to UNMOVIC (previously funded under United Nations Special Commission (UNSCOM) on Iraq), and the Technical Equipment Inspections (TEI) Program. DTRA has also been tasked to provide assistance for support to the Biological Weapons Convention (BWC), the Bosnia Peace Plan, the Mayak Transparency Protocol, and the International Atomic Energy Agency (IAEA)-Strengthened Safeguards Program. Also included in the Other Missions category is general operational

II. Force Structure Summary (Continued):

support which includes Office of the Secretary of Defense (OSD) treaty management support, civilian payroll for all treaties, program management functions that cannot be directly

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linked to a specific treaty, and facilities, utilities, furniture, office automation, and travel for Defense Threat Reduction Offices in Moscow, Almaty, and Kiev.

The FY 2001 current estimate for Other Missions is \$19.2 million; the FY 2002 budget request is \$30.9 million.

Other Missions	FY 2001 Current Estimate (\$000)	FY 2002 Current Estimate (\$000)
International Atomic Energy Agency (IAEA)- Strengthened Safeguards Program	36	42
Plutonium Production Reactor Agreements (PPRA)	1,031	1,174
Biological Weapons Convention (BWC)	143	970
Mayak Transparency Protocol	50	345
Fissile Material Cutoff Treaty (FMCT)	8	16
Defense Treaty Readiness Program (DTIRP)	2,474	2,439
Confidence and Security Building Measures (CSBM)	445	480
Technical Equipment Inspection (TEI)	555	858
DoD Support to UNMOVIC	922	4,679
START III	39	54
Infrastructure	3,635	4,229
Treaty Management Support	0	5,467
Civilian Payroll	9,833	10,188
Total	19,171	30,941

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III. Financial Summary (O&M:\$ in Thousands):

A. Subactivity Group:

	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriati on</u>	<u>Current Estimat e</u>	
1. INF	6,808	6,778	6,656	5,559	0
2. START	9,974	9,398	9,229	12,094	14,262
3. START II	0	70	69	66	69
4. CFE	2,447	2,937	2,884	2,818	3,525
5. NTBT	121	388	381	348	0
6. CW	4,920	5,532	5,432	5,581	8,211
7. OPEN SKIES	2,751	2,288	2,247	3,023	4,161
8. ICP	3,430	5,884	5,778	4,121	9,072
9. ACT	3,784	5,854	5,749	5,631	11,766
10. Military Relocation Program	0	0	0	5,000	0
-Georgia					
11. OTHER MISSIONS	15,808	24,182	23,746	19,171	30,941
Total	50,043	63,311	62,171	63,412	82,007

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Reconciliation Summary:

	Change <u>FY 2001/2001</u>	Change <u>FY 2001/2002</u>
1. Baseline Funding	63,311	63,412
Congressional Adjustments (Distributed)	-737	0
Congressional Adjustments (Undistributed)	-317	0
Congressional Adjustments (General Provision)		
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-86	0
2. Appropriated Amount (Subtotal)	62,171	0
Adjustments to Meet Congressional Intent	0	0
Across-the-board Reduction (Rescission)	0	0
Approved Reprogrammings/Transfers	0	4,624
3. Price Change	0	1,098
4. Program Changes	1,241	12,873
5. Current Estimate	63,412	82,007

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget	63,311
2. Congressional Adjustment (Distributed)	-737
3. Congressional Adjustment (Undistributed)	
a. HQ Personnel Adjustment	-228

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C. Reconciliation of Increases and Decreases (Continued):

b. DJAS	-89	
Total Congressional Adjustment (Undistributed)		-317
4. Congressional Earmarks		-86
5. FY 2001 Appropriated Amount		62,171
6. Price Change		0
7. Program Increases		
a. Georgia Funding (FY 2001 Base: \$0)		5,000

The Defense Threat Reduction Agency (DTRA) has been designated as the Executive Agency for the United States in the cooperation of Military Relocation activities in Georgia. DTRA is facilitating the removal or destruction of certain Russian military equipment, the disbandment and withdrawal of identified Russian military bases, the destruction and/or relocation of Russian ammunitions/armaments, and other material currently present in Georgia. The relocation program will end in FY 2001.

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C. Reconciliation of Increases and Decreases (Continued):

b. Civilian Salary Adjustment (FY 2001 Base: \$8,712) 475

The FY 2001 civilian workyear costs are anticipated to be \$3.3M higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary organizational and staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon. In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects the Arms Control Inspections and Technology's portion of the overall programmatic increase of \$3.3 million.

Total Program Increases 5,475

8. Program Decreases

a. Funding Offsets for DTRA High-Priority Requirements -3,588
(FY 2001 Base: \$62,171)

As DTRA moves towards execution of its FY 2001 program, several high-priority unfunded requirements

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have surfaced that require an internal realignment of DTRA resources in order to support FY 2001 requirements. FY 2001 funding has been realigned to support adjustments for GSA Rents (\$2.0M); critical information technology support services (\$2.4M); high-priority advisory & assistance service requirements (\$0.4M); Technology Security Process Improvement Plans (PIP) (\$1.5M); and NUMIS (\$0.3M). This decrease reflects Arms Control Inspections and Technology's portion of the total FY 2001 offset and results in a reduction of support to International Monitoring Stations and ICP, a planned reduction of CFE missions from the FY 2001 President's Budget and reduced costs associated with the Votkinsk Portal Monitoring Program (VPMP) contract and the CONUS monitoring program.

- b. Integration of DTRA Activities (FY 2001 Base: \$63,311) -646

The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding baselines for DTRA programs.

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With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This decrease reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission Structures. Adjustments include internal realignments for training, DTRA Operations Center requirements, and civilian workyear realignment of -8 workyears.

Total Program Decreases	-4,234
9. Revised FY 2001 Current Estimate	63,412
10. Price Growth	1,098
11. Functional Transfers - In	
a. DoD Arms Control Nuclear Treaty Managers Support	924
DoD treaty managers are responsible for efficient, coordinated department-wide implementation and compliance planning, preparation, and execution required to successfully meet the obligations of the DoD contained in international arms control agreements. These funds provide for full time	

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analytical and technical contractor support for nuclear treaty management. The Defense Reform Initiative, dated November 1997, assigned DoD treaty managers to DTRA. In the FY 2001 President's Budget, \$3M was transferred from the RDT&E appropriation to O&M. This increase reflects the final transition of this support from RDT&E to O&M to more appropriately align treaty manager requirements within the correct appropriation. DoD would not be able to fulfill its responsibilities under nuclear treaty agreements without this funding.

- | | | |
|----|--|-------|
| b. | UNMOVIC -Overseas Contingency Operations Transfer Fund Beginning in FY 2002, Southwest Asia (SWA) requirements will no longer be funded from the Overseas Contingency Operations Transfer Fund. The Department no longer considers operations in SWA to be contingency operations since these operations have been ongoing for 10 years. | 3,700 |
|----|--|-------|

Total Functional Transfers - In	4,624
---------------------------------	-------

12. Program Increases

- | | | |
|----|--|-------|
| a. | Treaty Assumption and Timeline Adjustments (FY 2001 Base: \$27,907)
Changes in treaty assumptions, entry-into-force (EIF) dates, and treaty recosting initiatives for | 2,963 |
|----|--|-------|

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travel and military airlift have changed arms control funding requirements for FY 2002. In May of FY 2001, the INF treaty will end and there will no longer be inspections under INF. Treaty costs previously attributable to INF/START will now be solely applied to START. These changes reflect an overall net increase in the number of missions projected. The following is a breakout of adjustments by treaty:

- INF	(Base: \$5,559) Net decrease of 28 missions	-5,639
- START	(Base: \$12,094) Net increase of 24 missions	5,201
- CW	(Base: \$5,581) Net increase of 21 missions	2,071
- CFE	(Base: \$2,437) Net increase of 11 missions	458
- PPRA	(Base: \$1,031) Net increase of 6 missions	126
- BW	(Base: \$143) Net increase of 2 missions	25
- Open Skies	(Base: \$968) Net increase of 14 missions	414
- Other Missions	(Base: \$94) Net increase of 7 missions	307
b. Treaty Support Costs (FY 2001 Base \$3,544)		803

Costs support technical equipment inspections, treaty training, and studies and analyses on a variety of arms control related issues. These treaty support costs cannot be linked to a specific treaty but indirectly support DTRA's overall increase of 73 missions in Arms Control for FY 2002.

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C. Reconciliation of Increases and Decreases (Continued):

c. Open Skies Management And Planning System 678
(OSMAPS) and Ground Truth Data Collection and
Maintenance (FY 2001 Base: \$ 2,055)

In FY 2001, the OSMAPS contract software effort will be directed to completing baseline documentation that has been delayed in prior years due to funding restraints and overriding software correction requirements. Increased costs reflect full funding for critical software support required to adequately maintain the OSMAPS system for training and treaty requirements. Increased costs for Ground Truth Data Collection and Maintenance is to refurbish a calibration target.

d. Treaty Manager Support(FY 2001 Base: \$3,458) 1,000
DoD treaty managers are responsible for efficient, coordinated department-wide implementation and compliance planning, preparation, and execution required to successfully meet the obligations of the DoD contained in international arms control agreements. The Defense Reform Initiative, dated November 1997, assigned DoD treaty managers to DTRA. This increase provides for increased contractor support costs for Strategic treaty management over and above the original estimate. DoD would not be able to fulfill its responsibilities under treaty

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C. Reconciliation of Increases and Decreases (Continued):

agreements without this funding.

e. Base Operations Support for Darmstadt (FY 2001 Base: 238
\$381)

In FY 2001, DTRA European Operations will move from Rhein Main Air Force Base in Frankfurt, Germany to Nathan Hale Army Depot in Darmstadt, Germany. DTRA European Operations will incur additional annual recurring costs for Base Maintenance Support and communications beginning in FY 2002 as a result of this move.

f. Arms Control Technology (FY 2001 Base: \$5,631) 6,039

The FY 2002 increase is associated with the operation and maintenance of an increasing number of sensors, stations, and data processing facilities. These stations have been under development in an intense Research, Development, and Testing program and are now being fielded. The first station was installed and certified during FY 2000. Additional stations are scheduled for completion throughout FY 2001 and 2002. This increase significantly enhances operational infrastructure. This supports the arms control technology RDT&E efforts in nonproliferation and arms control.

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C. Reconciliation of Increases and Decreases (Continued):

g. International Counterproliferation Program (FY 2001 Base: \$4,121) 4,879

The DoD ICP combines and expands the DoD/FBI and DoD/Customs programs for greater synergy and effectiveness. Participating governments of the Former Soviet Union, the Baltics, and Eastern Europe have agreed to work with the U.S. to stem the proliferation of weapons of mass destruction (WMD). Increased funding will allow the ICP program to fully mature and more completely engage countries in these regions which have made the long-term commitment to work cooperatively with the U.S. to stop the proliferation of WMD. Funding will permit for the establishment of a series of follow-on, specialized training programs designed for foreign officials involved with border security, customs, and law enforcement. Additionally, program training courses that are designed to deliver equipment, particularly those under the DoD/Customs program, will deliver twice as much equipment per training iteration than is currently feasible.

h. DoD CWC Mock Challenge Inspections and BWC National Trial Visits 1,600

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/Investigation Exercises (FY 2001 Base:
\$ 190)

DoD CWC mock challenge inspections and BWC national trial visits/investigation exercises are integral elements in the DoD preparation to meet treaty requirements. BWC exercise activity is also congressionally mandated (Public Law 106-113, Section 1124). The DTRA had previously planned for and funded its involvement in DoD training activities. To place emphasis on these activities and to ensure full participation, the DoD provided funding to DTRA to resource all elements of the DoD-directed CWC mock challenge inspections and BWC national trial visits/investigation exercises. This funding does not increase DTRA missions but does increase its department-wide responsibility to plan and fund.

13.	Total Program Increases	18,200
14.	Program Decreases	
a.	Support for Comprehensive Test Ban Treaty Implementation FY 2001 Base: \$327)	-327

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C. Reconciliation of Increases and Decreases (Continued):

On 13 October 1999, the U.S. Senate voted not to give its advice and consent to ratification of the CTBT. The DTRA FY 2002 budget does not contain any funding for CTBT implementation, therefore, this decrease reflects the adjustment made to realign CTBT related costs to other arms control efforts.

b. Georgia Funding (FY 2001 Base: \$5,000) -5,000

The Defense Threat Reduction Agency (DTRA) has been designated as the Executive Agency for the United States in the cooperation of Military Relocation activities in Georgia. DTRA is facilitating the removal or destruction of certain Russian Military equipment, the disbandment and withdrawal of identified Russian military Bases, the destruction and/or relocation of Russian ammunitions/armaments, and Other material currently present in Georgia. The relocation program will end in FY 2001.

Total Program Decreases -5,327

15. FY 2002 Budget Request 82,007

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IV. Performance Criteria and Evaluation Summary:

	FY 2000	FY 2001	FY 2002
	No. Of	No. Of	No. Of
	<u>Missions</u>	<u>Missions</u>	<u>Missions</u>
Intermediate-Range Nuclear Force Treaty			
Inspection Activity	19	13	0
Escort Activity	18	14	0
Mock Missions	1	1	0
Strategic Arms Reduction Treaty			
Inspection Activity	46	43	56
Escort Activity	42	20	31
Mock Missions	6	10	10
Strategic Arms Reduction Treaty II			
Inspection Activity	0	0	0
Escort Activity	0	0	0
Mock Missions	1	0	0
Conventional Armed Forces In Europe Treaty			
Inspection Activity	60	70	72
Escort Activity	64	65	74
Mock Missions	15	15	15

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IV. Performance Criteria and Evaluation Summary (Continued):

	<u>FY 2000</u> No. Of <u>Missions</u>	<u>FY 2001</u> No. Of <u>Missions</u>	<u>FY 2002</u> No. Of <u>Missions</u>
Nuclear Test Ban Treaties			
Escort Activity	0	0	0
Mock Missions	0	0	0
Chemical Weapons Treaty			
Inspection Activity	0	0	0
Escort Activity	63	65	86
Mock Missions	1	1	1
Open Skies Treaty			
Inspection Activity	0	0	10
Escort Activity	0	0	3
Mock Missions	15	16	17
International Counterproliferation Program (ICP)	31	39	49
Other Missions			
Democratic People's Republic of Korea (DPRK)	2	0	0
IAEA-Strengthened Safeguards	0	0	1
Plutonium Production Reactor Agreements (PPRA)	5	12	18
Biological Weapons (BW)	0	6	8
Mayak Transparency Protocol	0	0	5
Fissile Material Cutoff Treaty (FMCT)	0	0	1
Military Relocation Program - Georgia	4	16	0

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V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	Change <u>FY</u> <u>2001/2002</u>
Active Military End Strength (E/S)	522	522	522	0
(Total)				
Officer	215	215	215	0
Enlisted	307	307	307	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S</u>				
(Total)				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	115	130	130	0
U.S. Direct Hire	115	130	130	0
Foreign National Direct Hire				
Total Direct Hire				
Foreign National Indirect Hire				
(Reimbursable Civilians Included	(2)	(2)	(2)	0
Above (Memo))				
<u>Active Military Average Strength (A/S)</u>	522	522	522	0
(Total)				
Officer	215	215	215	0
Enlisted	307	307	307	0

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V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	Change <u>FY</u> <u>2001/2002</u>
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S</u>				
<u>(Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	114	119	119	0
U.S. Direct Hire	114	119	119	0
Foreign National Direct Hire				0
Total Direct Hire	114	119	119	0

V. Personnel Summary: (Continued)

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	Change <u>FY</u> <u>2001/2002</u>
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))	(1)	(2)	(2)	0

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

		<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			
<u>LINE</u>	<u>DESCRIPTION</u>	<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
<u>ITEM</u>		<u>Actuals</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
0101	Executive, General, and Special Schedule	9,020	386	320	9,726	352	0	10,078
0103	Wage Board	101	6	0	107	3	0	110
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	9,121	392	320	9,833	355	0	10,188
0308	Travel of Persons	7,227	116	2,787	10,130	172	2,488	12,790
0399	TOTAL TRAVEL	7,227	116	2,787	10,130	172	2,488	12,790
0416	GSA Managed Supplies & Materials	1	0	0	1	0	0	1
0417	Locally Procured DoD Managed Supp. & Materials	0	0	0	0	0	0	0
0499	TOTAL REVOLVING FUND SUPPLIES & MATERIAL PURCHASES	1	0	0	1	0	0	1
0671	Communications Services (DISA) Tier 2	38	0	-38	0	0	0	0
0699	TOTAL Other Revolving Fund Purchases	38	0	-38	0	0	0	0
0703	AMC SAAM/JCS Exercises	2,877	394	-276	2,995	-114	871	3,752
0771	Commercial Transportation	49	1	-47	3	0	0	3
0799	TOTAL TRANSPORTATION	2,926	395	-323	2,998	-114	871	3,755

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<u>LINE</u> <u>ITEM</u>	<u>DESCRIPTION</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2002</u> <u>Estimate</u>
0913	Purchased Utilities	4	0	7	11	0	0	11
0914	Purchased Communications	74	1	48	123	2	47	172
0915	Rents (non-GSA)	14	0	79	93	2	1,221	1,316
0917	Postal Services (U.S.P.S)	0	0	1	1	0	0	1
0920	Supplies & Materials (non centrally man)	942	15	-139	818	14	34	866
0922	Equipment Maintenance by Contract	88	1	135	224	4	95	323
0923	Facility Maintenance by Contract	9	0	-4	5	0	0	5
0925	Equipment purchases (non centrally man)	1,020	16	47	1,083	18	186	1,287
0932	Management & Professional Support Services	0	0	0	0	0	0	0
0933	Studies, Analysis, & Evaluations	0	0	0	0	0	0	0
0934	Engineering Technical Services	610	10	-251	369	6	372	747
0937	Locally Purchased Fuel	76	48	-60	64	-1	205	268
0987	Other Intra-Governmental Purchases	7,152	114	-2916	4,350	74	7,074	11,498
0989	Other Contracts	18,332	293	1,800	20,425	347	2,937	23,709
0998	Other Costs	2,409	39	10,436	12,884	219	1,984	15,070
0999	TOTAL OTHER PURCHASES	30,730	537	9,183	40,450	685	14,155	55,273
9999	GRAND TOTAL	50,043	1,440	11,929	63,412	1,098	17,497	82,007

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I. Description of Operations Financed: The Technology Security program develops and implements DoD technology security policies on international transfers and prepares for the future threat through activities and programs that control, monitor, and prevent the transfer of defense-related goods, services, and technologies that could threaten U.S. national security interests. Technology Security has four goals that principally support the overall DTRA goal of preparing for future threats: (1) prevent the proliferation of weapons of mass destruction and their means of delivery; (2) preserve U.S. military technological advantages; (3) control and limit the acquisition of defense-related goods, services, or technologies by any country or entity that could be detrimental to U.S. security interests; and (4) support international defense cooperation involving military interoperability with and coalition warfighting capabilities of U.S. allies and friends.

The FY 2001 current estimate for the Technology Security program is \$10.5 million; the FY 2002 budget request is \$10.7 million.

II. Force Structure Summary:

The Technology Security Program performs functions in support of three basic areas: (1) technology security policy; (2) technology security implementation; and (3) technology security compliance and enforcement. These functions include:

A. Technology Security Policy:

- Determining, coordinating and issuing Department of Defense (DoD) positions on export control regulations, control lists, entity/project/end-user lists, commodity jurisdiction and classification matters.

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- Determining, coordinating, and issuing technology security guidelines and procedures to DoD components and organizations.
- Providing support to and participating in USG discussions and negotiations with foreign governments and international organizations on export control matters, including the design and implementation of international export control regimes.
- Representing DoD in interagency processes on technology security policy and implementation matters.

B. Technology Security Implementation:

- Determining, coordinating, and issuing DoD positions on export license applications referred to DoD by regulatory agencies.
- Representing the Under Secretary of Defense for Policy on the National Disclosure Policy Committee dealing with disclosure guidance for classified military information.

C. Technology Security Implementation (cont'd):

- Determining, coordinating, and issuing DoD positions on reviews of foreign investment in U.S. defense-related companies with the Treasury-chaired Committee on Foreign Investment in the United States.
- Administering the responsibilities of the former Armed Services Patent Advisory Board including coordinating DoD's review process for patent secrecy determinations.

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Force Structure Summary (cont'd):

D. Technology Security Compliance and Enforcement:

- Coordinating and implementing the Space Launch Safeguards and Monitoring Program.
- Identifying and applying safeguards on specific transfers of controlled military and dual-use goods and technologies to mitigate security risks associated with diversion or misuse.
- Determining, coordinating, and issuing DoD positions on compliance and enforcement related matters referred to DoD by export control regulatory agencies, including review and advice on voluntary disclosures under the International Traffic in Arms Regulations.
- Providing technical support to technology security intelligence, enforcement, and diplomatic organizations and activities of the U.S. Government.

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III. Financial Summary (O&M: in Thousands):

A. Subactivity Group:

	FY 2001				
	FY 2000 Actuals	Budget Request	Appropriation	Current Estimate	FY 2002 Estimate
1. Technology Security Activities	8,919	7,979	7,911	10,522	10,683

B. Reconciliation Summary:

	Change FY 2001/2001	Change FY 2001/2002
1. Baseline Funding	7,979	10,522
Congressional Adjustments (Distributed)	-19	0
Congressional Adjustments (Undistributed)	-39	0
Congressional Adjustments (General Provision)	0	0
a. Congressional Earmarks	0	0
b. Congressional Earmark Billpayers	-10	0
2. Appropriated Amount (Subtotal)	7,911	0
Adjustments to Meet Congressional Intent	0	0
Across-the-board Reduction (Rescission)	0	0
Approved Reprogrammings/Transfers	0	0
3. Price Change	0	331
4. Program Changes	2,611	-170
5. Current Estimate	10,522	10,683

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C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget	7,979
2. Congressional Adjustment (Distributed)	-19
3. Congressional Adjustment (Undistributed)	
a. Headquarters Personnel Reduction	-28
b. DJAS	-11
Total Congressional Adjustment (Undistributed)	-39
4. Congressional Earmarks	-10
5. FY 2001 Appropriated Amount	7,911
6. Price Change	0
7. Program Increases	
a. Process Improvement Plan (PIP) (FY 2001 Base: \$0)	1,492
This increase supports the implementation of a new process for the review of export license applications referred to by the Department of State and the Department of Commerce, which requires additional contractual support.	

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C. Reconciliation of Increases and Decreases (cont'd):

- b. Civilian Salary Adjustment (FY 2001 Base: \$6,704) 389
The FY 2001 civilian workyear costs are anticipated to be \$3.3M higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary organizational and staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon. In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects the Technology Security's portion of the overall programmatic increase of \$3.3 million.
- c. Integration of DTRA Activities (FY 2001 Base: \$7,066) 821
The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding

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baselines for DTRA programs. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This increase reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission structures. Adjustments include internal realignments for training, DTRA Operations Center requirement, and a civilian workyear realignment (+10 workyears) to support the Export License Review Program.

C. Reconciliation of Increases and Decreases (cont'd):

Total Program Increases 2,702

9. Program Decreases

Funding Offsets for DTRA High Priority Requirements (FY 2001 Base: -91 \$7,911)

As DTRA moves towards execution of its FY 2001 program, several high-priority unfunded requirements have surfaced that require an internal realignment of DTRA resources in order to support FY 2001 requirements. FY 2001 funding has been realigned to support adjustments for GSA Rents (\$2.0M); critical information technology support services (\$2.4M); high-priority advisory & assistance service

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requirements (\$0.4M); Technology Security Process Improvement Plans (PIP) (\$1.5M); and NUMIS (\$0.3M). This decrease reflects Technology Security's portion of the total FY 2001 offset and results in the reduction of \$91 thousand which impacts overall operational support, such as travel and supplies and materials.

Total Program Decreases	-91
10. Revised FY 2001 Current Estimate	10,522
11. Price Growth	331
12. Program Increases	
a. Management Support, Travel, Supplies, Material (FY 2001 Base: \$841)	159
This program increase provides additional travel and supplies, which are required to support the patent secrecy efforts throughout CONUS and the increased technology security coordination meetings throughout the world.	
b. Patent Application Review System (PARS) (FY 2001 Base: \$293)	196

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C. Reconciliation of Increases and Decreases (cont'd):

This program increase provides for the operational requirements to execute the Patent Application Review System (PARS). This effort supports the automation of the patent review process of patents received by the Patent and Trademark Office (PTO), which may require a secrecy order.

Total Program Increases	355
13. Total Program Decreases	
Process Improvement Plan (PIP) (FY 2001 Base: \$1,501)	-525
This decrease adjusts for the difference between the FY 2001 funded PIP program and a reduced level of funding for the PIP program in FY 2002, which supports the review of export license applications referred to by the Department of State and the Department of Commerce.	
Total Program Decreases	-525
14. FY 2002 Budget Request	10,683

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IV. Performance Criteria and Evaluation Summary:

These workload performance indicators, or Technology Security Actions (TSAs), represent a wide range of work accomplished by the Technology Security program: Policy, License, Technology, and Technology Security Operations. The TSAs represent a generic weighted unit of measure, which allows for the tracking and analysis of our business activity. The composite number of such actions actually counted, e.g., review and analysis of munitions and dual-use export applications, preparation of policy documents, and technical support to interagency/international negotiations represent a major application of resources to achieve all mission, regulatory and statutory objectives. TSA growth is based on an estimated increase of 6,800 dual-use export licenses in FY 2000 received from the Department of Commerce. However, many TSAs are devoid of precise performance measurement criteria, e.g., one particular policy development/implementation may take a portion of three professionals a total of one staff week, whereas another may take several staff-months.

	<u>FY 2000</u> No. of TSA	<u>FY 2001</u> No. of TSA	<u>FY 2002</u> No. of TSA
Technology Security Actions (TSAs)	87,600	90,600	94,200

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V. Personnel Summary:

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>Change</u>
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2001/2002</u>
<u>Active Military End Strength (E/S) (Total)</u>	38	38	38	0
Officer	21	21	21	0
Enlisted	17	17	17	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S</u>				
<u>(Total)</u>				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	97	150	150	0
U.S. Direct Hire	97	150	150	0
Foreign National Direct Hire				
Total Direct Hire	97	150	150	0
Foreign National Indirect Hire				
(Reimbursable Civilians Included Above	(21)	(38)	(38)	0
(Memo))				
<u>Active Military Average Strength (A/S) (Total)</u>	38	38	38	0
Officer	21	21	21	0
Enlisted	17	17	17	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				

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V. Personnel Summary:

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>Change</u>
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2001/2002</u>
<u>Reservists on Full Time Active Duty A/S</u>				
<u>(Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	92	132	132	0
U.S. Direct Hire	92	132	132	0
Foreign National Direct Hire				
Total Direct Hire	92	132	132	0
Foreign National Indirect Hire				
(Reimbursable Civilians Included Above	(19)	(38)	(38)	0
(Memo))				

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

Change from FY 2000 to FY 2001 Change from FY 2001 to FY 2002

<u>LINE</u> <u>ITEM</u>	<u>DESCRIPTION</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u> <u>h</u>	<u>Progr</u> <u>am</u> <u>Growth</u> <u>h</u>	<u>FY</u> <u>2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Progra</u> <u>m</u> <u>Growth</u>	<u>FY</u> <u>2002</u> <u>Estimate</u>
0101	Executive, General, and Special Schedule	5,893	331	1,676	7,900	286	0	8,186
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5,893	331	1,676	7,900	286	0	8,186
0308	Travel of Persons	296	5	25	326	6	12	344
0399	TOTAL TRAVEL	296	5	25	326	6	12	344
0920	Supplies & Materials (non centrally man)	83	1	139	223	4	52	279
0925	Equipment Purchases (non centrally man)	264	4	-268	0	0	0	0
0987	Other Intra-Governmental Purchases	318	5	-35	288	5	92	385
0998	Other Contracts	2,065	33	-313	1,785	30	-326	1,489
0999	TOTAL OTHER PURCHASES	2,730	43	-477	2,296	39	-182	2,153
9999	GRAND TOTAL	8,919	379	1,224	10,522	331	-170	10,683

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Counterproliferation Support & Operations

I. Description of Operations Financed: The mission of the Counterproliferation Support and Operations Directorate is to counter weapons of mass destruction (WMD) through innovative technology solutions across the entire spectrum of threat reduction activities and scenarios. These WMD include high explosives, chemical weapons, biological weapons, nuclear/radiological and special advanced weapons. The spectrum of threat reduction activities includes prevention, detection, verification, deterrence, interdiction, protection, and consequence management. The scenarios include the full range that troops would likely face, to specifically include warfighting, peacekeeping, and terrorism. DTRA conducts research, development, test and evaluation (RDT&E) programs and provides technical support to DoD components, and other organizations, as appropriate, in areas related to WMD and designated advanced weapons. The Agency operates a centralized response center (OC-DTRA), which immediately brings the WMD Analysis and Assessments (A&A) Center's resources to bear on WMD for crisis response and consequence management at all levels of classification. The WMDA&A Center supports the OC-DTRA Center by providing access to analytic resources, weather data, archives and domain experts.

In the aftermath of the Khobar Towers terrorist attack and the Downing Report on the bombing in Saudi Arabia, the Secretary of Defense directed initiatives to provide U.S. forces with improved protection. In brief, the Chairman, Joint Chiefs of Staff (JCS) was made responsible for the protection of U.S. military and civilian personnel and their families throughout the world. At that time, the former Defense Special Weapons Agency (DSWA) was selected as the technical advisor to the Chairman on anti-terrorism matters and was tasked to perform vulnerability assessments support for the JCS/J-34 Combating Terrorism Directorate. The Chairman, JCS, has since directed that DTRA, in its capacity as a Combat Support Agency, provide him with direct support and serve as the field agent for JCS/J-34.

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I. Description of Operations Financed (cont'd):

In this capacity, the DTRA Anti-Terrorism program will provide teams comprised of active duty military and DoD civilians that are fully capable of assessing seven broad areas relating to facility vulnerability to terrorist operations and the means of reducing mass casualties. These assessments include: (1) Terrorist Options; (2) Security Operations; (3) Structural Engineering and Response; (4) Infrastructure Engineering and Response; (5) Operations Readiness; 6) Weapons of Mass Destruction; and 7) Command, Control, and Communications.

The Anti-Terrorism vulnerability-assessment teams examine specific installations and provide the installation commander with realistic judgments regarding vulnerabilities to terrorist actions and suggestions for both procedural and technical options to mitigate those vulnerabilities. Additionally, DTRA maintains the capability to conduct special assessments and response to worldwide incidents and crisis situations. Support also includes training for other Government agencies in assessment procedures and processes, and support of technology development for physical security equipment and other anti-terrorism-related technologies, such as blast mitigation systems.

In FY 2000, the Anti-Terrorism Program successfully completed 97 Joint Staff Integrated Vulnerability Assessments (JSIVAs) worldwide, 1 Mobile Training Team visit, 9 Anti-Terrorism Officer Assistance visits and participated in the development of the new JSIVA reporting system (JVAT) which should be on line in February 2001. In addition, DTRA established an Anti-Terrorism Force Protection email help line to provide follow-on assistance to Commanders in Chiefs (CINC) and Service personnel in meeting program requirements.

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I. Description of Operations Financed (cont'd):

Demands by the JCS, CINCs and the civilian sector have increased significantly for DTRA's operational and technical expertise in WMD threat reduction and consequence management for real-world contingency operations. As more R&D tools mature, resources in this sub-activity group provide support for the tool's life cycle; provide ready access to the most modern hazard prediction tools, weather resources, and technical expertise; provide operational support teams; and develop and conduct training courses that complement these missions. The modeling and simulation tool's life cycle support includes distribution, maintenance, and updates. Training support increases the number of mobile training teams (MTTs), web-based training and innovations in distant learning training. Specialized ADP equipment will ensure access to weather, databases, and models.

As a result of recent assessments of Command, Control, Communications, and Intelligence (C3I) assets, a new program to assess critical C3I assets was established with funding to begin in FY 2001 from an Assistant Secretary of Defense (ASD) C3I initiative. This new program conducts mission vulnerability assessments of critical C3I assets to facilitate the development of investment strategies for improved survivability, to include nuclear command and control. This program also ensures that assessment training programs, engineering designs, and new construction embody sound force protection, vulnerability mitigation, and collective protection principles. DTRA technologies and expertise are applied to enhance U.S. capabilities across the spectrum of the counterproliferation and force protection missions. In addition, starting in FY 2002, a portion of the existing Balanced Survivability Assessments (BSA) Program funds were transferred from R&D to O&M to better reflect the O&M nature of a portion of the BSA effort acquired over the lifetime of the program.

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I. Description of Operations Financed (cont'd):

Resources in this sub-activity group provide for the supporting personnel infrastructure, travel of personnel, contractual services, technical resource center publications, specialized ADP equipment necessary to support the Counterproliferation Support & Operations mission, and expendable supplies and equipment that support the JSIVA teams, C3I assessment teams, and BSA teams.

II. Force Structure Summary: Key counterproliferation programs and activities supported by this activity group include the following:

A. Counterproliferation Operations support Combatant Commands, Joint Forces and Services in planning, executing and assessing WMD counterforce and force protection missions. To this end, DTRA has (1) established a web-based reachback capability, (2) trained and equipped combat support teams, (3) participated in domestic and military exercises (CONUS and OCONUS), and (4) operated a response coordination center.

B. Testing Technologies and Integration provides the capabilities for validating computational modeling, physical simulation, and testing for nuclear and special weapons efforts.

C. Weapon Effects Technologies evaluates effects of nuclear and designated advanced weapons and provides support to warfighters and components for weapon effects matters.

D. CP Operational Warfighter Support Activities develop and demonstrate capabilities to defeat hostile forces possessing WMD (and supporting infrastructure) with minimized

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collateral effects. A modeling and simulation center provides technical support for wargames, simulations, force structure assessments, target planning and consequences assessment.

E. Scientific Computing and Information Systems develop and maintain a world-class scientific-computations capability, including leading-edge numerical methods and high fidelity weapon effects codes, to support DoD nuclear and counterproliferation programs. This program also captures, preserves and applies the technical understanding developed in a half-century of DoD nuclear test and simulation programs.

F. Hard Target Defeat develops and validates military capabilities needed for defeat or functional disruption of buried and otherwise hardened targets that cannot be defeated with current conventional weapons.

G. Nevada Test Site (NTS) Sustainment involves making the minimum investment needed to respond to national policy direction by retaining a capability to resume underground nuclear testing at the NTS, if so directed.

H. The Anti-Terrorism Joint Staff Integrated Vulnerability Assessment (JSIVA) teams assess anti-terrorism programs at DoD installations worldwide to identify vulnerabilities and offer procedural and technical options to deter or mitigate the effects of a potential terrorist attack.

I. Command, Control, and Communications (C3I) assessments provide balanced vulnerability/survivability assessments of critical C3I assets.

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III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:

	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		Budget <u>Request</u>	<u>Appropriation</u>	Current <u>Estimate</u>	
Counterproliferation Support & Operations	14,140	28,082	27,634	25,017	36,557
Total	14,140	28,082	27,634	25,017	36,557

B. Reconciliation Summary:

	Change FY 2001/2001	Change FY 2001/2002
1. Baseline Funding	28,082	25,017
Congressional Adjustments (Distributed)	-270	0
Congressional Adjustments (Undistributed)	-140	0
Congressional Adjustments (General Provision)	0	0
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-38	0
2. Appropriated Amount (Subtotal)	27,634	0
Adjustments to Meet Congressional Intent	0	0
Across-the-board Reduction (Recission)	0	0
Approved Reprogramming/Transfers	0	5,989
3. Price Change	0	562
4. Program Changes	-2,617	4,989
5. Current Estimate	25,017	36,557

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C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget Request	28,082
2.	Congressional Adjustment (Distributed)	-270
3.	Congressional Adjustment (Undistributed)	
a.	HQ Personnel Reduction	-101
b.	DJAS	-39
	Total Congressional Adjustment (Undistributed)	-140
4.	Congressional Earmarks	-38
5.	FY 2001 Appropriated Amount	27,634
6.	Program Increases	
	Civilian Salary Adjustment (FY 2001 Base: \$6,069)	349
	<p>The FY 2001 civilian workyear costs are anticipated to be \$3.3 million higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon.</p>	

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C. Reconciliation of Increases and Decreases (cont'd):

In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects the Counterproliferation Support and Operations portion of the overall programmatic increase of \$3.3 million.

Total Program Increases

349

7. Program Decreases

a. Funding Offset for DTRA High-Priority Requirements (FY 2001 Base: \$27,634) -1,317

As DTRA moves toward execution of its FY 2001 program, several high-priority unfunded requirements have surfaced that require an internal realignment of DTRA resources in order to support FY 2001 requirements. FY 2001 funding has been realigned to support adjustments for GSA Rents (\$2.0M); critical information technology support services (\$2.4M); high-priority advisory & assistance service requirements (\$0.4M); Technology Security Process Improvement Plans (PIP) (\$1.5M); and NUMIS (\$0.3M). This decrease reflects Counterproliferation Support and Operations' portion of the total FY 2001 offset and results in a slight reduction of

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contractual efforts in support of C3I and Balanced Survivability assessments, as well as rephasing of equipment modernization for the WMD Assessment & Analysis Center (WMDAAC).

b. Integration of DTRA Activities (FY 2001 Base: \$28,082) -1,649

The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding baselines for DTRA programs. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This decrease reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission structures. Adjustments include internal realignments for training, DTRA Operations Center requirements, and a civilian workyear realignment (-9 workyears).

Total Program Decreases

-2,966

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C. Reconciliation of Increases and Decreases (cont'd):

8. Revised FY 2001 Estimate	25,017
9. Price Growth	562
10. Transfers In	
a. Balanced Survivability Assessments (BSA)	4,607
Resources for BSA have been transferred from RDT&E, Defense-Wide to O&M, Defense-Wide to better reflect the O&M nature of the BSA effort and to support an increased number of assessments conducted for threat awareness and reduction in vulnerability throughout national security community.	
b. Targeting and Intelligence Community (IC) Support	1,382
Resources were transferred from RDT&E, Defense-Wide to O&M, Defense-Wide to provide for underground facility assessment center support and targeting support.	
Total Transfers In	5,989
11. Program Increases	

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C. Reconciliation of Increases and Decreases (cont'd):

- a. Reachback (FY 2001 Base: \$0) 1,250
This increase expands DTRA's capability to provide 24 hour response for WMD events for DTRA and its customers via Voice, Data, Video, Classified and Unclassified Teleconferencing.
- b. Sensitive Compartmented Information Facility (SCIF) (FY 2001 Base: \$0) 1,153
As a result of the one-time move of the SCIF from Alexandria Technical Center to the contractor-owned/contractor-operated facility, the current contract required funding to cover facility costs. An operational SCIF is mandatory to successfully complete required BSAs. This increase covers contract costs created by the move from government-furnished (ATC) to contractor-furnished SCIF facility.
- c. Modeling and Simulation (FY 2001 Base: \$0) 4,125
This increase provides for needed life-cycle support to maintain the operational WMD M&S tools, including maintenance, training and updates.

Total Program Increases 6,528

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12. Program Decreases

C. Reconciliation of Increases and Decreases (cont'd):

Counterproliferation Support - One Time Costs (FY 2001 Base:	-
\$1,539)	1,539

This decrease results from the one-time purchase of WMD
 Analyses & Assessments Center in FY 2001 and the one-
 time move of the
 SCIF from the ATC and the relocation and certification
 into the contractor-owned facility.

Total Program Decreases	-1,539
13. FY 2002 Budget Request	36,557

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IV. Performance Criteria and Evaluation Summary:

A. Anti-Terrorism assessment teams conduct independent force protection-specific vulnerability assessments of DoD installations and sites. These assessments are intended to provide an independent assessment capability to assist local commanders, on site, to identify force protection deficiencies and determine appropriate remedies that will mitigate the effects of future terrorist incidents. Current manning and resource levels provide for a consistent level of 80-100 assessments per year, with equal distribution between United States and overseas locations.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
JSIVA Visits Conducted	97	100	106
 <u>Sites Visited</u>			
EUCOM	23	19	21
Army	18	18	18
Navy	9	14	15
Air Force	8	12	16
USMC	3	3	3
CJCS	5	3	5
PACOM	14	10	12
CENTCOM	7	4	7
SOUTHCOM	5	3	2
JFCOM	2	1	1
DIA-DoD Agencies	3	7	0
Mobile Training Team (MTT) Visits	1	6	6

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IV. Performance Criteria and Evaluation Summary (cont'd):

B. For the WMD Assessment and Analysis (A&A) center, the measure of workload is the number of manhours spent supporting exercises, wargames and real-world events. For FY 2000, the workload was 6640 manhours. The number of users and locations will increase, but the number of trips will stay at about 35 domestic and 25 overseas, as some exercises will be handled via reachback to the A&A Center. In FY 2001, as the capability to support multiple events at several dispersed locations is established, it is estimated that 7400 manhours will be required, with 45 domestic trips and 30 overseas trips. By FY 2002, as the DTRA Operations Center becomes fully operational, the administration of some of these exercises and real-world events will be transferred and the WMD A&A Center will concentrate on technical assessment and analysis. The estimated support will stay at about 7400 manhours, but this represents a much more sophisticated support than was available in the past. New initiatives in training and education for WMD consequence managers, both military and domestic, including distance learning will require enhanced support from subject matter and communications/networking experts

C. For FY 2000, C3I assessment training packages were developed; C3I assessment team assets and equipment were acquired to conduct C3I assessments; and C3I training assessments were performed. In addition, a total of 13 blue or red team balanced survivability assessments were conducted in FY 2000. For FY 2001, plans are to finalize the facility assessment selection process and begin conducting balanced survivability assessments on 25 C3I facilities in conjunction with ASD C3I coordination and validation, and conduct two red team assessments. For FY 2002, balanced survivability assessments on C3I facilities will continue.

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V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
Active Military End Strength (E/S) (Total)	73	73	73	0
Officer	60	60	60	0
Enlisted	13	13	13	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	88	101	101	0
U.S. Direct Hire	88	101	101	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	88	101	101	0
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))				
<u>Active Military Average Strength (A/S) (Total)</u>	73	73	73	0
Officer	60	60	60	0
Enlisted	13	13	13	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	81	85	85	0
U.S. Direct Hire	81	85	85	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	81	85	85	0
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))				

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VII. OP 32 Line Items as Applicable (Dollars in Thousands):

LINE ITEM	DESCRIPTION	Change from FY 2000 to FY 2001	Change from FY 2001 to FY 2002		Price Growth	Program Growth	FY 2002 Estimate	
		FY 2000 Actuals	Price Growth	Program Growth				FY 2001 Estimate
0101	Executive, General, and Special Schedule	6,538	283	323	7,144	258	0	7,402
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	6,538	283	323	7,144	258	0	7,402
0308	Travel of Persons	1,506	24	729	2,259	38	-53	2,244
0399	TOTAL TRAVEL	1,506	24	729	2,259	38	-53	2,244
0920	Supplies & Materials (non centrally man)	266	4	-11	259	4	0	263
0922	Equipment Maintenance by Contract	6	0	-6	0	0	889	889
0925	Equipment Purchases (non centrally man)	1,180	19	1,159	2,358	40	-457	1,941
0933	Studies, Analysis, & Evaluations	154	2	1	157	3	3	163
0987	Other Intra-Governmental Purchases	299	5	1,196	1,500	26	-1,526	0
0989	Other Contracts	3,454	55	6,671	10,180	173	8,048	18,401
0998	Other Costs	737	12	411	1,160	20	4,074	5,254
0999	TOTAL OTHER PURCHASES	6,096	97	9,421	15,614	266	11,031	26,911
9999	GRAND TOTAL	14,140	404	10,473	25,017	562	10,978	36,557

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Nuclear Support and Operations

I. Description of Operations Financed: The mission of the Nuclear Support and Operations activity group is to provide operational and analytical support to the Department of Defense, DoD components and other organizations for nuclear matters. In addition, DTRA supports long-term sustainment of DoD nuclear weapon system capabilities and other Weapons of Mass Destruction (WMD) operational issues. This includes support to OSD management of nuclear programs, collaboration with Department of Energy for nuclear sustainment, and bilateral and alliance nuclear cooperation programs. Supporting the U.S. nuclear stockpile is one of the major components of the DTRA mission.

Costs provide for the pay and benefits of civilian personnel and costs of the DTRA Global Command and Control System (GCCS) and other automatic data processing (ADP) operations in support of nuclear weapons accounting and reporting. Other costs relate to travel of personnel for exercise planning, coordination and conduct; contractual services for document preparation, analysis, evaluation and reports, supplies and land line/satellite communications facilities to support exercise planning, both within the U.S. and overseas; special aircraft missions; transportation; rents and utilities; equipment maintenance; supplies and other administrative support.

Further, DTRA acts as the DoD executive agent for the Nuclear Test Personnel Review (NTPR) program which addresses all matters pertaining to the participation and radiation exposures of DoD personnel in U.S. atmospheric nuclear weapons tests from 1945-1962 and the post-war occupation of Hiroshima and Nagasaki. Also, the agency manages the DoD Radiation Experiments Command Center (RECC) for the Office of the Secretary of Defense. The RECC is the centralized repository for documents and publications pertaining to DoD's involvement in human radiation experiments conducted from 1944-1994.

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II. Force Structure Summary: Key nuclear support activities and programs supported by this activity group are:

A. Support to the Secretary of Defense, the JCS, Unified Combatant Commands, and DoD Components for matters involving nuclear and other WMD matters. These programs directly reflect the National Military Strategy, support the provisions of Joint Vision 2010 and are directed by the JCS in the Joint Strategic Capabilities Plan (Nuclear Annex). Responsive to the oversight of the Nuclear Weapons Council, they provide critical support to the Commanders-in-Chiefs (CINCs), Services, JCS and OSD.

B. Perform nuclear surety inspections of all Service certified units capable of assembling, maintaining, or storing nuclear weapon systems and components.

C. Provide consolidated guidance and data control for the entire DoD nuclear stockpile, to include overall surveillance, guidance, coordination, advice and assistance for all nuclear weapons in DoD custody from concept definition through retirement.

This function is performed by maintaining and operating the Nuclear Management Information System, the Special Weapons Information Management System, and the Nuclear Inventory Management and Cataloging System. In addition, Nuclear Support provides for the evaluation of nuclear weapons safety procedures and development of new procedures for safe storage, transport, and maintenance of nuclear munitions. Also included is the responsibility for monitoring all aspects of weapons programs relating to quality assurance throughout the stockpile life of each weapon. Nuclear support provides technical advice to the Services Nuclear Project Officer Groups, which provide for each weapons system and delivery platform in the force structure. Personnel work with and at the DOE nuclear weapon labs on programs directed at dual-revalidation and other nuclear sustainment

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II. Force Structure Summary (cont'd):

objectives. This sub-activity group also supports OSD interaction with DOE on nuclear weapons matters.

D. Develop national-level plans, policies and procedures for responses to nuclear weapons accidents, improvised nuclear device (IND) incidents, and acts of terrorism at or on U.S. weapons storage facilities worldwide. As directed by DoD 3150.8, DTRA conducts nuclear weapons accident exercises to validate the plans, policies, and procedures. Exercise scenarios include both emergency response operations and post-operation site remediation. DTRA provides technical experts, exercise design specialists, controllers, observers, and players for a variety of exercises relating to the core DTRA mission. Product development includes publication of the *DoD Nuclear Weapons Accident Response Procedures Manual* and continuing validation and modification of an automated system that supports appraisal of options for remediation at radiological contaminated sites. The directive mandates annual exercises for each of the CINC's Response Task Forces.

E. A rapidly emerging task is to provide technical consequence management support to augment Joint Task Force - Civil Support (JTF-CS) and CINC staffs. Support is provided to the DoD Response Task Force Commander/Defense Senior Representative by the DTRA Consequence Management Advisory Team in the event of a nuclear weapon accident/IND incident. DTRA has also formalized a strategic partnership with Joint Forces Command (JFCOM) that provides DTRA's Consequence Management Advisory Team to augment the Joint Task Force - Civil Support as well as JFCOM's Joint Technical Augmentation Cell. Product development includes a deployable team to support CINC assets as well as modeling software to provide decision makers with necessary information to manage the consequences of WMD use.

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II. Force Structure Summary (cont'd):

F. DTRA is also the DoD executive agent for a classified CINC support program which consists of several efforts harnessed under an operational umbrella to support the warfighter in preparing for a nuclear threat - either an improvised nuclear device or radiological dispersal device. It is a synergistic marriage of operational response and supporting technological achievements designed to provide a functional, timely, innovative, and relevant response to these potential threats. As executive agent, DTRA is responsible for equipment maintenance, calibration, and replacement to support those forward deployed in-theater programs. The agency provides mission-related training and conducts annual exercises for this classified program. Program enhancements include incorporation of latest dual use technologies into the systems where equipment is either non-existent or currently insufficient, including knowledge of nuclear forensics, special nuclear material hardening and the ability to operate in all environments.

G. Manage human and environmental consequences of DoD nuclear activities for atomic veterans under the NTPR program and for DoD Human Radiation Experiments (HRE) under the RECC.

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III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:

	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
Nuclear Support	18,061	14,386	13,866	13,053	22,554
Emergency Response	6,585	9,915	9,915	9,115	7,709
NTPR/RECC	6,604	7,032	7,032	6,029	7,738
Total	31,250	31,333	30,813	28,197	38,001

B. Reconciliation Summary:

	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
1. Baseline Funding	31,333	28,197
Congressional Adjustments (Distributed)	-322	0
Congressional Adjustments (Undistributed)	-156	0
Congressional Adjustments (General Provision)	0	0
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-42	0
2. Appropriated Amount (Subtotal)	30,813	0
Adjustments to Meet Congressional Intent	0	0
Approved Reprogrammings/Transfers	-123	8,064
3. Price Change	0	641
4. Program Changes	-2,493	1,099
5. Current Estimate	28,197	38,001

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C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget Request	31,333
2.	Congressional Adjustment (Distributed)	-322
3.	Congressional Adjustment (Undistributed)	
	a) Headquarters Personnel Reduction	-112
	b) DJAS	-44
	Total Congressional Adjustments	-156
4.	Congressional Earmarks	-42
5.	FY 2001 Appropriated Amount	30,813
6.	Functional Transfers - Out	
	a. Nuclear Support and Operations Printing & Reproduction Transfers funding from Nuclear Support to the Defense Nuclear Weapons School (DNWS) to support the increased printing requirements at DNWS for mass production of the DNWS course catalogs, graduation certificates, handouts, and course materials.	-85

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C. Reconciliation of Increases and Decreases (cont'd):

b. Nuclear Support and Operations Other Contracts/Costs -38
 Transfers funding from Nuclear Support to the Defense Nuclear Weapons Schools (DNWS) for increased contract support that provides new state of the art technology required to meet the growing demands of customers within DTRA and across DOD and other organizations. This enables the DNWS to be better prepared and trained to address threats.

Total Functional Transfers - Out -123

7. Program Increases

a. Civilian Salary Adjustment (FY 2001 Base: \$7,915) 405
 The FY 2001 civilian workyear costs are anticipated to be \$3.3M higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary organizational and staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon. In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects the NS's portion of the overall programmatic increase of \$3.3 million.

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C. Reconciliation of Increases and Decreases (cont'd):

b. Nuclear Management Information Systems (NUMIS) (FY 2001 Base: 279
 \$1,759)

and software maintenance, and overall user support. Hardware configuration, network connectivity, systems administration, database administration, and application development support will be provided. and software maintenance, and overall user support. Hardware configuration, network connectivity, systems administration, database administration, and application development support will be provided.

Total Program Increases

684

8. Program Decreases

a) Funding Offsets for DTRA High-Priority Requirements (FY 2001 -1,646
 Base: \$30,813)

As DTRA moves towards execution of its FY 2001 program, several high-priority unfunded requirements have surfaced that require an internal realignment of DTRA resources in order to support FY 2001 requirements. FY 2001 funding has been realigned to support adjustments for GSA Rents (\$2.0M); critical information technology support services (\$2.4M); high-priority advisory & assistance service requirements (\$0.4M); Technology Security Process Improvement Plans (PIP) (\$1.5M); and NUMIS (\$0.3M). This decrease reflects NS's portion of the total FY 2001 offset and results in the reduction for supplies, equipment, contractual support, and related travel associated with field training exercises, as well as a slight reduction in contractual

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support for the NTPR and RECC programs.

C. Reconciliation of Increases and Decreases (cont'd):

b) Integration of DTRA Activities (FY 2001 Base: \$31,333)	-1,531
<p>The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding baselines for DTRA programs. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This decrease reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission structures. Adjustments include internal realignments for training and the DTRA Operations Center requirements.</p>	
Total Program Decreases	-3,177
9. Revised FY 2001 Estimate	28,197
10. Price Growth	641
11. Functional Transfer - In	

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C. Reconciliation of Increases and Decreases (cont'd):

a) Terrorist Device Defeat	7,500
This adjustment reflects a transfer of funding from RDTE, Defense-Wide to O&M, Defense-Wide for the Terrorist Device Defeat classified program.	
b) Studies, Analysis & Evaluation	564
This adjustment reflects the transfer of Science and Engineering Technical Assistance funding from RDTE, Defense-Wide to O&M, Defense-Wide to more appropriately align it within the correct appropriation. This conversion was a result of 3800 hours of SETA Support (Logicon RDA) to provide technical support to our O&M program areas, i.e., implementation of the Nuclear Management Information System (NUMIS) and integration of wartime module with Nuclear Planning and Execution System (NPES); nuclear weapon accident response program support and inspections and training.	
Total Functional Transfer - In	8,064

12. Program Increases

a) Nuclear Test Personnel Review (NTPR) (FY 2001 Base: \$5,707)	1,774
This increase supports the NTPR program's core tasking under Congressional mandate for DTRA to provide information to veterans about participation in U.S.	

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atmospheric tests and their associated radiation doses. The information is crucial in supporting veterans' claims for entitlements and benefits under Department of Veterans Affairs and the Department of Justice programs. Technical currency and content accuracy of the NTPR database is essential. Maintenance of historical research effort, NTPR Public library, internet information and case files is required.

- b. WMD/Bilateral Exercises (FY 2001 Base: \$2,266) 334
The agency's strategic partnership with Joint Forces Command and Joint Task Force Civil Support has expanded the need for additional national-level WMD exercises along with bilateral exercises IAW government to government agreements. This increase supports travel costs associated with this expansion.

Total Program Increases 2,108

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C. Reconciliation of Increases and Decreases (cont'd):

13. Program Decreases

Nuclear Support and Operations Equipment (FY 2001 Base: \$3,050)	-1,009
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This decrease reflects an adjustment for a one-time purchase of additional unique equipment in FY 2001 for the deployable Combat Support Teams to meet Combat Support Agency Review Team (CSART) requirements.

Total Program Decreases	-1,009
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14. FY 2002 Budget Request	38,001
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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
A. Inspection of Nuclear-Capable Units	20	25	25

B. The workload associated with management of the nuclear weapons stockpile is primarily related to developing policies and procedures to be followed by CINCs and Services worldwide; monitoring the status of weapons, weapon issues and components; and developing, maintaining, fielding and providing day-to-day support for automated systems which are used to manage the stockpile during peace, crisis and war. Tracking nuclear weapons requires 100 percent accuracy and can never be minimized regardless of the number of weapons or components. The key to measurement of success is that the status and

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IV. Performance Criteria and Evaluation Summary:

location of the DoD nuclear stockpile is known at all times and the components to support these weapons are available when and where they are needed.

C. Presidential Decision Directives 39 and 62 established policy to manage consequences of terrorist incidents. Under Secretary of Defense letter and Chairman, Joint Chiefs of Staff tasking through a yearly JCS worldwide exercise schedule, DTRA serves as the DoD-lead for coordinating with other Federal and international agencies and activities, DoD recurring radiological emergency training, accident response planning, and national-level exercises at DoD facilities where the potential exists for a radiological accident/incident. Exercise costs are mission/location dependent, i.e., DIRECT FOCUS - CONUS FTX, approximately 70 participants, \$.3 million; DIMMING SUN - OCONUS FTX, 2500 participants, \$3.0 million. DTRA assists Federal, State, and local response to radiological emergencies as outlined in the Federal Radiological Emergency Response Plan, the Federal Response Plan, and applicable DoD Directives. Additionally, DTRA assists foreign governments as directed under 10 U.S.C. 404 and E.O. 12966. Training and exercises incorporate activities that address assistance to civilian authorities in maintaining public safety, health, and well-being. DTRA also maintains a deployable advisory team to assist CINC consequence management response forces. Emergency Response is made up of several components that include plans and exercises, consequence management and special nuclear programs. The table below represents the measurable criteria of planned exercises:

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	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
1. Number of Nuclear Weapon Accident Exercises:			
1. Major Field Training Exercises (FTX)	0	2	2
2. Field Training Exercises (FTX)	2	0	4
3. Command Post Exercise (CPX)	1	3	2
4. Table Top Exercise (TTX)	1	3	4
5. Foreign, Service and Agency Exercises	4	3	3
2. Number of Terrorist Incident Exercises:			
1. Major Field Training Exercise (FTX)	0	1	2
2. Field Training Exercises (FTX)	3	5	2
3. Command Post Exercises (CPX)	3	1	3
4. Table Top Exercise (TTX)	2	2	4
5. Foreign, Service, and Agency Exercises	4	1	3

F. The workload for the NTPR program involves (1) establishing and maintaining a repository of personnel data and historical information for U.S. atmospheric nuclear weapons test participants and Hiroshima and Nagasaki occupation forces, (2) providing dosimetry information and dose reconstruction methodologies for populations supported by the program, and (3) supporting organizations responsible for administering atomic veterans' benefits (Department of Veterans Affairs and Department of Justice) and organizations studying health effects of radiation. The primary measures of workload are (1) the size of the repository maintained (400,000 plus persons), (2) the number of

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IV. Performance Criteria and Evaluation Summary (cont'd):

individual cases processed (up to 2,000 per year), (3) the number of dose reconstructions performed (up to 300 per year), and (4) the level of effort to support studies by independent agencies. The primary performance criteria are (1) the turn-around time for individual cases processed (optimally 75% of all cases completed in 90 days), (2) the number of cases in process at any given time (optimally low 200s), and (3) the cost per case processed (\$2,500 - \$3,000).

G. The workload for the RECC involves (1) maintaining a centralized repository of records pertaining to about 2,500 individual DoD events that could be construed as human radiation experiments, and (2) responding to public and Congressional inquiries (up to 500 per year).

V. Personnel Summary:

		Change		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/2002</u>
<u>Active Military End Strength (E/S) (Total)</u>	105	107	107	0
Officer	90	90	90	0
Enlisted	15	17	17	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	110	112	112	0

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V. <u>Personnel Summary: (Continued)</u>	Change			
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2001/2002</u>
U.S. Direct Hire	110	112	112	0
Foreign National Direct Hire				
Total Direct Hire	110	112	112	0
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))				
<u>Active Military Average Strength (A/S)</u> (Total)	105	107	107	0
Officer	90	90	90	0
Enlisted	15	17	17	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S</u> (Total)				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	96	99	99	0
U.S. Direct Hire	96	99	99	0
Foreign National Direct Hire				
Total Direct Hire	96	99	99	0
Foreign National Indirect Hire (Reimbursable Civilians Included Above (Memo))				

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VII. OP 32 Line Items as Applicable (Dollars in Thousands):

<u>Change from FY 2000 to FY 2001</u>		<u>Change from FY 2001 to FY 2002</u>						
<u>LINE</u>	<u>DESCRIPTION</u>	<u>FY 2000</u>	<u>Price</u>	<u>Program</u>	<u>FY 2001</u>	<u>Price</u>	<u>Program</u>	<u>FY 2002</u>
<u>ITEM</u>		<u>Actuals</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
0101	Executive, General, and Special Schedule	7,749	242	329	8,320	311	0	8,621
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	7,749	242	329	8,320	311	0	8,621
0308	Travel of Persons	1,991	32	196	2,219	38	328	2,585
0399	TOTAL TRAVEL	1,991	32	196	2,219	38	328	2,585
0771	Commercial Transportation	0	0	0	0	0	0	0
0799	TOTAL TRANSPORTATION	0	0	0	0	0	0	0
0920	Supplies & Materials (non centrally man)	224	4	-75	153	3	2	158
0921	Printing & Reproduction	233	4	-25	212	4	-6	210
0922	Equipment Maintenance by Contract	136	2	143	281	5	-1	285
0923	Facility Maintenance by Contract	27	0	-27	0	0	0	0
0925	Equipment purchases (non centrally man)	438	7	799	1,244	21	-915	350
0933	Studies, Analysis, & Evaluations	433	7	20	460	8	404	872
0987	Other Intra-Governmental Purchases	7,685	123	168	7,976	136	7,249	15,361
0989	Other Contracts	5,988	96	-4,342	1,742	30	327	2,099

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<u>LINE</u> <u>ITEM</u>	<u>DESCRIPTION</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2002</u> <u>Estimate</u>
0998	Other Costs	6,346	102	-858	5,590	95	1,775	7,460
0999	TOTAL OTHER PURCHASES	21,510	345	-4,197	17,658	302	8,835	26,795
9999	GRAND TOTAL	31,250	619	-3,672	28,197	641	9,163	38,001

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I. Description of Operations Financed: The DTRA Core Operational Support Activities program represents a wide range of functions which provide the necessary resources to support the Agency's core mission essential functions---to safeguard America and its friends from weapons of mass destruction by reducing the present threat and preparing for the future threat. Activities funded in this sub-activity group provide for the essential management, planning, and administration of management headquarters functions, operational and administrative support to all DTRA functional organizations.

The DTRA has integrated its core support operations, functions, and resources---providing the highest possible level of support to the DTRA missions. The DTRA management headquarters and operational support functions include: the Office of the Director; logistics and engineering; information technology support; counterintelligence; financial and human resources management; physical and information security; acquisition management; communications systems; Albuquerque Field Office support; physical plant equipment, real estate, and facilities management; and administrative support operations. Civilian personnel costs represent nearly 41% of the total resources associated with this sub-activity group.

The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses and to integrate and focus WMD threat capabilities within the DoD. In less than two years, DTRA has made great strides in defining and dealing with complex organizational and programmatic issues. DTRA is now ready to move ahead to expanded responsibilities for threat reduction.

One of the primary goals in creating DTRA was to physically consolidate DTRA's various National Capital Region (NCR) components at one location. DTRA originally operated in the NCR from four widely scattered locations: two leased buildings at Dulles International Airport; a government-owned building on Telegraph Road in Alexandria, Virginia; leased space within a building on Eisenhower Avenue in Alexandria, Virginia; and leased space at 400 Army-Navy Drive. On November 2, 1999, the Principal Deputy Under Secretary of Defense Acquisition, Technology & Logistics (AT&L) directed the relocation of DTRA to the Headquarters Complex at Fort Belvoir, Virginia. The relocation will eventually consolidate DTRA at a single location to increase

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I. Description of Operations Financed (cont'd):

mission synergy and alleviate force protection concerns. Accommodation of the DTRA staff will require expansion of the existing headquarters building as well as the relocation of a current tenant: the Defense Contract Management Command (DCMC).

Following a phased relocation and construction plan, all of the DTRA personnel at Dulles International Airport will relocate to the existing Headquarters Complex building or to the DTRA modular building at Ft Belvoir. Approximately half of the DTRA personnel located at Dulles International Airport were moved by December 2000. The remaining personnel from Dulles will relocate by the end of FY 2001. A total of 525 DTRA personnel will remain at the Telegraph Road location. The 175 DTRA personnel now at the two leased facilities on Eisenhower Drive and Army-Navy Drive will be consolidated at the Eisenhower Drive site only. The military construction project to accommodate DTRA headquarters facility requirements is programmed for FY 2003. DTRA personnel will remain located at the Headquarters Complex, Telegraph Road, and Eisenhower Drive sites until completion of the permanent facility in FY 2005.

II. Force Structure Summary:

A. Logistics Support Activities: Logistics support activities include leasing real estate through the General Services Administration; supply, equipment and material management, including physical plant equipment; facilities management; warehouse operations; civil engineering-related functions including environmental and safety engineering; and, transportation services.

B. Information Technology Support: Information technology support includes developing information management strategies and programs and assisting organizational components in developing program requirements, proposals, plans, and budgets for automated information systems.

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This includes information and data systems in support of the DTRA mission strategies - specifically, in the areas of arms reduction, arms control treaties, proliferation prevention, force protection, Chem-Bio Defense, nuclear support, special weapons technology, and the Cooperative Threat Reduction program. Information technology support provides for operational requirements such as maintenance of the Local Area Network (LAN) and managing the day-to-day operation of office automation. Efforts also include integrating systems from merged activities as well as maintenance and development, contract support, training, and hardware and software integration.

Base communications provides in-house and local area communication: pagers, cellular phones and local telephone services. Long-haul communications provide Data/Voice/AUTODIN circuit capabilities to points outside of the local area by either Wide Area Network (WAN), Defense Switching Network (DSN), or others. Support also includes providing equipment, maintenance and operation of communications for DTRA world-wide, including telephones, cellular phones, pagers, radios, facsimile machines, International Maritime Satellite (INMARSAT) telephones for communications from remote sites, and video conferencing capabilities.

II. Force Structure Summary (Cont'd):

C. Other Operational Support: Includes, but is not limited to, functions and activities associated with the Office of the Director, counterintelligence, financial and human resources management, personnel and information security, acquisition management, inspector general, general counsel, equal opportunity, congressional liaison, public affairs, quality management, safety and occupational health, and administrative support operations. Civilian personnel costs represent nearly 61% of the total resources associated with Other Operational Support. Costs for DFAS services are also provided for in this sub-activity group.

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III. Financial Summary (O&M:\$ in Thousands):

A. Subactivity Group:

	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
1. Logistics Support Activities	22,284	23,406	23,111	23,108	18,747
2. Information Technology Spt	19,003	17,740	17,468	19,170	21,181
3. Other Operational Support	46,896	43,773	43,160	46,917	51,421
Total	88,183	84,919	83,739	89,195	91,349

B. Reconciliation Summary:

	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
1. Baseline Funding	84,919	89,195
Congressional Adjustments (Distributed)	-636	0
Congressional Adjustments (Undistributed)	-801	0
Congressional Adjustments (General Provision)		0
a) Congressional Earmarks	0	0
b) Congressional Earmark Billpayers	-117	0
2. Appropriated Amount (Subtotal)	83,365	0
Adjustments to Meet Congressional Intent	0	0
Across-the-board Reduction (Rescission)	0	0
Approved Reprogrammings/Transfers	0	0
3. Price Change	0	2,633
4. Program Changes	5,830	-479
5. Current Estimate	89,195	91,349

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C. Reconciliation of Increases and Decreases:

1.	FY 2001 President's Budget		84,919
2.	Congressional Adjustment (Distributed)		-636
3.	Congressional Adjustment (Undistributed)		
	a. Headquarters Personnel Adjustment	-681	
	b. DJAS	-120	
	Total Congressional Adjustment (Undistributed)		-801
4.	Congressional Earmarks		-117
5.	FY 2001 Appropriated Amount		83,365
6.	Program Increases		
	a. GSA Rent Adjustment (FY 2001 Base \$3,714)	2,000	
	Due to delay of DTRA NCR relocations into FY 2001, anticipated GSA rent savings were not realized. This increase provides funding to cover GSA leased costs in FY 2001.		
	b. Information Technology Support/Services (FY 2001 Base \$17,740)	2,279	
	This adjustment provides for an increased level of on-site technical support required to sustain information technology services for DTRA missions and personnel at six different NCR sites: Dulles International Airport, Telegraph Road, Army-Navy Drive, the Alexandria Technical		

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Center, the Headquarters Complex building and the DTRA modular building at Fort Belvoir. Increased support is required to maintain DTRA Networks, assist in the development of DTRA's enterprise architecture, and address software engineering requirements.

- c. Advisory and Assistance Services (A&AS) (FY 2001 Base \$0) 372
This adjustment provides increased A&AS required to support organizational development and agency-wide mission core operations and management.
- d. Civilian Salary Adjustment (FY 2001 Base \$33,035) 1,697
The FY 2001 civilian workyear costs are anticipated to be \$3.3M higher than originally programmed, due to a recalculation of the Agency's planned average salary estimates. The FY 2001 President's Budget reflected DTRA's preliminary organizational and staffing plan which was built upon initial costing data that provided little historical experience with which to base its estimates upon. In its second year of operation, DTRA continues to refine its organizational structure and technical skills mix needed to support its mission as well as a base of actual FY 2000 cost experience. This increase reflects DTRA's Core Operational Support Activities' portion of the overall programmatic increase of \$3.3 million.
- e. Integration of DTRA Activities (FY 2001 Base \$84,919) 3,057
The driving motivation for the establishment of the DTRA was to enable the DoD to confront new WMD threats with new responses. In less than two years, DTRA has made great

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strides in defining and dealing with complex organizational and programmatic issues. Continued refinement of budget architectures and internal realignment of resources has been necessary to support mission workloads and to develop appropriate funding baselines for DTRA programs. With this budget submission, the review and integration of legacy programs and resources is nearly complete, and DTRA is now ready to move ahead to expanded responsibilities for threat reduction. This increase reflects the net of a myriad of adjustments made over the past twelve months to better align DTRA's budget architecture with its organizational and mission structures. Adjustments include internal realignments for training, DTRA Operations Center requirements, and a civilian workyear realignment of +7 workyears.

7. Total Program Increases 9,405

8. Program Decrease

a. Funding offsets for DTRA High Priority Requirements (FY 2001 Base: \$83,739) -3,102

As DTRA moved towards execution of its FY 2001 program, several high-priority unfunded requirements surfaced that required immediate attention and an internal realignment of DTRA resources to support FY 2001 requirements. FY 2001 funding has been realigned to support an adjustment to the GSA Rents (\$2.0M); critical information technology support services (\$2.4M); high-priority A&AS requirements (\$0.4M); PIP (\$1.5M); and NUMIS (\$0.3M). This decrease reflects

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DTRA's Core Operational Support Activities' portion of the total DTRA offset and results in the reduction of funded support levels to management headquarters and administrative functions, such as logistics and engineering, counterintelligence, financial and human resources management, security operations, acquisition management, facilities management, and administrative support operations.

b. Recission - P.L. 106-554 (FY 2001 Base \$83,739)	-468
This decrease reflects DTRA's share of the Operation & Maintenance, Defense-Wide P.L. 106-554 recission.	
c. Enhanced Defense Financial Management Training	-5
9. Total Program Decrease	-3,575
10. Revised FY 2001 Current Estimate	89,195
11. Price Growth	2,633
12. Program Increases	
a. Nevada Test Site (NTS) Remediation Costs (FY 2001 Base: \$500)	1,788
DTRA incurred environmental liabilities from more than 30 years of testing at the NTS by its predecessor agency, the Defense Nuclear Agency (DNA). In May 1996, the DTRA (then Defense Special Weapons Agency) and the Department of Energy	

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(the owner of NTS) entered into a Federal Facilities Agreement and Consent Order (FFACO), which is essentially a contract with the state of Nevada to bring DTRA and DOE historic testing sites into environmental compliance. The FFACO details the requirements of compliance with the permit issued to DOE by Nevada under the Resource Conservation and Recovery Act (RCRA). DTRA is a tenant organization on the NTS and, as such, is bound by the provisions of the FFACO and the RCRA permit. DOE accepted full responsibility for all underground and surface contamination in the Underground Test Area (UGTA), which includes all underground cavities and plutonium-contaminated surface soils. DTRA is responsible only for cleaning up its industrial and housekeeping sites, which were ancillary to its nuclear testing activities. This increase provides funding to support DTRA's share of the remediation effort at the NTS.

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|--|-------|
| b. Information Technology Support/Services (FY 2001 Base \$19,223) | 1,829 |
| This increase provides additional office automation funding required to support the DTRA Operations Center as well as DTRA operational missions and personnel Agency-wide. | |
| c. Communications Support (FY 2001 Base \$4,133) | 784 |
| This increase provides additional DoD communications support required to support DTRA operational missions and personnel Agency-wide. | |
| d. Agency Career Development Training (FY 2001 Base \$2,071) | 352 |
| This adjustments provide for increased emphasis on DTRA's | |

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training programs in accordance with DTRA' Strategic Plan and to support training requirements for newly hired DTRA employees.

e. Other Core Operational Support (FY 2001 Base: \$14,836) 1,615
This adjustment reflects an increase for requirements associated with across-the-board support to general administrative type functions, e.g., security operations, Freedom of Information Act (FOIA), printing, audio-visual equipment, base operations support costs at the Albuquerque location, and DTRA's Operations Center.

Technical Surveillance Countermeasures Program Support (FY 2001 Base: \$0) 1,100
This increase provides support for the Technical Surveillance Countermeasures program to enhance DTRA's capability to detect and nullify listening and other intelligence gathering devices. A portion of this adjustment provides for an additional +4 civilian workyears.

Total Program Increases 7,468

13. Program Decreases

a. DTRA National Capital Region (NCR) Relocation Effort (FY 2001 Base \$10,200) -3,100
The relocation of DTRA from Dulles to Ft. Belvoir is currently underway and will entail costs associated with the lease of temporary modular buildings, infrastructure build-out and furnishing of the modular buildings, restoration of Dulles facilities as required by the lease agreement, DTRA's tenant support costs to the Defense Logistics Agency (DLA), and

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assessment of environmental and architectural issues associated with the construction of the new wing in the headquarters complex. The DTRA FY 2001 budget included \$10.2 million to support the DTRA NCR relocation effort. FY 2001 requirements have been updated to reflect the most recent funding estimates. FY 2002 estimates for the DTRA NCR relocation total \$7.1 million. The decrease of \$3.1 million reflects the difference in funded requirements between FY 2001 and FY 2002.

b. European Operations Division Relocation Project (FY 2001 Base 2,775) -2,055

This decrease represents the completion of the relocation effort for DTRA's European Operations detachment from Rhein-Main, Germany to Darmstadt, Germany.

c. GSA Rent Savings Adjustment (FY 2001 Base: \$2,000) -2,000

This decrease reflects an adjustment for a one-time cost increase provided in FY 2001 to cover GSA leased costs when GSA rent savings could not be realized due to delay of DTRA NCR relocations into FY 2001.

d. Facilities Upgrade (FY 2001 Base \$1,604) -792

This decrease represents the completion of several upgrade projects to existing facilities at the Albuquerque Field Office in New Mexico.

Total Program Decreases -7,947

14. FY 2002 Budget Request 91,349

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

IV. Performance Criteria And Evaluation Summary:

The DTRA management and operational support staff is responsible for providing the full-range of management headquarters functions as well as essential operational support functions vital to sustain DTRA's worldwide missions and activities. DTRA consists of approximately 2,000 personnel pursuing missions in the areas of counterproliferation, nuclear weapons support, technology security, arms control, Cooperative Threat Reduction, and the Chemical-Biological Defense program. DTRA currently operates from 11 sites within the United States, and seven sites overseas. Support functions include, but are not limited to:

Logistics and Engineering Office: Logistics support activities include leasing real estate through the General Services Administration and private sources; supply, equipment and material management, including physical plant equipment; facilities management; warehouse operations; civil engineering-related functions including environmental and safety engineering; and, transportation services. The Logistics and Engineering Office provides this support to DTRA missions world-wide, including, for example: transportation of food into Russia to support the START treaty continuous monitoring site in Russia; rental of apartments in Moscow, Vienna, and Almt; support to environmental remediation efforts at the Nevada Test Site; and, support to DTRA personnel at the Army chemical demilitarization site on Johnston Atoll.

Resource Management Directorate: DTRA financial and resource management activities reflect the varied and complicated nature of the DTRA mission. DTRA executes approximately \$2.0 billion per fiscal year from five different Defense-wide appropriations. One billion dollars is part of the DTRA total obligational authority; the remaining \$1.0 billion comes from the DoD Chemical-Biological Defense Program funding and other external sources. The DTRA Resource Management Directorate provides the full range of DoD planning, programming, budgeting, and execution services, including a partial in-house finance and accounting function and liaison with the Defense Finance and Accounting Service (DFAS). Human resources management includes the full range of personnel services for approximately 1,000 military and 1,000 civilian employees, as well as payroll and workforce management.

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

IV. Performance Criteria And Evaluation Summary (cont'd):

Information Technology Support: Information technology support provides for operational requirements such as maintenance of the Local Area Network (LAN) and managing the day-to-day operation of office automation, ADP equipment, software, printers and scanners, for a total of approximately 2,000 employees at 13 sites worldwide. Efforts also include managing a customer information support center and trouble-shooting over 14,000 requests for help; serving as the Agency focal point for information systems plans and programs; providing and controlling 2,800 computer and ancillary ADP equipment for Agency use; managing the operations and maintenance of all aspects of the Agency's information systems architecture; and operating the Agency's telecommunications center to provide secure and non-secure communications via AUTODIN, secure voice, facsimile, telephone and mobile communications worldwide.

Legislative Affairs: The Legislative Affairs Office has the overall management responsibility for Congressional communications, including personal contacts and correspondence, and responsibility for processing and monitoring Congressional communications, reports, etc., received from or directed to Congressional committees, subcommittees, members of Congress and their staff. They respond annual to approximately 1,300 inquiries.

Public Affairs: The Public Affairs Office (PA) provides the Director and senior staff with expert counsel and assistance in all public affairs matters. They serve as the principal agency point of contact for all news media and public requests for information and serve as the DTRA spokesperson. In addition, PA annually publishes a 24-page monthly newsletter; maintains the Agency website, publish intranet news and information pages, responds to 150 media contacts, conducts 250 security reviews, publishes one Agency history book, conducts 20 public affairs training courses, presents 60 Agency Command Briefings, creates 20 Agency biographies, and coordinates 40 photographic/video projects.

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

IV. Performance Criteria And Evaluation Summary (cont'd):

Safety and Occupational Health: The Safety and Occupational Health Office is responsible for improving and maintaining the overall readiness of the Defense Threat Reduction Agency and the quality of life of its personnel. They annually provide 400 immunizations; 950 flu shots; 200 medical consultations; 800 medical record reviews; conducted 200 radiation source shipments; 14 radiation source surveys; and 7 special events (health fairs, etc.).

Equal Opportunity Office: The EO Office is responsible for assisting directors, managers, and employees in implementing anti-discrimination laws and DTRA policies and in creating an environment where diversity is valued. It also works to increase opportunities for employment and advancement for groups who have traditionally faced barriers in employment. The DTRA EO Office focuses on a variety of areas and programs including processing, investigating and resolving discrimination and sexual harassment complaints, monitoring the representation and status of women, minorities, and individuals with disabilities, and providing continuous training on EO/EEO issues. They annually train 12 collateral duty personnel; process 25 informal complaints and 13 informal complaints; and coordinate 10 formal investigations, seven staff assistance visits, 2 college recruitment trips, and 10 training and 5 special events.

Administrative Support Services: The Administrative Support Office is responsible annually for receiving, dispatching, and processing 257,000 pieces of mail; managing the use of all conference rooms; providing 1,500 hours of video and production and photographic services; managing 200 DTRA publications and creating and managing 150 DTRA forms; overseeing proper management and storage of millions of documents; managing contracts and lease agreement for 100 office reproduction machines, processing 1,200 work orders for reproduction and printing services; providing 13,900 hours of design and graphic art services; and processing 325 Freedom of Information (FOIA) and Privacy Act requests.

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 2001/2002</u>
<u>Active Military End Strength (E/S) (Total)</u>	206	206	206	0
Officer	102	102	102	0
Enlisted	104	104	104	0
<u>Reserve Drill Strength E/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty E/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian E/S (Total)</u>	453	474	480	6
U.S. Direct Hire	453	474	480	6
Foreign National Direct Hire				
Total Direct Hire	453	474	480	6
Foreign National Indirect Hire				
(Reimbursable Civilians Included Above (Memo))	(3)	(3)	(3)	0
<u>Active Military Average Strength (A/S) (Total)</u>	206	206	206	0
Officer	102	102	102	0
Enlisted	104	104	104	0
<u>Reserve Drill Strength A/S (Total)</u>				
Officer				
Enlisted				
<u>Reservists on Full Time Active Duty A/S (Total)</u>				
Officer				
Enlisted				
<u>Civilian FTEs (Total)</u>	402	423	429	6
U.S. Direct Hire	402	423	429	6
Foreign National Direct Hire				
Total Direct Hire	402	423	429	6
Foreign National Indirect Hire				
(Reimbursable Civilians Included Above (Memo))	(3)	(3)	(3)	0

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

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

LINE ITEM	DESCRIPTION	<u>Change from FY 2000 to FY 2001</u>			<u>Change from FY 2001 to FY 2002</u>			FY 2002 <u>Estimate</u>
		FY 2000 <u>Actuals</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2001 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	
0101	Executive, General, and Special Schedule	31,900	1,384	1,695	34,979	1,283	504	36,766
0103	Wage Board	308	10	0	318	13	0	331
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	32,208	1,394	1,695	35,297	1,296	504	37,097
0308	Travel of Persons	1,781	28	265	2,074	35	777	2,886
0399	TOTAL TRAVEL	1,781	28	265	2,074	35	777	2,886
0416	GSA Managed Supplies & Materials	206	3	-209	0	0	0	0
0417	Locally Procured DoD Managed Supp. & Mat	22	0	45	67	1	0	68
0499	TOTAL REVOLVING FUND SUP. & MAT. PURCHASES	228	3	-164	67	1	0	68
0507	GSA Managed Equipment	25	0	98	123	2	20	145
0599	TOTAL REVOLVING FUND EQUIPMENT PURCHASES	25	0	98	123	2	20	145
0671	Commo Svcs (DISA) - Tier 2	5,454	-22	-1,282	4,150	573	705	5,428
0673	Defense Financing & Accounting Services	10	0	1,530	1,540	-72	0	1,468
0699	TOTAL OTHER REVOLVING FUND PURCHASES	5,464	-22	248	5,690	501	705	6,896
0704	Defense Courier Service	7	0	-7	0	0	0	0
0771	Commercial Transportation	310	5	623	938	16	-144	810
0799	TOTAL TRANSPORTATION	317	5	616	938	16	-144	810

DEFENSE THREAT REDUCTION AGENCY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Servicewide Activities
DTRA Core Operational Support Activities

LINE ITEM	DESCRIPTION	FY 2000 <u>Actuals</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2001 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2002 <u>Estimate</u>
0912	Rental Payments to GSA Leases (SLUC)	6,427	129	-897	5,659	113	-2113	3,659
0913	Purchased Utilities	1	0	117	118	2	51	171
0914	Purchased Communications	346	6	-127	225	4	444	673
0915	Rents (non-GSA)	55	1	705	761	13	48	822
0917	Postal Services (U.S.P.S)	111	0	-5	106	0	0	106
0920	Supplies & Materials (non centrally managed)	1,728	28	-518	1,238	21	246	1,505
0921	Printing & Reproduction	586	9	-269	326	6	247	579
0922	Equipment Maintenance by Contract	1,245	20	-41	1,224	21	397	1,642
0923	Facility Maintenance by Contract	63	1	296	360	6	120	486
0925	Equipment purchases (non centrally managed)	1,948	31	122	2,101	36	-386	1,751
0932	Management & Professional Support Services	193	3	-196	0	0	0	0
0933	Studies, Analysis & Evaluations	150	2	-152	0	0	0	0
0934	Engineering Technical Services	137	2	-139	0	0	0	0
0937	Locally Purchased Fuel	5	3	-6	2	0	0	2
0987	Other Intra-Governmental Purchases	11,737	188	-2,580	9,345	159	-3,176	6,328
0989	Other Contracts	20,057	321	-1,703	18,675	318	-278	18,715
0998	Other Costs	3,371	54	1,441	4,866	83	2,059	7,008
0999	TOTAL OTHER PURCHASES	48,160	798	-3,952	45,008	782	-2,341	43,447
9999	GRAND TOTAL	88,183	2,206	-1,194	89,195	2,633	-479	91,349

FY 2002 Amended Budget Submission

Defense of Defense Education Activity

(DoDEA)



June 2001

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 APPROPRIATION HIGHLIGHTS
 (\$ in Millions)

FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
1,406	29	24	1,459	46	-39	1,466

Description of Operations Financed: The Department of Defense Dependent Education (DoDDE) FY 2002 Amended Budget Submission supports its mission to prepare all students, service members and their families in military communities around the world for success in a dynamic global environment. In preparing students for academic success, the Department of Defense Education Activity (DoDEA) continues the implementation of full-day Kindergarten, reduces pupil to teacher ratios to 1:18 in grades 1-3, provides professional development for teachers, connects all classrooms to the Internet via a full school local area network, and adheres to a textbook implementation schedule. The Family Advocacy Program (FAP) and the Transition Assistance Program (TAP) continue to equip military members and their families with the skills and knowledge required to manage the demands of military life. The FAP funds will maintain comprehensive programs for the prevention, identification and treatment of child and spouse abuse. The TAP funds will continue efforts to assist separating and/or retiring military personnel and their families during their transition from the military to the civilian sector by providing pre-separation counseling, state-of-the-art tools, information and assistance which will ensure a smoother transition into civilian life.

Narrative Explanation of Changes: The net change from FY 2001 to FY 2002 is \$+7 million and includes price growth of \$46 million and a net program decrease of \$39 million. Program increases (\$43 million) fund the continued implementation of full-day kindergarten and reduced pupil teacher ratio educational initiatives, classroom technology buys and system upgrades, increased utilities, rental costs, PCS program, repair and maintenance. Program increases are offset by a \$48 million reduction for one-time adds and \$34 million for above school level staffing reductions, management headquarters adjustments, facility maintenance to support the DoDDS teacher pay raise, closure of the Linwood Elementary School, and other program adjustments.

**DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 AMENDED BUDGET SUBMISSION
 SUMMARY OF INCREASES AND DECREASES**

1) FY 2001 Current Estimate		1,434,204
2) Congressional Adjustments (Distributed)		
a) Math Leadership	550	
b) Math Program Skill Set Kits	600	
c) At Risk Youth	2,000	
d) Galena IDEA (Alaska)	4,000	
e) Special Education Support (Hawaii)	5,000	
Total Congressional Adjustments (Distrib.)		12,150
3) Congressional Adjustments (Undistributed)		
a) Impact Aid	30,000	
b) Headquarters Personnel Reduction	-782	
c) CAAS (Section 8041)	-240	
d) Defense Joint Accounting System (DJAS)	-1,136	
Total Congressional Adjustments (Undistributed)		27,842
4) Congressional Adjustments (General Provisions)		
a) Foreign Currency	-21,377	
b) High Desert Partnership	5,000	
Total Congressional Adjustments (Gen. Provisions)		-16,377
4) Congressional Earmarks		
a) Impact Aid	5,000	
b) Congressional Earmark Billpayers		
1) Impact Aid	-5,000	
2) Indian Lands Mitigation	-842	
3) Mid East Regional Security Issues Prg.	-84	
4) Bosque Redondo Memorial	-168	
Total Congressional Earmarks		-1,094
6) FY 2001 Appropriated Amount		1,456,725

**DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 AMENDED BUDGET SUBMISSION
 SUMMARY OF INCREASES AND DECREASES**

7)	FY 2001 Rescission		-3,203
	a) Repair and Maintenance	-1,242	
	b) Technology/LANS	-778	
	c) One-Time Congressional Adds	-104	
	d) Furniture/Hardware/Software/Website Development	-273	
	e) Director's/Educational Initiatives	-243	
	f) Training/Travel/Supplies	-192	
	g) Family advocacy and transition program	-371	
8)	Functional Transfers-In		
9)	Other Transfers In		
	a) Foreign Currency	2,400	
	b) Troops To Teachers, PL 106-554	3,000	
	Total Transfers-In		5,400
10)	Functional Transfers-Out		
11)	Other Transfers-Out (Non-Functional)		
	a) EDMFT Training/Recruitment	-15	
	Total Other Transfers Out		-15
12)	Price Change		
13)	Program Increase		
	a) Establishment of educational initiatives to create and implement strategy for collaboration in improving educational opportunities for all military students, which is reflected in the Consolidated School Support Program.	472	
	Total Program Increase		472

**DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 AMENDED BUDGET SUBMISSION
 SUMMARY OF INCREASES AND DECREASES**

14)	Program Decrease		
	a) Realignment of funds from all DoDEA Programs to support the establishment of the educational initiatives.	-472	
	Total Program Decrease		-472
15)	Revised FY 2001 Current Estimate		1,458,907
16)	Price Growth		46,175
17)	Transfers In		
18)	Transfers Out		
19)	Program Increases		
	a) Annualization of New FY 2001 Program		
	b) One-Time FY 2001 Costs		
	c) Program Growth		
	1) Civilian personnel compensation and associated costs due to continued implementation of full day kindergarten/reduced pupil teacher ratio initiatives (+39 FTEs)	16,517	
	2) Repair and maintenance	11,885	
	3) Fact of life adjustment for utilities	3,611	
	4) DoDDS classroom curriculum supplies	3,205	
	5) Non-DoDDS school tuition	3,196	
	6) DoDDS classroom technology buys	2,628	
	7) PCS and transportation program	2,600	
	8) Corporate computer network and system upgrades	2,305	
	9) Family Advocacy Program demonstration projects	822	
	10) Student transportation (Japan)	600	
	11) DFAS financial support	461	
	11) Management Headquarters increased rents, TDY and supplies and equipment	236	
	13) Transition assistance program support to the military services	31	

**DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 AMENDED BUDGET SUBMISSION
 SUMMARY OF INCREASES AND DECREASES**

20)	Total Increases		48,097
21)	Program Decreases		
	a) One-Time FY 2001 Congressional Adds		
	1) Impact Aid	-35,517	
	2) Special Education Support (Hawaii)	-5,074	
	3) High Desert Partnership	-5,074	
	4) Galena IDEA (Alaska)	-4,059	
	5) At-Risk Youth	-2,030	
	6) Math Program Skill Set Kits	-609	
	7) Math Leadership Program	-558	
	Total One-Time FY 2001 Costs		-52,921
	b) Program Decreases		
	1) Civilian Personnel Compensation and associated costs:	-10,171	
	a) Above school level staffing reduction (-54 FTEs) and adjustment for the 2 year DoDDS summer school pilot program (-12 FTEs)	-4,402	
	b) Closure of Linwood ES (-41 FTEs)	-2,429	
	c) DoDDS/DDESS staffing realignments to meet application of curriculum staffing standards in support of student enrollment (-26 FTEs)	-813	
	d) Management headquarters reduction (-3 FTEs) to meet the National Performance Review (NPR), the Federal Workforce Restructuring Act of 1994 and other workforce restructuring initiatives	-2,527	
	2) Reduction in facility maintenance to cover DoDDS teacher pay raise in accordance with DoD Directive 5120.39	-13,073	

**DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 AMENDED BUDGET SUBMISSION
 SUMMARY OF INCREASES AND DECREASES**

3) Termination of leased facility as a result of completion of MILCON project in Guam (Andersen ES)	-5,379	
4) Reduction for one-time program in support of the Troops to Teachers	-3,051	
5) OSD Fact of Life Adjustment	-1,475	
6) Reduced funding for system-wide assessment of student performance	-493	
7) One-time Antilles textbook implementation buy	-403	
8) Foreign currency fluctuation adjustments to repair and maintenance and other contracts	-399	
Total Program Decreases in FY 2001	-34,444	
22) Total Decreases		-87,365
23) FY 2002 Budget Request		1,465,814

DEPARTMENT OF DEFENSE DEPENDENT EDUCATION ACTIVITY
 Operation and Maintenance, Defense-wide
 FY 2002 Amended Budget Submission
 PERSONNEL SUMMARY

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>	<u>FY01/02</u>
<u>Active Military End Strength (E/S)(Total)</u>	1	1	1	1
Officer (Air Force)	1	1	1	1
 <u>Civilian End Strength (Total)</u>	 15,594	 15,705	 15,612	 -93
U.S. Direct Hire	15,211	15,364	15,271	-93
Foreign National Direct Hire	101	106	106	
Total Direct Hire	15,312	15,470	15,377	-93
Foreign National Indirect Hire	282	235	235	
 <u>Active Military Avg. Strength (A/S) (Total)</u>	 1	 1	 1	
Officer (Air Force)	1	1	1	
 <u>Civilian FTE's (Total)</u>	 13,492	 13,484	 13,387	 -97
U.S. Direct Hire	13,138	13,143	13,046	-97
Foreign National Direct Hire	94	106	106	
Total Direct Hire	13,232	13,249	13,152	-97
Foreign National Indirect Hire	260	235	235	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
PRICE AND PROGRAM SUMMARY
(\$ in thousands)

	<u>Change FY 2000/2001</u>				<u>Change FY 2001/2002</u>				FY 2002 <u>Estimate</u>
	FY 2000 <u>Actuals</u>	Foreign			FY 2001 <u>Estimate</u>	Foreign			
		<u>Rate</u>	<u>Diff.</u>	<u>Growth</u>		<u>Rate</u>	<u>Diff.</u>	<u>Growth</u>	
SES, Gen & Spe Schedules	814,631		37,949	-973	851,607	-15	40,296	-1,193	890,695
Wage Board	15,097		670	1,582	17,349		633	185	18,167
Foreign National DH (FNDH)	2,374		113	409	2,896		106	-1	3,001
Benefits to Former Employees	384			55	439		7	-4	442
Disability Compensation	1,163		6	69	1,238		18	32	1,288
Travel of Persons	91,294	-10,203	1,461	5,898	88,450	-1,087	1,504	492	89,359
DFA	6,642	-1	325	897	7,863	-1	-370	498	7,990
Commercial Transportation	17,374	-226	278	501	17,927		305	588	18,820
Foreign Nat'l IH (FNIH)	7,387		292	-819	6,860		247	-1	7,106
Rent Payments to GSA (SLUC)	2,008		40	316	2,364		46	96	2,506
Purchased Util (Non-fund)	16,821	-421	269	1,597	18,266	-1,027	311	3,625	21,175
Purchased Comm (Non-fund)	8,704	-46	139	1,325	10,122		172	19	10,313
Rents (Non-GSA)	18,212	-724	291	763	18,542	-657	315	-4,197	14,003
Postal Service (N.S.P.S.)	318		5	9	332		6	-3	335
Supp and Mat'l (Non-fund)	39,548	-102	633	909	40,988	-26	697	2,284	43,943
Printing and Reproduction	2,573	-12	41	-254	2,348	-1	40		2,387
Equip Maint by Contract	14,007	-2,169	224	2,167	14,229	7	242	-34	14,444
Facility Maint by Contract	67,216	-1,452	1,075	-12,170	54,669	-597	929	184	55,185
Equip Purchased (Non-fund)	20,631	-29	330	1,951	22,883	-4	389	2,793	26,061
Other Intra-gov't Purch	170,935	-392	2,735	1,450	174,728	2	2,970	-2,821	174,879
Mgmt & Prof Support Svcs	1,457		23	120	1,600		27	-1	1,626
Grants	32,783		525	-3,308	30,000		510		-30,510
Other Contracts	54,008	-3,306	864	21,534	73,100	-1,062	1,242	-11,300	61,980
Interest Penalty Payments	211		3	-107	107		1	1	109
Total	1,405,779	-19,083	48,293	23,918	1,458,907	-4,468	50,643	-39,268	1,465,814

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

I. Description of Operations Financed:

The mission of the Department of Defense Domestic Dependent Elementary and Secondary Schools (DDESS) is to:

A. Provide a world-class educational program that inspires and prepares all students in the military communities in the US, Guam and Puerto Rico to be successful and responsible citizens in a dynamic global environment. In accomplishing its mission, the DoDEA looks to the national education initiatives to continually enhance its programs. The DDESS operates 69 schools located in Alabama, Georgia, Kentucky, New York, North Carolina, South Carolina, Virginia, Puerto Rico, and Guam. In addition, the DDESS manages special arrangement contracts with local school districts that provide funds for payment of tuition and transportation services at locations not served by the DDESS. Special arrangement contracts are located in Delaware, Kansas, Massachusetts, and New York. The DDESS diverse curriculum offerings fully support the DoDEA Community Strategic Plan and the National Education Goals.

The enrollment decreased slightly from FY 01 to FY 02 due to the closure of Linwood Elementary School at Robins AFB in Georgia.

II. Force Structure Summary: N/A

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

II. Financial Summary (O&M: \$ in Thousands):

	FY 2000	Amended FY 2001			FY 2002
	Actuals	Budget Request	Appropriation	Current Estimate	Estimate
A. <u>Defense Agency/Activity Group</u>					
DDESS	367,338	359,638	388,842	387,862	365,445
Total	367,338	359,638	388,842	387,862	365,445
		Change FY01/FY01			Change FY01/FY02
B. <u>Reconciliation Summary:</u>					
1) Baseline Funding		359,638		387,862	
a) Congressional Adjustments (Dist.)					
b) Congressional Adjustments (Undist.)		29,477			
c) Congressional Adjustments (G.P.)					
d) Congressional Earmarks		5,000			
e) Congressional Earmark Billpayers		-5,273			
2) Appropriated Amounts (Subtotal)		388,842			
a) Adj. To Meet Congressional Intent					
b) Across-the-board Reduction (Rescission)		-844			
c) Approved Reprogrammings/Transfers					
3) Foreign Currency					
4) Price Change				13,476	
5) Program Changes			-136	-35,893	
6) Current Estimate			387,862	365,445	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

1) FY 2001 President's Budget	359,638
2) Congressional Adjustments (Distributed)	
3) Congressional Adjustments (Undistributed)	
a) Impact Aid	30,000
b) CAAS	-240
c) Defense Joint Accounting System (DJAS)	-283
Total Congressional Adjustments (Undistrib.)	29,477
4) Congressional Adjustments (General Provisions)	
5) Congressional Earmarks	
a) Impact Aid	5,000
b) Congressional Earmark Billpayers	
1) Impact Aid	-5,000
2) Indian Lands Mitigation	-210
3) Mid East Regional Security Issues Prg.	-21
4) Bosque Redondo Memorial	-42
Total Congressional Earmarks	-273

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

6) FY 2001 Appropriated Amount		388,842
7) FY 2001 Rescission		-844
a) Technology/LANS	-778	
b) One-Time Congressional Adds	-66	
8) Functional Transfers-In		
9) Other Transfers In		
10) Functional Transfers-Out		
11) Other Transfers-Out (Non-Functional)		
12) Price Change		
13) Program Increase		
14) Program Decreases		
a) Realignment of funds to support the educational initiatives in the Consolidated School Support Program.	-136	
Total Program Decrease		-136
15) Revised FY 2001 Current Estimate		387,862
16) Price Growth		13,476

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

Financial Summary (O&M: \$ in Thousands)Continued:

C. Reconciliation of Increases and Decreases

17) Transfers In		
18) Transfers Out		
19) Program Increases		
a) Annualization of New FY 2001 Program		
b) One-Time FY 2001 Costs		
c) Program Growth		
1) Fact of life adjustment for utilities	1,580	
2) Repair and maintenance support	6,576	
3) Reduced pupil teacher ratio (+10 FTEs and associated costs)	1,197	
4) Staffing realignment to meet application of curriculum staffing standards in support of student enrollment (-22 FTEs)	716	
5) DFAS financial support	136	
20) Total Increases		10,205

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

III. Financial Summary (O&M: \$ in Thousands)Continued:

C. Reconciliation of Increases and Decreases

21)	Program Decreases		
	a) One-Time FY 2001 Congressional Adds		
	1) Impact Aid	-35,517	
	Program Decreases		
	1) Termination of leased facility as a result of completion of MILCON project in Guam (Anderson ES)	-5,379	
	2) Closure of Linwood ES (-41 FTEs) and associated costs.	-2,429	
	3) OSD fact of life adjustment	-1,475	
	4) Reduction for workforce restructuring initiatives	-706	
	5) One time textbook implementation buy (Antilles)	-403	
	6) Adjustment for the 2 year summer school pilot program (-2 FTEs)	-189	
22)	Total Decreases		-46,098
23)	FY 2002 Budget Request		365,445

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

IV. Performance Criteria and Evaluation Summary:

Performance Criterion #1 - Enrollment and Number of Schools:

Enrollment:

	FY 2000 <u>Actuals</u>	FY 2001 <u>Estimate</u>	FY 2002 <u>Estimate</u>
Special Education	206	222	222
Pre-kindergarten	3,220	3,330	3,265
Kindergarten	3,874	4,023	3,987
Grades 1 through 12	26,392	26,255	26,035
Contract Schools	<u>2,087</u>	<u>2,008</u>	<u>2,008</u>
Total	35,779	35,838	35,517

	FY 2000 <u>Actuals</u>	FY 2001 <u>Estimate</u>	FY 2002 <u>Estimate</u>
<u>Number of Schools:</u>	70	70	69*

*FY 2002 reflects the closure of Linwood ES at the end of School Year 2000-2001.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

IV. Performance Criteria and Evaluation Summary (Continued):

Performance Criterion #2 - Productivity Metrics: Provide educational services and programs to all eligible children and other designees.

Goal 1 for FY02: The annual increase in the costs per pupil will not exceed the corresponding percentage cost increase in the national average cost per pupil.

Goal 2 for FY02: Maintain a constant inflation-adjusted allocated cost per pupil.

Goal 3 for FY02: The average K-12 Pupil Teacher Ratio (PTR) will not be less than 18:1 and not greater than 24:1. (By the end of FY 2005, the PTR will be 18:1 for grades 1-3.)

Performance Criterion #3 - Quality and Customer Responsiveness Metrics: As a way of measuring responsiveness, DDESS incorporated the Comprehensive Tests Basic Skills (CTBS) scoring system which is a standardized battery of tests covering five subject areas: reading, language, social studies, math and science, and is given nationally to students at each grade level to test their understanding of these basic skills.

Goal 1 for FY02: The median CTBS scores for each of grades 3, 5, 7, 9, and 11, in all subjects will continue to exceed the national median.

Goal 2 for FY02: One hundred percent (100%) of teachers will be professionally certified in the area and grade level to which they are assigned within three years of employment.

Goal 3 for FY02: One hundred percent (100%) of schools will receive and maintain accreditation through their regional accreditation agency.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY 01/02</u>
<u>Civilian End Strength (Total)</u>	5,005	5,088	5,027	-61
U.S. Direct Hire	5,005	5,088	5,027	-61
Foreign National Direct Hire				
Total Direct Hire	5,005	5,088	5,027	-61
<u>Civilian FTE's (Total)</u>	4,515	4,587	4,532	-55
U.S. Direct Hire	4,515	4,587	4,532	-55
Foreign National Direct Hire				
Total Direct Hire	4,515	4,587	4,532	-55

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission

Activity Group: DoD DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS

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

	<u>Change FY 2000/2001</u>				<u>Change FY 2001/2002</u>			
	Foreign				Foreign			
	FY 2000 Actuals	Currency Rate	Price Diff.	Program Growth	FY 2001 Estimate	Currency Rate	Price Diff.	Program Growth
SES, Gen & Spec Sch	230,413		10,421	4,710	245,544	10,878	-1,872	254,550
Wage Board	14,711		652	1,527	16,890	617	185	17,692
Ben to Former Employees	146			12	158		-7	151
Disab Compensation	583			62	645		28	673
Travel of Persons	13,198		211	1,360	14,769	251	-342	14,678
DFAS	2,036		100	21	2,157	-101	136	2,192
Commercial Trans	405		6	932	1,343	23	-766	600
Rent Pay'ts to GSA (SLUC)	32		1	12	45	1	0	46
Purch Util (Non-fund)	6,154		98	800	7,052	120	1,580	8,752
Purch Comm (Non-fund)	725		12	877	1,614	27	-1	1,640
Rents (Non-GSA)	5,673		91	256	6,020	102	-5,379	743
Postal Svc (N.S.P.S.)	59		1	11	71	1		72
Suppl and Mat'l (N-Fd)	11,469		184	-12	11,641	198	-551	11,288
Print and Reprod	668		11	9	688	12	-1	699
Equip Maint by Contract	823		13	275	1,111	19	-1	1,129
Facil Maint by Cont't	17,663		283	-5,163	12,783	302	7,497	20,497
Equip Purch (Non-fund)	4,033		65	-5	4,093	70	-778	3,385
Other Intra-gov't Purch	308		5	-34	279	5	-1	283
Mgmt & Prof Spt Svcs	1,457		23	120	1,600	27	-1	1,626
Grants	32,783		525	1,692	35,000	595	-35,595	
Other Contracts	23,944		383	-24	24,303	413	-24	24,692
Interest Penalty Pay	55		1	0	56	1	0	57
Total	367,338		13,084	7,440	387,862	13,476	-35,893	365,445

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

I. Description of Operations Financed:

The mission of the Department of Defense Dependents Schools (DoDDS) program is to:

A. Provide a world class educational program that inspires and prepares all students in military communities around the world to be successful and responsible citizens in a dynamic global environment. In accomplishing its mission, the DoDEA looks to the national education initiatives to continually enhance its programs. The DoDDS operates 155 schools located in Bahrain, Belgium, Cuba, Germany, Greece, Iceland, Italy, Japan, Korea, Netherlands, Portugal, Spain, Turkey, and the United Kingdom. The DoDDS diverse curriculum offerings fully support the DoDEA Community Strategic Plan and the National Education Goals.

Beginning with the FY 2001 Budget Estimates, the DoDDS program will no longer reflect the costs associated with the Consolidated School Program, those costs will be reported separately.

B. The DoDDS enrollment is expected to remain constant between FY 2001 and FY 2002.

II. Force Structure Summary: N/A

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Defense Agency/Activity Group</u>	FY 2000 <u>Actuals</u>	<u>Amended FY 2001</u>			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
DoDDS	780,329	822,713	800,056	800,928	843,823
Total	780,329	822,713	800,056	800,928	843,823
B. <u>Reconciliation Summary:</u>			<u>Change FY01/FY01</u>	<u>Change FY01/FY02</u>	
1) Baseline Funding			822,713	800,928	
a) Congressional Adjustments (Dist.)					
b) Congressional Adjustments (Undist.)			-651		
c) Congressional Adjustments (G.P.)			-21,377		
d) Congressional Earmarks			-629		
e) Congressional Earmark Billpayers					
2) Appropriated Amounts (Subtotal)			800,056		
a) Adj. To Meet Congressional Intent					
b) Across-the-board Reduction (Rescission)			-1,242		
c) Approved Reprogrammings/Transfers			2,400		
3) Foreign Currency				-4,468	
4) Price Change				32,395	
5) Program Changes				14,968	
6) Current Estimate			800,928	843,823	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

1) FY 2001 President's Budget		822,713
2) Congressional Adjustments (Distributed)		
3) Congressional Adjustments (Undistributed)		
a) Defense Joint Accounting System (DJAS)	-651	
Total Congressional Adjustments (Undistb.)		-651
4) Congressional Adjustments (General Provisions)		
a) Foreign Currency	-21,377	
Total Congressional Adjustments (Gen. Provisions)		-21,377
5) Congressional Earmarks		
a) Indian Lands Mitigation	-484	
b) Mid East Regional Security Issues Prg.	-48	
c) Bosque Redondo Memorial	-97	
Total Congressional Earmarks		-629

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

6) FY 2001 Appropriated Amount		800,056
7) FY 2001 Rescission		-1,242
a) Reduced Repair and Maintenance	-1,242	
8) Functional Transfers-In		
9) Other Transfers In		
a) Foreign Currency	2,400	
Total Transfers In		2,400
10) Functional Transfers-Out		
11) Other Transfers-Out (Non-Functional)		
12) Price Change		
13) Program Increase		

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

14) Program Decrease

a) Realignment of funds to support the
establishment of the educational
initiatives.

-286

Total Program Decrease

-286

15) Revised FY 2001 Current Estimate

800,928

16) Price Growth

27,927

17) Transfers In

18) Transfers Out

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

19) Program Increases

- a) Annualization of New FY 2001 Program
- b) One-Time FY 2002 Costs
- c) Program Growth
 - 1) Civilian personnel compensation and associated costs due to continued implementation of full day kindergarten/reduced pupil teacher ratio initiatives (+29 FTEs) 15,320
 - 2) Repair and Maintenance 5,309
 - 3) Fact of life adjustment for utilities 2,030
 - 4) DoDDS classroom curriculum supplies 3,205
 - 5) DoDDS classroom technology buys 2,628
 - 6) PCS and transportation program 2,600
 - 7) Student Transportation (Japan) 600
 - 8) DoDDS Staffing Realignment to meet application of curriculum staffing in support of student enrollment (+23 FTEs) 697

20) Total Increases 32,389

21) Program Decreases

- a) One-Time FY 2001 Costs

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

21)	Program Decreases (Cont.d)		
	b) Program Decreases		
	1) Civilian Personnel Compensation and Associated costs:		
	a) DoDDS Staffing Realignment to meet applications of curriculum staffing standards in support of student enrollment (-27 FTEs)	-2,036	
	b) Reduction for workforce restructuring initiatives	-1,145	
	c) Adjustment for the 2 year summer school pilot program	-768	
	2) Reduction in facility maintenance to cover teacher pay raise IAW DoD Directive 5120.39	-13,073	
	3) Foreign currency repair and maintenance and Other Contracts	-399	
22)	Total Decreases	-17,421	
23)	FY 2002 Budget Request		843,823

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

IV. Performance Criteria and Evaluation Summary:

Performance Criterion #1 - Enrollment and Number of Schools:

Enrollment:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Actuals</u>	<u>FY 2002</u> <u>Estimate</u>
Special Education	817	780	780
Sure Start	1,300	1,175	1,175
Prekindergarten	158	141	141
Kindergarten	7,175	6,909	6,909
Grades 1 through 12	64,834	65,112	65,112
Non-DoD Schools Program	<u>1,767</u>	<u>1,767</u>	<u>1767</u>
Total	76,051	75,884	75,884

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
<u>Number of Schools:</u>	157*	157	155**

*FY 2000 includes three new DoDDS schools (Yokota and Seoul Middle Schools in the Pacific and Larissa Elementary/Middle School in Europe) opening for the School Year 2000/2001.

**FY 2002 reflects two school closings for the School Year 2001/2002. (Bad Kreuznach Elementary and High Schools in Europe)

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

IV. Performance Criteria and Evaluation Summary (Continued):

Performance Criterion #2 - Productivity Metrics: Provide educational services and programs to all eligible children and other designees.

Goal 1 for FY02: The annual increase in the costs per pupil will not exceed the corresponding percentage cost increase in the national average cost per pupil.

Goal 2 for FY02: Maintain a constant inflation-adjusted allocated cost per pupil.

Goal 3 for FY02: The average K-12 Pupil Teacher Ratio (PTR) will not be less than 18:1 and not greater than 24:1. (By the end of FY 2005, the PTR will be 18:1 for grades 1-3.)

Performance Criterion #3 - Quality and Customer Responsiveness Metrics: As a way of measuring responsiveness, DoDDS incorporated the Comprehensive Tests Basic Skills (CTBS) scoring system which is a standardized battery of tests covering five subject areas: reading, language, social studies, math and science, and is given nationally to students at each grade level to test their understanding of these basic skills.

Goal 1 for FY02: The median CTBS scores for each of grades 3, 5, 7, 9, and 11, in all subjects will continue to exceed the national median.

Goal 2 for FY02: One hundred percent (100%) of teachers will be professionally certified in the area and grade level to which they are assigned within three years of employment.

Goal 3 for FY02: One hundred percent (100%) of schools will receive and maintain accreditation through their regional accreditation agency.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY01/02</u>
<u>Civilian End Strength (Total)</u>	10,024	10,122	10,147	+25
U.S. Direct Hire	9,641	9,781	9,806	+25
Foreign National Direct Hire	101	106	106	
Total Direct Hire	9,742	9,887	9,912	+25
Foreign National Indirect Hire	282	235	235	
<u>Civilian FTE's (Total)</u>	8,442	8,402	8,417	+15
U.S. Direct Hire	8,088	8,061	8,076	+15
Foreign National Direct Hire	94	106	106	
Total Direct Hire	8,182	8,167	8,182	+15
Foreign National Indirect Hire	260	235	235	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

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

	<u>Change FY 2000/2001</u>				<u>Change FY 2001/2002</u>				
	Foreign				Foreign				
	FY 2000 Est.	Currency ActualsRate	Price Diff.	Program GrowthGrowth	FY 2001 Estimate	Currency Rate	Price Diff.	Program GrowthGrowth	FY 2002 Estimate
SES, Gen & Spec Sch	547,289		26,149	-3,289	570,149	-15	28,303	-887	597,550
Wage Board	386		18	55	459		16		475
Foreign Nat DH (FNDH)	2,374		113	409	2,896		106	-1	3,001
Benefits to Former Employ	238			43	281		7	3	291
Disability Comp	580		6	7	593		18	4	615
Travel of Persons	74,298	-10,203	1,189	5,062	70,346	-1,087	1,196	823	71,278
DFAS	402	-1	20	111	532	-1	-25	35	541
Commercial Trans	16,273	-226	260	209	16,516		281	1,760	18,557
For'n Nat'l IH (FNIH)	7,387		292	-819	6,860		247	-1	7,106
Purch Util (Non-fund)	10,606	-421	170	797	11,152	-1,027	190	2,044	12,359
Purch Comm (Non-fund)	5,249	-46	84	448	5,375		97	22	5,854
Rents (Non-GSA)	12,281	-724	196	505	12,258	-657	208	1,781	13,590
Sup and Mat'l (N-Fd)	20,401	-102	326	7,180	27,805	-26	473	3,037	31,289
Printing and Repro	688	-12	11	-6	681	-1	12	1	693
Equip Maint by Cont	11,196	-2,169	179	1,041	10,247	7	174	-27	10,401
Facil Maint by Cont	43,919	-1,452	703	-11,660	31,510	-597	536	2,083	33,532
Equip Purch (N-Fd)	13,053	-29	209	2,165	15,398	-4	262	3,531	19,187
Other Int-gov't Purch	4,293	-392	69	280	4,250	2	72	37	4,361
Other Contracts	9,416	-3,306	151	6,999	13,260	-1,062	225	720	13,143
Total	780,329	-19,083	30,143	9,539	800,928	-4,468	32,398	14,965	843,823

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

I. Description of Operations Financed:

A. The Consolidated School Support functions include the streamlined functional areas of personnel administration, financial management, logistics, procurement, information technology, and manpower management. In previous budget submissions, Consolidated School Support costs were included in the Department of Defense Dependent Schools (DoDDS) budget exhibits. Beginning with the FY 2001 Budget Estimates submission, the Consolidated School Support functions is reported separately.

II. Force Structure Summary: N/A

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Defense Agency/Activity Group</u>	FY 2000 <u>Actuals</u>	Budget <u>Request</u>	<u>Amended FY 2001</u>		FY 2002 <u>Estimate</u>
			<u>Appropriation</u>	<u>Current Estimate</u>	
Consolidated School Support	65,322	54,058	69,120	68,786	56,457
Total	65,322	54,058	69,120	68,786	56,457

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

III. Financial Summary (O&M: \$ in Thousands) (Continued):

	Change FY01/FY01	Change FY01/FY02
B. <u>Reconciliation Summary:</u>		
1) <u>Baseline Funding</u>	54,058	68,786
a) Congressional Adjustments (Dist.)	10,150	
b) Congressional Adjustments (Undist.)	-45	
c) Congressional Adjustments (G.P.)	5,000	
d) Congressional Earmarks	-43	
e) Congressional Earmark Billpayers		
2) <u>Appropriated Amounts (Subtotal)</u>	69,120	
a) Adj. To Meet Congressional Intent		
b) Across-the-board Reduction (Rescission)	-743	
c) Approved Reprogrammings/Transfers	-15	
3) Foreign Currency		
4) Price Change		999
5) Program Changes	424	-13,328
6) Current Estimate	68,786	56,457
C. <u>Reconciliation of Increases and Decreases:</u>		
1) FY 2001 Current Estimate		54,058
2) Congressional Adjustments (Distributed)		
a) Galena IDEA (Alaska)		4,000
b) Math Leadership Program		550
c) Math Program Skill Set Kits		600
d) Special Education Support (Hawaii)		5,000
Total Congressional Adjustments (Distrib.)		10,150

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (Continued):

3) Congressional Adjustments (Undistributed)		
a) Defense Joint Accounting System (DJAS)	-45	
Total Congressional Adjustments (Undistributed)		-45
4) Congressional Adjustments (General Provisions)		
a) High Desert Partnership	5,000	
Total Congressional Adjustments (Gen. Provisions)		5,000
5) Congressional Earmarks		
a) Indian Lands Mitigation	-33	
b) Mid East Regional Security Issues Prg.	-3	
c) Bosque Redondo Memorial	-7	
Total Congressional Earmarks		-43
6) FY 2001 Appropriated Amount		69,120
7) FY 2001 Rescission		-743
a) Furniture/Hardware/Software/Website Development	-273	
a) Training/Travel/Supplies	-192	
b) Director's Initiatives	-243	
b) One time congressional adds	-35	
8) Functional Transfers-In		

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (Continued):

9) Other Transfers In		
10) Functional Transfers-Out		
11) Other Transfers-Out (Non-Functional)		-15
a) EDFMT- training and recruitment	-15	
12) Price Change		
13) Program Increase		
a) Establishment of educational initiatives to create & implement strategy for collaboration in improving educational opportunities for all military students, which is reflected in this program.	472	
Total Program Increase		472
14) Program Decrease		
a) Realignment of funds to support the establishment of the educational initiatives in improving educational opportunities for all military students.	-48	
Total Program Decrease		-48

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

III. Financial Summary (O&M: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (Continued):

15) Revised FY 2001 Current Estimate	68,786
16) Price Growth	999
17) Transfers In	
18) Transfer Out	
19) Program Increases (Cont.d)	
a) Annualization of New FY 2001 Program	
b) One-Time FY 2002 Costs	
c) Program Growth	
1) Funding supports upgrade of the Corporate computer network and system	2,305
2) DFAS financial support	325
3) Non-DoDDS school tuitions	3,196
4) Fact of life adjustment for utilities	1
20) Total Increases	5,827
21) Program Decreases	
a) One-Time Congressional Adds	
1) High Desert Partnership	-5,074

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

21) Program Decreases (Cont.d)		
2) Special Education Support (Hawaii)	-5,074	
3) Galena IDEA (Alaska)	-4,059	
4) Math Program Skill Set Kits	-609	
5) Math Leadership Program	-558	
Total One-Time FY 2001 Congressional Adds		-15,374
b) Program Decreases		-3,781
1) Above School Level Reduction and associated costs (-54 FTEs)	-3,440	
2) Staffing realignment to staffing standards(-3 FTEs)	-190	
3) Reduction for workforce restructuring initiatives	-151	
22) Total Decreases		-19,155
23) FY 2002 Budget Request		56,457

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

IV. Performance Criteria and Evaluation Summary:

Performance Criterion #1 - Enrollment and Number of Schools:

Enrollment:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
Special Education			
Sure Start			
Prekindergarten			
Kindergarten			
Grades 1 through 12			
Non-DoD Schools Program	315	315	315
Total	315	315	315

<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
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Number of Schools:

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY01/02</u>
<u>Civilian End Strength (Total)</u>	298	232	175	-57
U.S. Direct Hire	298	232	175	-57
Foreign National Direct Hire				
Total Direct Hire	298	232	175	-57
Foreign National Indirect Hire				
 <u>Civilian FTE's (Total)</u>	 274	 232	 175	 -57
U.S. Direct Hire	274	232	175	-57
Foreign National Direct Hire				
Total Direct Hire	274	232	175	-57
Foreign National Indirect Hire				

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA CONSOLIDATED SCHOOL SUPPORT

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

	Change FY 2000/2001				Change FY 2001/2002				
	Foreign				Foreign				
	FY 2000	Currency	Price	Program	FY 2001	Currency	Price	Program	
	Actuals	Rate	Diff.	Growth	Estimate	Rate	Diff.	Growth	Estimate
SES, Gen & Spec Sch	16,688		560	-2,549	14,699		412	-3,814	11,297
Travel of Persons	3,110		50	-603	2,557		43	-7	2,593
DFAS	4,192		205	762	5,159		-242	325	5,242
Comm Transportation	696		11	-639	68		1		69
Rent Pay to GSA (SLUC)	269		5	-1	273		5	-1	277
Purch Util (Non-fund)	61		1	0	62		1	1	64
Purch Comm (Non-fund)	2,605		42	-1	2,646		45	-1	2,690
Rents (Non-GSA)	256		4	2	262		4	2	268
Postal Svc (N.S.P.S.)	116		2	-2	116		2	-2	116
Supp and Mat'l (Non-fund)	6,649		106	-6,043	712		12	-3	721
Print and Repro	1,093		17	-257	853		15	-1	867
Equip Maint by Contract	1,928		31	904	2,863		49	-3	2,909
Facil Maint by Contract	5,634		90	-348	5,376		91	-6	5,461
Equip Purch (Non-fund)	3,170		51	-583	2,638		45	2	2,685
Other Intra-gov't Purch	1,377		22	902	2,301		39	-2	2,338
Other Contracts	17,322		277	10,551	28,150		479	-9,821	18,808
Interest Penalty Pay	156		2	-107	51			1	52
Total	65,322		1,479	1,985	68,786		999	-13,328	56,457

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DoDEA MANAGEMENT HEADQUARTERS

I. Description of Operations Financed:

A. The Management Headquarters is responsible for overseeing, directing and controlling agency activities as well as establishing educational standards, developing agency-wide policy and guidance, monitoring programs and outcomes, providing technical assistance and garnering resources for the DoDEA. In this capacity, the Management Headquarters provides educational leadership, support and direction to deputy directors, district superintendents and school administrators. The Management Headquarters also conducts educational program evaluations, coordinates curriculum materials adoptions, implements educational programs that reflect national trends, coordinates professional development, and accountability profiles. Additionally, the Management Headquarters provides leadership in planning, designing, developing, implementing, and evaluating major system-wide support programs essential to the effective and efficient operation of the DoDEA schools to include personnel administration, financial management, logistics, procurement, information technology, internal review, manpower management, and student transportation.

B. The Management Headquarters provides counsel to the Under Secretary of Defense (Personnel and Readiness) on matters relating to education programs.

II. Force Structure Summary: N/A

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA MANAGEMENT HEADQUARTERS

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Defense Agency/Activity Group</u>	FY 2000 <u>Actuals</u>	<u>Amended FY 2001</u>			FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
Management Headquarters	24,383	28,469	27,644	27,642	27,669
Total	24,383	28,469	27,644	27,642	27,669
B. <u>Reconciliation Summary:</u>			Change <u>FY01/FY01</u>	Change <u>FY01/FY02</u>	
1) Baseline Funding			28,469	27,642	
a) Congressional Adjustments (Dist.)					
b) Congressional Adjustments (Undist.)			-804		
c) Congressional Adjustments (G.P.)					
d) Congressional Earmarks			-21		
e) Congressional Earmark Billpayers					
2) Appropriated Amounts (Subtotal)			27,644		
a) Adj. To Meet Congressional Intent					
b) Across-the-board Reduction (Rescission)					
c) Approved Reprogrammings/Transfers					
3) Foreign Currency					
4) Price Change				795	
5) Program Changes			-2	-768	
6) Current Estimate			27,642	27,669	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA MANAGEMENT HEADQUARTERS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

1) FY 2001 President's Budget		28,469
2) Congressional Adjustments (Distributed)		
Total Congressional Adjustments (Distrib.)		
3) Congressional Adjustments (Undistributed)		
a) Headquarters Personnel Reduction	-782	
b) Defense Joint Accounting System (DJAS)	-22	
Total Congressional Adjustments (Undistrib.)		-804
4) Congressional Adjustments (General Provisions)		
5) Congressional Earmarks		
a) Indian Lands Mitigation	-16	
b) Mid East Regional Security Issues Prg.	-2	
c) Bosque Redondo Memorial	-3	
Total Congressional Earmarks		-21
6) FY 2001 Appropriated Amount		27,644

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DoDEA MANAGEMENT HEADQUARTERS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

7) FY 2001 Rescission		
8) Functional Transfers-In		
9) Other Transfers In		
10) Functional Transfer-Out		
11) Other Transfers-Out (Non-Functional)		
12) Price Change		
13) Program Increase		
14) Program Decrease		
a) Realignment of funds to support the educational initiatives to improve education opportunities for all military students.	-2	
Total Program Decrease		-2
15) Revised FY 2001 Current Estimate		27,642

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DoDEA MANAGEMENT HEADQUARTERS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

16) Price Growth		795
17) Transfers In		
18) Transfers Out		
19) Program Increases		
a) One-Time FY 2001 Costs		
b) Annualization of FY 2001		
c) Program Growth		
1) Staffing Realignment (+3 FTEs)	236	
20) Total Increase		236

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DoDEA MANAGEMENT HEADQUARTERS

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

21) Program Decreases		
a) One-Time FY 2001 Costs		
b) Annualization of FY 2001		
c) Program Decreases in FY 2001		
1) Reduced civilian personnel (-3 FTEs) to meet the National Performance Review(NPR), the Federal Workforce Restructuring Act of 1994 and other workforce workforce restructuring initiatives	-511	
2) Reduced funding for system-wide Assessment of student performance	-493	
22) Total Decreases		-1,004
23) FY 2002 Budget Request		27,669

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: DoDEA MANAGEMENT HEADQUARTERS

IV. Performance Criteria and Evaluation Summary:

Performance Criterion #1 - Quality and Customer Responsiveness Metrics:

Goal 1 for FY02: One hundred percent (100%) of schools will be wired for full-school Local Area Network (LAN) connecting all classrooms to the Internet.

Goal 2 for FY02: The pupil to total staff ratio will not be less than 7:1 nor greater than 9:1.

Goal 3 for FY02: The DoDEA Management Headquarters will meet the standards as outlined in the Performance Contract.

Goal 4 for FY02: The DoDEA Management Headquarters will conduct independent surveys of its major stakeholder groups, including parents and military leaders, every two years. The survey results will be incorporated into the School Improvement Plan at each school to ensure continued improvement on those issues affecting student achievement and satisfaction with the DoDEA education programs.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA MANAGEMENT HEADQUARTERS

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY01/02</u>
<u>Civilian End Strength (Total)</u>	257	253	253	0
U.S. Direct Hire	257	253	253	0
Foreign National Direct Hire				
Total Direct Hire	257	253	253	0
Foreign National Indirect Hire				
<u>Civilian FTE's (Total)</u>	252	253	253	0
U.S. Direct Hire	252	253	253	0
Foreign National Direct Hire				
Total Direct Hire	252	253	253	0
Foreign National Indirect Hire				

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: DoDEA MANAGEMENT HEADQUARTERS

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

	Change FY 2000/2001				Change FY 2001/2002				
	Foreign				Foreign				
	FY 2000 Actuals	Currency Rate	Price Diff.	Program Growth	FY 2001 Estimate	Currency Rate	Price Diff.	Program Growth	FY 2002 Estimate
SES, Gen & Spec Sched	19,282		774	76	20,132		663	-275	20,520
Travel of Persons	647		10	49	706		12	19	737
Rent Pay to GSA (SLUC)	1,620		32	294	1,946		39	98	2,083
Purch Comm (Non-fund)	125		2	0	127		2		129
Rents (Non-GSA)	2				2				2
Postal Svc (N.S.P.S.)	140		2		142		2		144
Supp and Mat'l (Non-fund)	788		13	9	810		14	20	844
Print and Reprod	124		2		126		2		128
Equip Purch (Non-fund)	375		6	373	754		13	35	802
Other Intra-gover't Purch	314		5	0	319		5	50	374
Other Contracts	966		15	1,597	2,578		41	-716	1,906
Total	24,383		862	2,397	27,642		795	-768	27,669

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: FAMILY ADVOCACY PROGRAM

I. Description of Operations Financed:

A. The Family Advocacy Program (FAP) mission is to:

1) Establish, develop, and maintain comprehensive programs for the prevention, identification, and treatment of child and spouse abuse.

2) Raise professional awareness of military family violence; foster cooperation among the Services and between military and civilian agencies; and enhance multidisciplinary approaches for addressing the problems associated with family violence.

3) Collect and analyze abuse incident data.

4) Evaluate prevention and treatment programs.

5) Develop standards for joint-services efforts.

6) Develop multidisciplinary coordinated community approaches that build strong and resourceful individuals, couples and families, to ensure the safety of all members of the community.

7) Cooperate with responsible civilian authorities in efforts to address problems associated with Family Advocacy.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

I. Description of Operations Financed (Continued):

B. The Family Advocacy Program (FAP), consists of funding allocations for each of the Military Services and the Defense Logistics Agency for use in their Family Advocacy Programs including New Parent Support Programs; and the headquarters support staff, 1 military, and the Military Family Resource Center. The majority of funding is distributed to the Military Services for program costs to provide high quality FAP prevention and treatment services at 286 installations. Along with the cost of salaries and benefits for the headquarters support staff, the budget also includes all normal expenses required to operate a federal activity. Included among these expenses are items such as official travel, communications, office supplies and equipment, printing and reproduction, and contractual services. Besides the personnel costs, this budget includes funding for the DoD Family Advocacy Command Assistance Team deployments for out-of-home allegations of child sexual abuse in the DoD sanctioned activities, and operation of the DoD Hotline for reporting allegations of child abuse or safety violations within military child care settings.

II. Force Structure Summary: Not Applicable

III. Financial Summary (O&M: \$ In Thousands):

A. <u>Defense Agency/Activity Group</u> <u>Estimate</u>	FY 2000	Amended FY 2001			FY 2002 <u>Estimate</u>
		<u>Budget</u> <u>Actuals</u>	<u>Request</u>	<u>Current</u> <u>Appropriation</u>	
Family Advocacy Program	114,361	114,403	116,225	115,971	116,737
Total	114,361	114,403	116,225	115,971	116,737

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

III. Financial Summary (O&M: \$ In Thousands) (Continued):

B. <u>Reconciliation Summary:</u>	Change FY01/FY01	Change FY01/FY02
1) Baseline Funding	114,403	115,971
a) Congressional Adjustments (Dist.)	2,000	
b) Congressional Adjustments (Undist.)	-91	
c) Congressional Adjustments (G.P.)		
d) Congressional Earmarks	-87	
e) Congressional Earmark Billpayers		
2) Appropriated Amounts (Subtotal)	116,225	
a) Adj. To Meet Congressional Intent		
b) Across-the-board Reduction (Rescission)	-254	
c) Approved Reprogrammings/Transfers		
3) Foreign Currency		
4) Price Change		1,984
5) Program Changes		-1,218
6) Current Estimate	115,971	116,737
1) FY 2001 President's Budget		114,403
2) Congressional Adjustments (Distributed)		
a) Youth At Risk		2,000
Total Congressional Adjustments (Distrib.)		2,000

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

III. Financial Summary (O&M: \$ In Thousands) Continued:

C. Reconciliation of Increases and Decreases:

3) Congressional Adjustments (Undistributed)		
a) Defense Joint Accounting System (DJAS)	-91	
Total Congressional Adjustments (Undistb.)		-91
4) Congressional Adjustments (Gen. Provisions)		
5) Congressional Earmarks		
a) Indian Lands Mitigation	-67	
b) Mid East Regional Security Issues Prg.	-7	
c) Bosque Redondo Memorial	-13	
Total Congressional Earmarks		-87
6) FY 2001 Appropriated Amount		116,225
7) FY 2001 Rescission	-254	
8) Functional Transfers-In		
9) Other Transfers In		
10) Functional Transfers-Out		

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: FAMILY ADVOCACY PROGRAM

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

11) Other Transfers-Out (Non-Functional)		
12) Price Change		
13) Program Increase		
14) Program Decrease		
15) Revised FY 2001 Current Estimate		115,971
16) Price Growth	1,984	
17) Transfers In		
18) Transfers Out		
19) Program Increases		
a) Supports Demonstration Projects which will validate program improvements and identify successful pilot programs	822	
20) Total Increases		822

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

21) Program Decreases		
a) One-Time FY 2001 Congressional Adds		
1) At Risk Youth	-2,030	
b) Program Decrease		
1) Reduction for workforce restructuring initiatives	-10	
22) Total Decreases		-2,040
23) FY 2002 Budget Request		116,737

IV. Performance Criteria and Evaluation Summary:

A. In FY 1995, the FAP/MFRC worldwide support of military family advocacy efforts increased in the areas of providing these services through a joint-Service program and comprehensive family violence education and prevention programs. Funds for FY 2002 will be used to continue to assist families who have experienced maltreatment and to reduce caseload per provider. As the Department of Defense experiences transition and turbulence related to increased PERSTEMPO, the stress and potential for violence will greatly increase. The FAP is established and structured to handle this form of violence, and current funding will support the Department's efforts to meet that requirement. "At-risk" families identified early through outreach initiatives such as New Parent Support programs have a much better prognosis for improving their coping behaviors and adaptation to multiple stressors, including increased PERSTEMPO. However, shortfalls in funding for outreach programs may result in less early identification of "at-risk" families, which is likely to result in an increase in the

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: FAMILY ADVOCACY PROGRAM

IV. Performance Criteria and Evaluation Summary:

number of incidents reported that have to be served in the more costly core FAP programs.

B. The overall goal of the Family Advocacy Program is to enhance the effective functioning of military members and their families. The demands of the military life style are unique. Because personal well-being and job performance are strongly linked, the DoD is committed to equipping its members and families with the skills and knowledge required to manage the demands of military life. To accomplish this, the FAP must take a holistic approach to service delivery that involves an entire community network of inter-related programs.

Performance Criterion #1: Ensure programs supporting military members and their families provide command flexibility, adopt a community development approach and are cost effective, efficient, and focused on outcomes. The planned strategy is as follows:

- Promote regionalization, reduction of duplication, integration of services, and internal and external partnerships at all levels.
- Promote technology as a primary tool.
- Increase education initiatives for program staff and commanders to shift program delivery from a center-based to an outreach, community development approach.

Goal for FY02: Implement a technology-based system to promote the use of self-help methods.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

IV. Performance Criteria and Evaluation Summary (Continued):

Performance Criterion #2: Diminish negative effects of primary stressors unique to military life. The planned strategy is as follows:

- Provide policy and guidance to promote integrated services targeting deployment, reunion, casualty, and other contingency situations.
- Provide policy and guidance to reduce the incidence and effects of all forms of family violence; child abuse and neglect, spouse abuse, and youth violence.

Goal for FY02: Revise Family Advocacy Program instruction.

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY 01/02</u>
<u>Active Military End Strength (E/S)(Total)</u>	1	1	1	0
Officer (Air Force)	1	1	1	0
<u>Civilian End Strength (Total)</u>	7	7	7	0
U.S. Direct Hire	7	7	7	0
Foreign National Direct Hire				
Total Direct Hire	7	7	7	0
<u>Active Military Avg. Strength (A/S) (Total)</u>	1	1	1	0
Officer (Air Force)	1	1	1	0
<u>Civilian FTE's (Total)</u>	6	7	7	0
U.S. Direct Hire	6	7	7	0
Foreign National Direct Hire				
Total Direct Hire	6	7	7	0

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: FAMILY ADVOCACY PROGRAM

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

	<u>Change FY 2000/2001</u>				<u>Change FY 2001/2002</u>				
	Foreign				Foreign				
	FY 2000 Actuals	Currency Rate	Price Diff.	Program Growth	FY 2001 Estimate	Currency Rate	Price Diff.	Program Growth	FY 2002 Estimate
SES, Gen & Spe Sch	709		30	32	771		26	-10	787
Travel of Persons	24			26	50		1	-1	50
DFAS	4			1	5				5
Rent Pay to GSA (SLUC)	87		2	11	100		2	-2	100
Postal Svc (N.S.P.S.)	2				2				2
Supp and Mat'l (Non-fund)	5			5	10				10
Equip Maint by Contract	8				8				8
Other Intra-gov't Purch	112,772		1,804	-2,313	112,263		1,908	147	114,318
Other Contracts	750		12	2,000	2,762		47	-1,352	1,457
Total	114,361		1,849	-238	115,971		1,984	-1,218	116,737

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: TRANSITION ASSISTANCE PROGRAM

I. Description of Operations Financed:

A. The Transition Assistance/Relocation Assistance Programs mission under the National Defense Authorization Act of FY 1991 (Public Law 101-510) requires the Secretary of Defense to:

1) Establish a DoD Transition Assistance Program (TAP) to encourage and assist separating or retiring military personnel to enter public or community service jobs under the authority of the National Defense Authorization Act for FY 1993 (Public Law 102-484).

2) Provide employment assistance to separating Service members and their spouses.

3) The National Defense Authorization Act (Public Law 101-189) requires the establishment of a DoD Relocation Assistance Program (RAP) to provide information and services during permanent change of station or transition.

B. Transition and relocation services are provided to all separating military personnel and their families. Relocation assistance is provided for active duty permanent change of station moves. Funding will maintain staffing at 212 transition and 285 relocation sites worldwide. These programs are funded at minimum levels. Funding supports program service delivery, training, marketing, overseas job fairs, and veteran's counselors. Funds will be used to develop and maintain databases and other required automation support. Initiatives include an operational Internet Web site for the Department of Defense Job Search, Transition Bulletin Board (TBB), the Standard Installation Topic Exchange Service (SITES), a public Web site providing general relocation information and a personal financial management Web site for relocation and transition service members.

II. Force Structure Summary: N/A

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: TRANSITION ASSISTANCE PROGRAM

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Defense Agency/Activity Group</u>	FY 2000	Amended FY 2001			FY 2002
	Budget	<u>Budget</u>	<u>Request</u>	<u>Current</u>	<u>Estimate</u>
		<u>Actuals</u>		<u>Appropriation</u>	
Transition Assistance Program	54,046	54,923	54,838	57,718	55,683
Total	54,046	54,923	54,838	57,718	55,683
B. <u>Reconciliation Summary:</u>		Change		Change	
		<u>FY01/FY01</u>		<u>FY01/FY02</u>	
1) Baseline Funding		54,923		57,718	
a) Congressional Adjustments (Dist.)					
b) Congressional Adjustments (Undist.)		-44			
c) Congressional Adjustments (G.P.)					
d) Congressional Earmarks		-41			
e) Congressional Earmark Billpayers					
2) Appropriated Amounts (Subtotal)		54,838			
a) Adj. To Meet Congressional Intent					
b) Across-the-board Reduction (Rescission)		-120			
c) Approved Reprogrammings/Transfers		3,000			
3) Foreign Currency					
4) Price Change				989	
5) Program Changes				-3,024	
6) Current Estimate		57,718		55,683	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: TRANSITION ASSISTANCE PROGRAM

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

1) FY 2001 President's Budget		54,923
2) Congressional Adjustments (Distributed)		
3) Congressional Adjustments (Undistributed)		
a) Defense Joint Accounting System (DJAS)	-44	
Total Congressional Adjustments (Undistb.)		-44
4) Congressional Adjustments (Gen. Provisions)		
5) Congressional Earmarks		
a) Indian Lands Mitigation	-32	
b) Mid East Regional Security Issues Prg.	-3	
c) Bosque Redondo Memorial	-6	
Total Congressional Earmarks		-41
6) FY 2001 Appropriated Amount		54,838
7) FY 2001 Rescission	-120	

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
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Activity Group: TRANSITION ASSISTANCE PROGRAM

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

8) Functional Transfers-In		
9) Other Transfers In		
a) Troops to Teachers, PL 106-554	3,000	
Total Other Transfers In		3,000
10) Functional Transfers-Out		
11) Other Transfers-Out (Non-Functional)		
12) Price Change		
13) Program Increase		
14) Program Decrease		
15) Revised FY 2001 Current Estimate		57,718
16) Price Growth		989
17) Transfers In		
18) Transfers Out		

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Activity Group: TRANSITION ASSISTANCE PROGRAM

III. Financial Summary (O&M: \$ in Thousands) Continued:

C. Reconciliation of Increases and Decreases:

19) Program Increases		
a) Military services support	31	
20) Total Increases		31
21) Program Decreases		
a) One-Time FY 2001 Costs		
b) Program Decrease		
1) Reduction for one-time program in support of the Troops to Teachers	-3,051	
2) Reduction in workforce restructuring Initiatives	-4	
22) Total Decreases		-3,055
23) FY 2002 Budget Request		55,683

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Activity Group: TRANSITION ASSISTANCE PROGRAM

IV. Performance Criteria and Evaluation Summary:

A. Transition Assistance Program (TAP):

The National Defense Authorization Act of FY 1991 (Public Law 101-510) required the Secretary of Defense to provide employment assistance to separating service members and their spouses. The National Defense Authorization Act for FY 1993 (Public Law 102-484) broadened the DoD's responsibility to establish a program to encourage and assist separating or retiring military personnel to enter public or community service jobs. Transition programs provide departing military members the knowledge, skills, and self-confidence to successfully compete in the civilian sector.

Evaluation Summary: P.L. 101-510 specifically mandates that pre-separation counseling be provided to all military members being discharged or released from active duty. It further mandates that ten specific areas must be addressed as part of pre-separation counseling.

The overall goal of the Transition Assistance and Relocation Assistance Programs is to promote economic well-being of Service Members and their families. With approximately 235,000 separations and over 750,000 moves every year, the economic stability of military families is challenged frequently. By providing state-of-the-art tools, information, and assistance, the Family Policy and the Educational Opportunity Directorates hope to ensure military members and their families are better able to manage their financial responsibilities, maintain financial stability, and reduce the impact of economic issues on their overall quality of life.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
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Activity Group: TRANSITION ASSISTANCE PROGRAM

IV. Performance Criteria and Evaluation Summary (Continued):

Performance Criterion #1: Ensure that resources and state-of-the-art technology are provided to enhance the employability and financial stability of service members and their families. The planned strategy is as follows:

- Identify tools and resources to support efficient and effective delivery systems.

Goal for FY02: Develop and implement baselines and evaluation criteria for all economic well-being programs.

Performance Criterion #2: Promote joint and regional services for economic well-being programs. The planned strategy is as follows:

- Leverage resources through partnerships, technology, and regional/joint initiatives.

Goal for FY02: Develop and implement baselines and evaluation criteria for obtaining funding for all economic well-being programs.

Performance Criterion #3: Ensure that economic well-being policies support the needs of military families, as well as the legislative and executive branches. The planned strategy is as follows:

- Provide policy guidance to Military Departments to develop programs to improve the economic well-being of service members and their families.

Goal for FY02: Identify redundant processes in economic well-being programs.

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
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 Activity Group: TRANSITION ASSISTANCE PROGRAM

V. Personnel Summary:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>	<u>Change</u> <u>FY 01/02</u>
<u>Civilian End Strength (Total)</u>	3	3	3	0
U.S. Direct Hire	3	3	3	0
Foreign National Direct Hire				
Total Direct Hire	3	3	3	0
 <u>Civilian FTE's (Total)</u>	 3	 3	 3	 0
U.S. Direct Hire	3	3	3	0
Foreign National Direct Hire				
Total Direct Hire	3	3	3	0

DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION ACTIVITY
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 Activity Group: TRANSITION ASSISTANCE PROGRAM

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

	<u>Change FY 2000/2001</u>				<u>Change FY 2001/2002</u>				
	Foreign				Foreign				
	FY 2000 Actuals	Currency Rate	Price Diff.	Program Growth	FY 2001 Estimate	Currency Rate	Price Diff.	Program Growth	
SES, Gen & Spec Schedules	250		15	47	312		14	-4	322
Travel of Persons	17		0	5	22		0	0	22
DFAS	8		0	2	10		0	0	10
Purchased Comm (Non-fund)	52		0	-53	0		0	0	0
Postal Service (N.S.P.S.)	2		0	-1	1		0	0	1
Suppl and Mat'l (Non-fund)	236		4	-230	10		0	0	10
Equip Maint by Contract	52		1	-53	0		0	0	0
Other Intra-gov't Purch	51,871		830	2,615	55,316		940	-3,051	53,205
Other Contracts	1,610		26	411	2,047		35	31	2,113
Total	54,046		876	2,796	57,718		989	-3,024	55,683

FY 2002 Amended Budget Submission

Office of Economic Adjustment (OEA)



June 2001

OFFICE OF ECONOMIC ADJUSTMENT
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-Wide Activities

I. Description of Operations Financed:

The Office of Economic Adjustment provides technical and financial assistance to communities: (a) that are affected by base closures, realignments, and reductions in defense industry employment; (b) where the local economy is heavily dependent on defense expenditures; (c) where expansion of the local military installation significantly increases the demand for public facilities and services; or (d) when community development and encroachment threatens the mission of an installation. In FY 2002, 105 communities will continue to receive technical and/or grant assistance from OEA.

The Office of Economic Adjustment (OEA)'s FY 2002 funding will be used to continue assistance to BRAC communities and those affected by other changes in DoD programs. Most communities will have completed their initial base reuse plans but will require OEA funding to undertake follow-on, specialized plans and for additional organizational support to facilitate the re-use of the base. Assistance to defense industry communities averages \$200,000 annually and is required for two to three years. It is also expected that more than twenty military installations will request assistance in preventing further community development from encroaching on the operational effectiveness of the base. Grant assistance will be provided to a small number of communities for advanced planning assistance and state adjustment assistance.

OEA project managers will continue active support and oversight of base closure communities that have completed base reuse planning and are moving into implementation, even if OEA grant assistance has ended. In addition, OEA will continue to develop strategies and implementation of early property transfer opportunities; which includes the use of environmental insurance in cases where it facilitates faster, more cost-effective property transfers; and possible changes in a new base closure process.

OEA will also continue program support to the Under Secretary of Defense (Policy) for international defense restructuring and reforms, primarily in Eastern Europe and the

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Newly Independent States.

OFFICE OF ECONOMIC ADJUSTMENT
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I. Description of Operations Financed (cont'd):

The largest change in the FY 2002 budget request is the removal of \$34.5 million net Congressional additions for special interest items in the FY 2001 OEA budget. The program budget reflects an anticipated decreased demand for OEA community planning assistance grants.

II. Force Structure Summary: (N/A)

III. Financial Summary (O&M: \$ in Thousands):

	FY 2001			Current Estimate	FY 2002 Estimate
	FY 2000 Actuals	Budget Request	Appropriated		
A. <u>Activity Group:</u> Office of Economic Adjustment	72,108	22,495	56,791	54,866	16,972
B. <u>Reconciliation Summary:</u>				Change	
Change				<u>FY 2001/FY 2001</u>	<u>FY</u>
<u>2001/2002</u>					
54,866				22,495	
0-				34,500	-
0-				-167	-
0-				-0-	-

OFFICE OF ECONOMIC ADJUSTMENT
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	d. Congressional Earmarks	-37	-
0-			
	e. Earmark Billpayers	-0-	-
0-			
	2. Appropriated Amount (Subtotal)	56,791	-
0-			
	a. Adjustment to Meet Cong. Intent	-0-	-
0-			
	b. Across-the-board Reduction	-125	-
0-			
	c. Approved Reprogrammings/Transfers	-0-	-
0-			
	3. Price Change	-0-	
975			
	4. Program Change	-1,800	-
38,869			
	5. Current Estimate	54,866	
16,972			

III. Financial Summary (O&M: \$ in Thousands) (Cont'd):

C. Reconciliation of Increases & Decreases:

	1. FY 2001 President's Budget Request		22,495
	2. Congressional Adjustments (Distributed)		
	a. Fitzsimmons Army Hospital	10,000	
	b. Pico Rivera	2,000	
	c. Adak Reuse Support	7,000	
	d. MCAS El Toro	1,500	
	e. Fort Greely	1,000	

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f. Charleston Naval Shipyard, Bldgs. 3&4	10,000	
g. NAS Cecil Field	3,000	
Total Congressional Adjustments (Distributed)		34,500
3. Congressional Adjustments (Undistributed)		
a. HQ Personnel Reduction	-87	
b. DJAS	-38	
c. Additional HQ Personnel Reduction	-42	
Total Congressional Adjustments (Undistributed)		-167
4. Congressional Earmarks		
a. Indian Lands Mitigation	-28	
b. Mid East Regional Security Issues Pgm.	-3	
c. Bosque Redondo Memorial	-6	
Total Congressional Earmarks		-37
5. FY 2001 Appropriated Amount		56,791
6. FY 2001 Rescission		-125

III. Financial Summary (O&M: \$ in Thousands) (Cont'd):

C. Reconciliation of Increases & Decreases (cont'd):

7. Functional Transfers - In		-0-
8. Other Transfers In		-0-
9. Functional Transfers - Out		-0-

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10. Other Functional Transfers - Out		-0
11. Price Growth		-0-
12. Program Increases		-0-
13. Program Decreases		-0-
Reduced Base Closure requirements	-1,800	
14. Total Program Decreases		-1,800
15. Revised FY 2001 Estimate		54,866
16. Price Changes		975
17. Transfers - In		-0-
18. Transfers - Out		-0-

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III. Financial Summary (O&M: \$ in Thousands) (Cont'd):

C. Reconciliation of Increases & Decreases (cont'd):

19. Program Increases		-0-
a. Equipment maintenance on copiers	5	
b. Additional contract study for BRAC community	43	
20. Total Program Increases		48
21. Program Decreases		
a. One-time FY 2001 Costs		
(1) Adak Reuse Support	-7,103	
(2) Fitzsimmons Army Hospital	-10,148	
(3) Charleston Naval Shipyard	-10,148	
(4) MCAS El Toro	-1,522	
(5) Pico Rivera	-2,030	
(6) Fort Greely	-1,015	
(7) NAS Cecil Field	-3,044	
Total One-time FY 2001 Costs	-35,010	
b. Reduced base closure requirements	-3,609	
c. Decreased travel requirements	-29	
d. Decreased service requirements from DFAS-Indianapolis	-107	
e. Decreased communications requirements	-15	
f. Cost savings from "Economic Adjustment Data System" IT system installed in FY 2001	-112	
g. One time equipment purchase in FY 2001	-11	
h. Decrease in office space required	-24	
22. Total Program Decreases		-38,917

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23. FY 2002 Budget Request

16,972

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IV. Performance Criteria and Evaluation Summary:

The decrease in demand for OEA grant funds continued in FY 2001, with most BRAC communities completing their initial base reuse planning. With this reduction in demand, the distribution of OEA grant funds follows:

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
Base Closure Grants/Realignments	64	55	45
Defense Industry Impacts	5	5	2
Joint Land Use Studies	4	19	20
State Grants	3	3	4
Advance Planning	2	4	2
Privatization Grants	0	0	0

V. Personnel Summary:

<u>FY 2001/FY 2002</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	Change
<u>Military End Strength</u>				
Officer	3	3	3	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	3	3	3	0
<u>Civilian End Strength</u>				
US Direct Hire	34	32	31	0
<u>Military FTE's</u>				
Officer	3	3	3	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	3	3	3	0
<u>Civilian FTE's</u>				

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US Direct Hire	34	31	31	0
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VI. OP 32 Line Items:

		Change			Change		
	FY 2000	FY 2000/FY 2001		FY 2001	FY 2001/FY 2002		FY 2002
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
		<u>Growth</u>	<u>Growth</u>		<u>Growth</u>	<u>Growth</u>	
101 Exec, Gen & Spec Schedules	3,081	123	181	3,385	122	0	3,507
308 Travel of Persons	270	4	0	274	5	-29	250
673 Payments to DFAS	329	16	-12	333	-16	-107	210
912 SLUC (GSA Leases)	266	5	-2	269	5	-24	250
914 Purchased Comm.	112	1	0	113	2	-15	100
915 Rents	50	1	-1	50	1	0	51
920 Supplies & Materials	55	1	-15	41	1	0	42
921 Printing & Reproduction	28	0	-16	12	0	0	12
922 Equipment Maintenance	0	0	0	0	0	5	5
925 Equipment (Non-fund)	57	1	12	70	1	-11	60
933 Contract Studies and Analysis	100	2	-37	65	2	43	110
988 Grants	66,590	1,065	-18,300	49,355	839	-38,619	11,575
989 Other Contracts	<u>1,170</u>	<u>18</u>	<u>-289</u>	<u>899</u>	<u>13</u>	<u>-112</u>	<u>800</u>
9999 Total	<u>72,108</u>	<u>1,237</u>	<u>-18,479</u>	<u>54,866</u>	<u>975</u>	<u>-38,869</u>	<u>16,972</u>

FY 2002 Amended Budget Submission

Office of the Secretary of Defense (OSD)



June 2001

OFFICE OF THE SECRETARY OF DEFENSE
Operation and Maintenance, Defense-Wide
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Budget Activity 4: Administration and Service-wide Activities

I. Description of Operations Financed:

A. Mission and Functions

The National Security Act of 1947 unified the United States Armed Forces under a single Secretary of Defense with cabinet rank. The President exercises his authority as Commander-in-Chief through the Secretary of Defense, who is responsible for setting policy and directing defense programs and planning within the Department of Defense. The Office of the Secretary of Defense (OSD) is a significant component of the Department of Defense and is the principal staff element of the Secretary of Defense for the exercise of policy development, planning, resource management, fiscal, and program evaluation responsibilities. The Deputy Secretary of Defense is delegated full power and authority to act for the Secretary of Defense.

OSD contains the immediate offices of the Secretary and Deputy Secretary of Defense; the Under Secretaries of Defense for Acquisition, Technology, and Logistics; Policy; Personnel and Readiness and Comptroller; the General Counsel; Assistant Secretaries of Defense (ASD) for Command, Control, Communications, and Intelligence (C3I); Legislative Affairs; and Public Affairs; Assistants to the Secretary of Defense for Intelligence Oversight and for Civil Support; and the Directors of Operational Test and Evaluation and of Administration and Management; and such other staff offices as the Secretary establishes to assist in carrying out his duties and responsibilities.

B. Acquisition, Technology, and Logistics (AT&L)

AT&L is the OSD staff element for all matters relating to the acquisition system, research and development, test and evaluation, production, logistics, military construction, procurement and economic affairs. The Under Secretary is the Defense acquisition executive and chairs the Defense Acquisition Board.

C. Command, Control, Communications, and Intelligence (C3I)

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C3I oversees and sets policy for information management, counterintelligence, security countermeasures, space policy, and information operation operations matters including warning,

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I. Description of Operations Financed (Continued):

reconnaissance and intelligence and intelligence-related activities conducted by the Department of Defense. The ASD (C3I) is also the Chief Information Officer (CIO).

D. Comptroller/Chief Financial Officer (Financial Management)

The Office of the Undersecretary of Defense (Comptroller) (OUSD(C)) oversees and sets policy for budget and fiscal matters including financial management, accounting policy and systems, budget formulation and execution, contract audit administration and organization. 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.

E. Operational Test and Evaluation (OT&E)

OT&E oversees operational test and evaluation, in a field environment, of equipment in transition from development to production.

F. Personnel and Readiness (P&R)

P&R oversees policy matters relating to readiness; personnel policies, programs and systems; equal opportunity; health policies, programs and activities; Reserve Component programs; family policy; dependent's education; personnel support programs; and mobilization planning and requirements.

G. Policy

Policy oversees matters relating to international security policy and political-military affairs. Functional areas: NATO, foreign military sales, arms limitation agreements, international trade and technology, peacekeeping, partnerships, regional

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security affairs, special operations and low-intensity conflicts, integration of plans and policies with overall

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I. Description of Operations Financed (Continued):

national security objectives, drug control policy requirements, priorities, systems, resources, and programs, and issuance of policy guidance affecting departmental programs.

The Worldwide Directory of Defense Authorities with International Defense Organizations and Treaties 1998 illustrates the magnitude of these operations. The United States is listed as a signatory to 129 Bilateral and 26 Multilateral treaties.

Defense Reform Initiative

The Quadrennial Defense Review (QDR) examined the national security threats, risks, and opportunities facing the United States out to 2015. Based on the QDR analysis, the Department designed a defense strategy to implement the defense requirements of the President's National Security Strategy for a new Century. The November 1997 Secretary of Defense white paper, Defense Reform Initiative - The Business Strategy for Defense in the 21st Century, announced a series of reforms necessary to carry out that defense strategy.

A. Core Operating Program

This program funds the operations of the Office of the Secretary of Defense (OSD). These costs are comprised of the following:

The personnel compensation and benefits costs include salaries, overtime, allowances, and related expenses including contributions to insurance and retirement programs, consultants and special schedule personnel. The cost of reimbursing other Department of Defense organizations for personnel transferred under the DRI is not reflected separately. The budget assumes the transfer of DIA personnel, who are excepted-service, to OSD, which is competitive service, is accomplished. For any portion of the transfer not accomplished, the funds will be used to reimburse DIA for the related personnel costs.

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I. Description of Operations Financed (Continued):

The Intergovernmental Personnel Act (IPA) personnel program includes Reimbursable Detail (RD) personnel as well. This program allows OSD to obtain scarce/critical expertise from outside the government in industry and academia (IPA) and from other federal agencies.

Mission related travel costs include tickets, per diem allowances and actual costs for essential travel by OSD staff, including overseas travel.

Transportation costs refer to the freight and storage costs incurred when moving the household goods of OSD staff under Permanent Change of Station (PCS) orders.

Permanent Change of Station (PCS) covers the cost of moving personnel upon hiring, transfer, or separation, where not budgeted elsewhere.

Official Representation Funds (ORFs), which is an Emergency and Extraordinary Expense (E3) limitation, funds the cost of extending official courtesies to guests of the OSD.

The Technical Security Countermeasure (TSCM) Program supports fund increased TSCM coverage and the Joint Security Training Consortium, workforce screening, evaluation of the DOE Foreign Visitor system and OSD Security Awareness efforts. This is a C3I and Policy program.

Long-Range Planning, under the Director, Program Analysis and Evaluation (PA&E) provides funding for the evaluation of DoD programs using a variety of analytic approaches, including

A. Core Operating Program: (Continued):

simulations and sophisticated computer-based operations research tools. In

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addition, funds provide for DoD standard systems key to DoD's resource allocation decision-making, and supports the Simulation and Analysis Center, The Future Years Defense Program, the Contractor

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I. Description of Operations Financed (Continued):

Cost Data Reporting initiative and the Visibility and Management of Operating and Support Cost initiative.

B. Command, Control Communication and Intelligence (C3I):

The C3I Mission and Analysis Fund provides resources to perform studies and technical analyses of ongoing and emerging requirements in the Department's command, control, communications, computers, intelligence, reconnaissance, and surveillance (C4ISR) activities. These analyses support the management and oversight of DoD policies, principles, and guidance for C4ISR programs. Funds will support the implementation of the DoD Critical Infrastructure Protection (CIP) plan through functional coordination with Federal agencies and private sector providers. Funding will enable the DoD to develop security, information operations, information assurance, and counterintelligence policies capable of adapting to a rapidly changing environment; focused on the networked, shared-risk environment; and designed to enhance situational awareness with regard to evolving threats and vulnerabilities. In addition, these funds support coordination with the intelligence community on military

intelligence needs, intelligence requirements analysis and priorities, resource planning and programming, exploitation management and intelligence data dissemination.

The DoD Chief Information Officer (CIO) is responsible for ensuring that the Department's management and acquisition of information technology (IT) is in compliance with the Clinger-Cohen Act (CCA). This includes strategic planning and providing overall direction and guidance for managing information resources. Specific DOD CIO responsibilities include the following:

B. Command, Control Communication and Intelligence (C3I) (Continued):

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promote the effective and efficient design and operation of all major information management processes, including work process improvements; develop, maintain and facilitate the implementation of an integrated information technology architecture for the department; design

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I. Description of Operations Financed (Continued):

and implement a process for maximizing the value and assessing and managing the risks of information technology acquisitions; monitor and evaluate the performance of IT programs, and advise the SecDef regarding whether to continue, modify, or terminate a program or project; and provide recommendations to the SecDef on budget requests for IT and national security systems (NSS); and develop strategies and specific plans that address inadequacies regarding the knowledge and skill of information resources management personnel. In addition, the DOD CIO was given Title X authority to ensure the interoperability of IT and NSS throughout DOD; ensure that IT and NSS standards are prescribed for use throughout DOD; and provide for the elimination of duplicate IT and NSS within and between the military departments and defense agencies. The DOD CIO's success at fulfilling these responsibilities is critical to achieving JV2010 and Information Superiority, as well as to the Revolution in Military Affairs and the Revolution in Business Affairs.

The Command Information Superiority Architecture (CISA) program evolved from and is the logical extension of the C4ISR System Architecture for the Warfighter, which provides CINCs with a structured planning process to define current and objective command capabilities to provide C4ISR support to assigned missions. CISA implements the C3I goal of building a coherent global network by building on past successful operational, systems, and technical architectures and other warfighter plans. It establishes common, coherent CINC "go to war" capabilities and identifies differences in capabilities between CINCs. Specific new CISA initiatives will address the full spectrum of C4ISR across the CINCs, deploy automated tools to enable CINCs to develop architectures that depict their "go to war" capabilities, and provide end-to-end traceability of organizational missions to supporting infrastructures. CISA will also perform cross-CINC analysis of capabilities to impact IT investment decisions to

B. Command, Control Communication and Intelligence (C3I) (Continued):

improve capabilities and provide transition plans for CINCs to reach objective architectures.

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The Information Superiority Integration Support (ISIS) program provides resources to plan and implement joint and combined end-to-end integration of command, control, communications,

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I. Description of Operations Financed (Continued):

intelligence, surveillance, and reconnaissance (C3ISR) and space systems to achieve information superiority. Funding will be used to improve space system acquisition programs to better exploit advanced technologies, reduce acquisition cycle time and cost, and enhance system interoperability. Analyses will provide the Department's strategic vision, policy, and standards for ISR airborne and overhead sensors and ensure necessary interoperability to support strategic and tactical requirements. In addition, this program will foster the development of an advanced technology plan for information superiority.

The Cryptologic Activities program, under C3I, begins in FY 2002. This is a classified program, the details of which are available on a need to know basis, which is usual in the case of classified programs.

The Gulf States Initiative (GSI) was functionally transferred to C3I from the Counterdrug Program. This program supports law enforcement efforts in Alabama, Louisiana, Georgia and Mississippi. These states participate in a cooperative state and local information sharing network supported by the automated command, control, communications, and computer (C4) system that is capable of supporting their analysis, planning, and law enforcement activities.

The Drug Enforcement Program is funded from the Drug Interdiction and Counter-Drug Activities, Defense appropriation via a reprogramming action.

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I. Description of Operations Financed (Continued):

C. Acquisition Technology and Logistics Programs:

The Office of Under Secretary of Defense, Acquisition Technology and Logistics uses O&M resources to:

1. Execute Congressional Mandates
2. Improve the Acquisition Process
3. Execute Regulatory Requirements
4. Promulgate Policy
5. Perform Special Technical Analysis for all OSD Staff
6. Support OSD Staff

Executing Congressional Mandates

The Office of Under Secretary of Defense, Acquisition Technology and Logistics requires O&M resources to:

1. Achieve Chief Financial Officers Act compliance
2. Improve the Acquisition, Procurement and Logistics Processes and Practices
3. Execute Statutory and Regulatory Requirements
4. Develop and Promulgate Policy
5. Identify and Oversee Systems Modernization

Achieving CFO Act compliance within the DoD is a congressional mandate and a high priority DoD-wide objective. The DoD owns more than 80 percent of the government's property, plant and equipment (PP&E), operating materials and supplies (OM&S), and inventory items, which are valued at well over \$1 trillion. Properly and accurately controlling, valuing and reporting DoD PP&E, OM&S and inventory are essential to achieve compliance with CFO Act. The

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

OUSD(AT&L) is taking the lead in the Department to address and implement CFO Act requirements pertaining to PP&E, OM&S, inventory, environmental liabilities, disposal liabilities, and deferred maintenance. To become CFO compliant the policies, processes, procedures, and systems of the acquisition, procurement, logistics, information technology, and financial management communities must be changed or updated. This program provides funds for an OUSD(AT&L) corporate approach, utilizing subject matter experts and Public Accounting Firms, to develop and implement new policies, processes, procedures, and systems, as well as systems interfaces. The OUSD(AT&L) corporate approach, which will involve the DoD Components, is expected to save DoD funds and resources by eliminating duplicative (stovepipe) efforts. Achieving CFO compliance will result in reliable management information and improvements to the management of the Department's funds and assets, as well as more accurate information reported to the Congress.

Congress appropriated \$15 million above the DoD request in FY 2000, and \$12 million in FY 2001 for the Legacy Management Resources program. The 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, and the need to meet congressional intent.

Congress appropriated \$8 million above the DoD request in FY 2000, and \$10 million in FY 2001 for the Native American Lands Environmental Mitigation Program. The program funds efforts to document information on DOD environmental impacts to Indian Lands, environmental mitigation projects on Indian Lands, training and technical assistance to the tribes, and implementation of a DOD Policy for Working with American Indians and Alaska Natives.

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To comply with Congressional interest for a program to address environmental matters relating to DoD military activities in the Arctic region, DoD established the Arctic Military

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

Environmental Cooperation (AMEC) program. The program supports cooperation among the defense departments of the U. S., Norway and Russia in mitigating damage to the Arctic environment due to nuclear and chemical contamination. AMEC projects address environmental compliance, pollution prevention, and environmental technology issues.

Improving the Acquisition Process

The Acquisition Reform Support and Improvement Program communicates and implements changes throughout the acquisition community in the areas of acquisition reform and streamlining the acquisition workforce and processes. Congress directed the DoD to begin the Workforce Demonstration Project, and further directed the Secretary to submit a plan to Congress to streamline the acquisition workforce and process. All of the efforts in this program are focused to follow the direction above, and to communicate and implement changes throughout the acquisition community.

The Commercial Practices Initiative supports the integration of best commercial practices into DOD's acquisition process. The Initiative also implements many recommendations of the *Section 912c Commercial Business Environment: Accelerating Change Through Enterprise Teaming*, and a series of GAO best practices reports outlining necessary improvements to be made within the Department. The Initiative is divided into five subprojects: 1) distance learning network, 2) new workforce CPI training, 3) Commercial Practices modules, 4) enterprise change modeling, and 5) acquisition performance support system. The distance learning network, new workforce CPI training and Commercial Practices modules combine to fund the development and training execution of Commercial Practices Training modules targeted to the DoD acquisition workforce. The module

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development and execution are designed to form the basis of understanding commercial business practices and how they differ from traditional government approaches.

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

As a result of the efforts to develop the various commercial practices training modules, and initiate enterprise change modeling, a Change Management Center (CMC) was created. The Change Management Center currently has twelve initiatives with various Acquisition customers inside the Department. During these engagements, CMC and its customers use state of the art techniques to determine the educational material that will be included, and how it will be presented, in each of the modules. This partnering is critical as the differences between the private and the public sector require significant up-front work to achieve the integration of the business practices and the DoD acquisition process within each education module. Early results from the previously developed online Certificate Programs are favorable but more research and data gathering will be required to show "proof of concept".

In addition, the research and partnering between CMC and its DoD customers have been broadened as it became apparent that the CMC work falls directly under several laws that were not considered at the time that the Center was initially funded. These laws require that the CMC, through appropriate channels, report to Congress on the results of the projects/programs that it is developing. For example, the Government Performance and Results Act (GPRA) (1993) requires that agencies develop performance measurements for the purposes of strategic planning. The law requires that the agency report each year on the progress made in achieving the desired Outcome - i.e., policy result, that the money was allocated for. The CMC partners have asked for assistance in incorporating the GPRA in their acquisition performance reports to Congress.

The Open Systems-Joint Task Force program funding provides the resources needed to make the cultural and other changes necessary to establish and institutionalize an open systems approach to weapons systems acquisition. The Task Force currently has seven focus

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areas where funds are committed: (1) pilot programs; (2) demonstration projects; (3) standards coordination projects; (4) architecture; (5) education, training and outreach; (6) industry

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

steering group; and (7) administration. The Task Force relies on its Service representatives to develop, document, and implement the open systems approach. Together the team coordinates with OSD organizations, the individual Services and Component acquisition program offices, and industry.

The Defense Reform Project for Competition & Infrastructure improves the management of the services and facilities (including housing) on defense installations and to ensure effective implementation of selected defense reform initiatives for competition and eliminating unneeded infrastructure. The project evaluates concepts, approaches, policies and systems for opening selected Departmental functions to competition under the A-76 process and produces analytical products and tools needed to improve management of installations and facilities including housing.

Systems Engineering is assigned the mission and function to provide policy (i.e., DoD Directive 5000.1, DoD Instruction 5000.2, and DoD Regulation 5000.2), guidance (e.g., DoD Deskbook, configuration and data management (CM/DM) handbook, Integrated Product and Process Development (IPPD) guide and handbook), and support for the early integration of: systems and software engineering; design for manufacturing and production; design to cost; quality, reliability and maintainability; risk management; CM/DM; and test and evaluation (T&E) in the acquisition process. Systems Engineering develops supporting policies and procedures based on IPPD case studies and lessons learned. Systems Engineering promulgates IPPD principles within national and international standards development organizations to effectively and efficiently integrate systems engineering and related technical development processes to reduce total ownership cost and cycle time of weapon systems. Systems Engineering works with Program Offices, industry, and academia to

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define, promulgate and assist in the proper implementation of state-of-the-art engineering methodologies, practices and tools. Tools will include the systems engineering capability maturity model (CMM), the IPPD CMM, and the software CMM, which

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

systems engineering capability maturity model (CMM), the IPPD CMM, and the software CMM, which will be integrated.

Systems Engineering manages the career development requirements for the following career fields, accounting for approximately 38% of the Defense Acquisition Workforce Improvement Act (DAWIA) acquisition workforce: Systems, Planning, Research, Development and Engineering (SPRDE); Manufacturing, Production, and Quality Assurance (PQM); and T&E. Defense Acquisition University (DAU) training in these fields must integrate program, technical, and business management practices. Systems Engineering will lead the (DAU) course reviews, initiating course revisions through the Technical Management Functional Advisor and Functional Integrated Product Teams; and it will ensure that the content is in line with the Department's Acquisition Reform (AR) initiatives.

Systems Engineering performs Interoperability assessments of Major Defense Acquisition Programs (MDAPs) within selected mission areas to ensure future weapon systems are capable of operating in a joint Services operational environment as well as with our allies. These assessments focus on operational interoperability requirements and consistency with the evolving systems architecture. Resulting assessments support USD(AT&L)/IO participation in selected Integrated Product Teams (IPTs), Overarching IPTs, and Defense Acquisition Board reviews where interoperability issues merit priority attention. Interoperability assessments at the program level as they come up for review within a mission area document interoperability progress and issues and serve as input to interoperability management guidelines to benefit additional programs.

Congress directed in Section 911 of the National Defense Authorization Act for Fiscal Year 2000 the creation of a new position within the DoD Organization, namely the Deputy

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Under Secretary of Defense for Logistics and Materiel Readiness. This position requires appointment

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

by the President and confirmation by the Senate, and is now the principal advisor to the Secretary and Under Secretary of Defense for Acquisition, Technology and Logistics on policies and procedures for the conduct of materiel readiness within the Department of Defense. This includes monitoring and reviewing all the Services materiel readiness and sustainment support programs to include participation in the Planning, Programming and Budgeting System (PPBS) for these programs.

These funds will provide the resources necessary to support this new effort. Specifically: 1) Issue instructions, DoD publications and directive memorandum to the Services as regards Materiel Readiness; 2) Develop studies to facilitate improving the materiel readiness status of all DoD forces; 3) Participate in OSD, Joint Staff and Services - led meetings on Materiel Readiness such as Joint Readiness Oversight Council, Senior Readiness Oversight Council and Joint Monthly Materiel Readiness Report; 4) Facilitate objective measurement by the Services of Materiel Readiness standards and report on same to the Congress; 5) Participate with Program Analysis & Evaluation, and the DoD Comptroller in the PPBS decision process with regard to Materiel Readiness.

DoD is currently reviewing all aspects of the arms export control and licensing process. A key element of that process is the review and approval of those technologies associated with low observables (LO) and counter-low observables (CLO). The U.S. invested heavily in this area of technology for the last two decades and export issues associated with this type of technology require significant scrutiny. The Director, Special Programs, OUSD(AT&L)/DSP, is responsible for the oversight and disposition of these cases. Since the implementation of the DoD LO/CLO policy the number of LO/CLO export cases for review has risen dramatically. In order to support these additional requirements and implement the

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forthcoming export licensing process changes a pilot program that was initiated in FY 99; the program described below is a follow on to that pilot effort.

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

Major elements of the program include:

- Develop and operate an electronic system for processing and tracking DoD LO/CLO export cases. This task will require the development and implementation of an internet based system to facilitate electronic processing, review and tracking of export case status and trends. It will further require establishment of a central information library and discrete database. This database will allow trend analysis by U.S. firm, requesting country, technology requested for export, and previous restrictions applied to similar cases. This automated process will allow the reduction in processing time of LO/CLO export requests from approximately 50 days to less than 25 days (measured performance of the pilot program to date has reduced the timeline to 15 days).
- Provide coordination and continuity with Defense Threat Reduction Agency (DTRA), Department of Commerce and Department of State personnel and assist OSD in the proper staffing and reviews of export cases. This task will require working with DTRA export officers and applicable personnel in Department of Commerce and Department of State to ensure LO/CLO export cases are properly routed to DoD for review, analysis and coordination. This will involve initial review, routing to the appropriate Services for their review and comment, and scheduling, as required by policy, Tri-Service Committee and/or Executive Committee (EXCOM) action prior to final OSD approval.
- Provide technical, analytical and planning support and continuity for OUSD(AT&L)/DSP, the Tri-Service Committee, and the LO/CLO EXCOM. This will include assisting OUSD(AT&L)/DSP in developing, updating, and monitoring DoD Instruction S-5230.28 and assuring the OSD policy linkage to the Military Critical Technology List process.

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

Executing Regulatory Requirements

The Consolidated Acquisition Reporting System (CARS) program will continue to enable the Department to meet certain statutory reporting requirements and DoD Performance Goals. CARS will enable OSD to produce the Selected Acquisition Report, the Nunn-McCurdy Unit Cost Report, and the Acquisition Program Baseline, all of which are required by Title 10 U.S. Code. CARS includes a number of utilities that produce formatted output for use by the OSD staff and for distribution outside the DoD. The CARS system supports the OUSD(AT&L) staff in carrying out the statutory requirement to perform oversight on Major Defense Acquisition Programs.

Promulgating Policy

The Deskbook program funds continued development and maintenance of current and coherent acquisition information for all DoD Services and Agencies. Deskbook is the single source of up-to-date material on acquisition policies and practices. The reference library and discretionary information contained in the Deskbook allow the volume of mandatory guidance contained in the DoD 5000 series to be reduced by over 90%. Deskbook is updated monthly on the World Wide Web and is released to the acquisition community on a quarterly basis by CD.

The Defense Environmental Security International Cooperation program funds bilateral and multilateral engagements with militaries so they can acquire the necessary tools to understand, prioritize, and meet their military environmental security needs. DoD's environmental security engagement reinforces efforts by militaries in newly democratic societies to adjust to concepts such as civilian oversight, public accountability, openness, and cooperation with civilian agencies.

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

The Defense Acquisition Regulation (DAR) Automation program provides funding to support reengineering the business processes of the DAR System. The design, development, implementation, and maintenance of the Electronic Workflow and Document Management System will enhance communications between the Department of Defense, other government agencies, and the public. The program also funds migration of previous editions of the procurement regulations. Archival of this library will enable DoD to provide the library electronically across DoD, to other government agencies, and the public. Lastly, the program funds the migration of the current DAR historical hard-copy case files to electronic records, enhancement of the electronic publishing of the DFARS, integration and upgrading of the DAR Management Information System case tracking system and the purchase of the required information technology equipment.

Perform Special Technical Analysis for all OSD Staff

The OSD Studies and Analysis Program supports requirements for analyses and contractor assistance within OSD and the Joint Staff, especially on programs/issues that have no separately justified program funding, and in circumstances where the OSD principal has no other possible operations funding to accomplish management research. The program is designed to improve the ability of OSD and Joint Staff components to execute their missions. The focus of many research projects and policy analysis is intermediate to long-range in nature. However, much of this program also responds to Congressional direction and other requirements to produce results within a short term horizon.

Support OSD Staff

The Acquisition Programs Support Systems program provides Information Technology support to enhance the availability, accuracy and security of data used by AT&L program

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managers for

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I. Description of Operations Financed (Continued):

C. Acquisition, Technology and Logistics Programs (Continued):

decision making, communication and collaboration. This program provides state of the art commercial-off-the-shelf applications to support AT&L program managers and the exchange of data and information to other DoD program offices. The program supports the following information technology functions: communication support, information support, and data base management and collaborative software.

D. Other DoD Programs and Initiatives:

The Deputy Chief Financial Officer (DCFO) program funds are required for performance of tasks to support the Administration's goal of obtaining a clean audit opinion on the government-wide consolidated financial statements and the Department's goal of achieving a clean opinion on the financial statements for the Department of Defense and the Defense reporting activities. Funds also support the annual update of the Financial Management Improvement Plan, update and maintenance of the Department of Defense Financial Management Regulation and other financial management initiatives intended to improve the Department's financial management and related operations.

The Gulf War Illnesses Initiative coordinates all aspects of the DoD programs related to Gulf War illnesses. The organization emphasizes DoD's commitment to service personnel and veterans who served in the Gulf and focuses on operational impacts on health and future force protection.

The Net Assessment support program is managed by the Advisor for Net Assessment and pays for assessments and projects initiated by the Secretary of Defense, for selected projects of broad importance proposed to the Advisor for Net Assessment and for research in support of Net Assessment work. These projects address near- and long-term problems

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and opportunities for

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I. Description of Operations Financed (Continued):

C. Other DoD Programs and Initiatives (Continued):

U.S. military forces and policies especially the Revolution in Military Affairs, wargaming, and simulation.

The Contracts and Other Support Services program provides for contracts, consulting and other support requirements of the OSD components not supported by separate programs. Various support requirements of the following offices are funded from this program:

Policy	Legislative Affairs
Command, Control, Communications and Intelligence	Public Affairs
Comptroller)/Chief Financial Officer	Intelligence Oversight
Director for Defense Reform	Administration and Management
General Counsel	Historian
Planning	Organizational and Management
Personnel and Readiness	Quality Management Office
Program Analysis and Evaluation	Program Analysis and Evaluation
Reserve Affairs	Health Affairs
Defense Reform Office	Consequence Management

The requirements funded include contract assessments, analyses and evaluations, contract engineering and technical services, support agreements with other government agencies, reimbursements for support activities performed by other DoD agencies.

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II. Financial Summary (O&M: \$ in Thousands):

	FY 2000 <u>Actuals</u>	FY 2001		FY 2001 <u>Estimate</u>	FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Current Approp</u>		
A. <u>Activity Group:</u>					
1. <u>Core Operating Program</u>					
a. Compensation and Benefits	160,288	169,013	169,039	169,015	179,760
b. Travel of Persons	14,972	14,196	14,434	14,437	14,736
c. Transportation	32	200	200	100	211
d. Official Representation Funds	3,403	2,868	2,868	2,780	2,886
e. IPA/Reimb. Details	2,968	3,096	3,096	3,089	2,517
f. PCS	<u>50</u>	<u>400</u>	<u>400</u>	<u>200</u>	<u>396</u>
Subtotal	181,713	189,773	190,037	189,621	200,506
2. <u>Other DoD Programs and Initiatives</u>					
a. National Performance Review	1,300	1,300	1,300	987	0
b. OSD Contracts and Other Support Serv.	16,735	13,922	15,216	17,725	19,885
c. Deputy Chief Financial Officer	4,906	7,665	7,562	7,828	8,608
d. Net Assessment	6,247	7,067	6,972	6,894	10,023
e. Transformation Office	0	0	0	0	5,000
f. Counternarcotics	1,381	0	0	0	0
g. GWI, Medical Readiness Mil. Deployments	19,653	15,300	15,175	15,142	9,875
h. ROK Scholarship Fund	0	0	0	1,750	1,500
i. Tech Security CM	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,050</u>
Subtotal	50,222	45,254	46,225	50,236	56,941

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II. Financial Summary (O&M: \$ in Thousands): (Continued)

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u>		<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Current</u> <u>Approp</u>		
3. <u>Program Analysis and Evaluation Program</u>					
a. Long-Range Planning	20,367	23,190	22,161	21,923	25,682
4. <u>Command, Control, Communications and Intelligence Programs</u>					
a. C3I Mission & Analysis Fund	33,928	37,628	35,958	35,554	36,718
b. CISA	11,143	9,753	14,252	14,093	4,943
c. ISIS	10,187	12,865	12,100	11,964	12,432
d. Chief Info. Officer	12,563	14,630	13,981	12,450	13,329
e. Interagency Training Center (ITC)	2,730	0	0	0	0
f. Year 2000 (Y2K)	4,026	0	0	0	0
g. Gulf States Initiative (GSI)	10,001	1,170	1,118	1,106	1,187
h. Cryptologic Acty	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,284</u>
Subtotal	84,578	76,046	77,409	75,167	80,893

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II. Financial Summary (O&M: \$ in Thousands): (Continued)

	FY 2000 <u>Actuals</u>	FY 2001		FY 2001 <u>Estimate</u>	FY 2002 <u>Estimate</u>
		<u>Budget Request</u>	<u>Current Approp</u>		
5. <u>Acquisition and Technology Programs</u>					
a. Legacy Resource Mgt.	14,258	296	12,287	12,267	289
b. OSD Study Program	22,824	24,164	19,164	21,968	21,938
c. Open Systems Arch.	1,737	5,925	5,662	5,152	5,891
d. CARS	1,065	522	499	460	1,228
e. Systems Engineering	861	1,399	1,337	1,233	2,078
f. Deskbook	2,011	2,994	2,861	2,603	3,299
g. Commercial Practices Initiative	5,944	11,006	10,517	9,572	11,321
h. Def. Environmental Restoration Program	2,928	0	0	0	0
i. DESCIM	10,028	14,048	8,926	8,942	0
j. Arctic Military Environmental Cooperation	4,613	4,893	4,676	4,255	5,522
k. CFO Act Compliance/ Property, Plant & Equipment	992	1,005	961	875	1,920
l. Defense Reform Proj. for Competition	1,631	2,721	2,601	2,367	2,687
m. Acquisition Programs Support Systems	3,924	2,001	1,912	1,740	2,609

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II. Financial Summary (O&M: \$ in Thousands): (Continued)

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u>		<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Current</u> <u>Approp</u>		
5. <u>Acquisition and Technology Programs (Continued)</u>					
n. Acquisition Reform					
Support & Improvement	7,114	7,852	7,504	6,829	7,635
o. Acquisition Workforce					
Demonstration	0	1,065	1,018	938	1,632
p. Native American Land					
Remediation	8,020	296	10,287	10,272	298
q. Mobility Enhancement	23,754	0	0	0	0
r. Environmental Security					
Cooperation	0	1,986	986	975	1,923
s. DAR Automation	200	690	668	608	1,592
t. Commercial Technology					
for Maintenance					
Activities (CTMA)	0	0	6,000	5,987	0
u. CTMA Wearable Computers	0	0	850	835	0
v. Material Readiness Spt.	0	0	0	0	1,000
w. Low Observable (L0).					
CLO Export Process	0	0	0	0	257
x. Energy Savings	<u>3,797</u>	<u>0</u>	<u>4,000</u>	<u>3,990</u>	<u>0</u>
Subtotal	115,701	82,863	102,716	101,868	73,119

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II. Financial Summary (O&M: \$ in Thousands): (Continued)

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u>		<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Current</u> <u>Approp</u>		
6. <u>Programs Added by Congress Not Otherwise Listed: (Continued)</u>					
a. Armed Forces Retirement Home (AFRH)	4,821	0	0	0	0
b. Pacific Cmd. Regional Initiative (CinCPAC)	9,632	0	20,000	19,956	0
c. Readiness Reporting	1,000	0	0	0	0
d. Multilateral Export Control	950	0	0	0	0
e. NE/SA Studies	964	0	0	0	0
f. Middle East Regional Security Issues	964	0	1,000	998	0
g. Clara Barton Center	1,253	0	1,500	1,497	0
h. Grant to USO	4,821	0	7,500	7,483	0
i. Grant for Women in the Military	5,000	0	0	0	0
i. Grant to Red Cross	5,000	0	5,000	4,989	0
j. East-West Center	150	0	0	0	0
k. Marshal Center	100	0	0	0	0
l. National Flag Foundation	0	0	1,000	998	0

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II. Financial Summary (O&M: \$ in Thousands): (Continued)

	<u>FY 2000</u>	<u>FY 2001</u>		<u>FY 2001</u>	<u>FY 2002</u>
	<u>Actuals</u>	<u>Budget</u>	<u>Current</u>	<u>Estimate</u>	<u>Estimate</u>
		<u>Request</u>	<u>Approp</u>		
6. <u>Programs Added by Congress Not Otherwise Listed: (Continued)</u>					
m. MASINT Feasibility	0	0	10,000	9,978	0
n. FIRES Data Capture	0	0	4,000	3,991	
o. Center for Preservation of Democracy	0	0	20,000	19,956	0
p. D Day Museum	0	0	2,100	2,095	0
q. Bosque Redondo Memorial	0	0	2,000	1,996	0
r. Worker Safety Demo Proj	0	0	0	0	
s. Indian Lands X-Year PY	0	0	0	230	0
t. Oakland Military Institute X-Year Funds	0	0	2,000	1,996	0
Subtotal	38,812	0	76,100	76,163	0
Total	487,367	475,217	514,647	516,579	437,141

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II. Financial Summary (O&M \$ in Thousands): (Continued)

B. Reconciliation Summary:

	Change <u>FY 2001/FY 2001</u>	Change <u>FY 2001/FY 2002</u>
1) Baseline Funding	417,126	516,579
Congressional Adjustments		
a) Distributed	36,904	0
b) Undistributed	11,449	0
c) General Provisions	36,600	0
d) Earmarks	12,518	0
e) Earmarks (Billpayers)	0	0
2) Appropriated Amt. (Subtotal)	514,647	0
3) Rescission	-1,153	0
4) Price Changes	0	15,440
6) Functional Transfer CISA to RDT&E	0	-4,971
7) Program Changes	3,085	-89,907
8) Current Estimate	516,579	437,141

C. Reconciliation of Increases & Decreases:

1. FY 2001 President's Budget Request	417,126
2. Congressional Adjustments (Specified)	
a. Studies and Analysis Excluding Net Assessment Reduction	-5,000
b. DESCIM Reduction	-5,000
c. HQ Personnel Reduction	-4,446
d. PACOM Initiative	20,000
e. Clara Barton Center	1,500
f. CISA	5,000
g. Energy Savings Performance Contracts	4,000

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. <u>Reconciliation of Increases & Decreases: (Continued)</u>		
2.	Congressional Adjustments (Specified) (Continued)	
	h. National Flag Foundation	1,000
	i. MASINT Feasibility Study	10,000
	j. FIRES Data Capture Program	4,000
	k. CTMA Depot Level Activities	6,000
	l. CTMA Wearable Computers	850
	Total Congressional Adjustments (Specified)	36,904
3.	Congressional Adjustments (Undistributed)	
	a. Legacy	12,000
	b. DJAS	-501
	Total Congressional Adjustments (Undistributed)	11,499
4.	Congressional Adjustments (General Provisions)	
	a. Section 8112 - Grant to the USO	7,500
	b. Section 8129 - Grant to the National Center for the Preservation of Democracy	20,000
	c. Section 8134 - Grant to the D Day Museum	2,100
	d. Section 8141 - Grant to the Red Cross	5,000
	e. Section 8155 - Grant to the Oakland Military Institute (X-Year)	2,000
	Total Congressional Adjustments (General Provisions)	36,600

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II. Financial Summary (O&M \$ in Thousands): (Continued)

B. Reconciliation of Increases & Decreases: (Continued)

5. Congressional Earmarks		
a. Section 8047 - Indian Lands Remediation	10,000	
b. Section 8139 - Middle East Regional Security Issues	1,000	
c. Section 8142 - Grant to Bosque Redondo Memorial	2,000	
d. Section 1112 PL 398 - Worker Safety Demo. Proj.	5,000	
e. Earmark Offset - Section 8047	-371	
r. Earmark Offset - Section 8139	-37	
g. Earmark Offset - Section 8142	-74	
h. Earmark Offset - Section 1112	-5,000	
Total Congressional Earmarks		12,518
6. FY 2001 Appropriated Amount		516,647
7. Functional Transfers		0
8. Price Changes		0
9. Program Decreases		0
10. Program Increases		
a. Fact of Life Increase	1,105	
b. PY Balance Brought Forward X-Year	230	
c. Republic of Korea Scholarship Fund	1,750	
Total Program Increases		3,085
11. Rescission		0
a. Rescission, Program Year 2001	-1,149	
b. Rescission, X-Year	-4	
Total Rescission		-1,153

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II. Financial Summary (O&M \$ in Thousands): (Continued)

A. Reconciliation of Increases & Decreases: (Continued)

14. FY 2001 Current Estimate	516,579
15. Price Growth	15,440
16. Functional Transfers	
a. CISA to RDT&E due to revised IT definitions	-4,971
a. DESCIM to Army	-9,000
Total Program Increases	-13,971
17. Program Increases	
a. Program Growth in FY 2002	
(1) Compensation and Benefits - Increases for the extra paid day (\$624,000) FTE for GWI and AT&L (3 & 3 FTE/\$586,000).	1,210
(2) Travel - Increased to reflect SECDEF related fact of life requirements.	54
(3) Transportation of Things - Increased for Executive Personnel still being hired.	8
(4) Official Representation Funds (Emergency and Extraordinary Expenses (E3)) are modestly increased to recognize fact of life trends in SECDEF execution.	59
(5) Contract Support and Other Services (COSS) is increasing due to decisions affecting programs under this heading including the Base Allowance for Housing study (BAH, \$500,000) and Defense Reform Initiative funding.	622
(6) Deputy Chief Financial Officer - increased for compliance with Federal Financial Management Improvement Act (FFMIA).	647

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2001 (Continued)

(7) Increases Net Assessment by \$3.012 million for new China and East Asian analyses and funds the new Transformation Office at \$5 million.	8,012
(8) The Technical Security Countermeasure (TSCM) Program will fund increased TSCM coverage and the Joint Security Training Consortium, workforce screening, evaluation of the DOE Foreign Visitor system and OSD Security Awareness efforts.	2,050
(9) Long-Range Planning (PA&E), was increased in the OSD budget review for the Contractor Cost Data Report, (\$1,806,000) the Cost Research Document Retrieval System (\$181,000), the Visibility and Management of Operating and Support Costs (\$200,000) and deferrals due to pro-rata reductions to the budgeted amounts in prior years.	3,386
(10) C3I Mission and Analysis Fund is increased for oversight of the Joint Information Assurance capability within DoD; revise DoD policy and strategy to improve information operations, security, and counterintelligence activities; implement spectrum bandwidth certification requirements; and improve department policy for detecting, protecting, and responding to computer	

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II. Financial Summary (O&M \$ in Thousands): (Continued)

B. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2001 (Continued)

(10) C3I Mission and Analysis Fund (Continued)
network attack on critical infrastructure.
The program increase also reflects deferrals
resulting from FY 2001 congressional reductions. 560

(11) Command Information Superiority Architecture
(CISA) - Program growth will fund increased
C4ISR support for assigned missions. 570

(12) Information Superiority Integration
Support (ISIS) funding is modestly increased
to support C3ISR modeling and simulation
assessments to support major Defense reviews;
continue the development of an Information
Superiority Investment Strategy that will
maximize the utility of C4ISR investments; and
examine the C4I Support Plans developed by
system program managers to identify lack of
interoperability and duplication of capabilities. 265

(13) Chief Information Officer (CIO) is
increased to meet the requirements
for securely managing DoD records in a
knowledge management context, expand the
Portfolio Management Process, and support
key Enterprise Architectures and Integration.

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2001 (Continued)

(14) Chief Information Officer (CIO) (Continued) - Increased funding will also allow continued development of the Virtual Joint Technical Architecture (VJTA), and ensure quality ITM education and training, and workforce development.	667
(15) The Gulf States Initiative is increased to provide engineering support for system maintenance.	62
(16) Cryptologic Activities - is initiated in OSD as a classified activity under C3I.	12,284
(17) Open Systems Architecture Joint Program Funding increases to continue demonstrating open systems acquisition policy effectiveness in pilot projects such as the Marine Corps AV-8B Open Systems Core Avionics Requirements (OSCAR) program, the USAF F-15 Advanced Display Core Processor program, and Joint Service multi-platform aging aircraft initiatives. Funding will develop policy, tools and training to change acquisition policy throughout the Department.	651

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(18) Consolidated Acquisition Reporting System (CARS) - The CARS is being increased for support to meet certain statutory reporting requirements, DoD Performance goals, and acquisition excellence goals. 760

(19) Systems Engineering - Will fund interoperability assessments of Defense Programs. 824

(20) Deskbook - Increased funding required to implement and support Knowledge Management (KM) tools. Critical hardware and software upgrades are required to support KM Communities of Practice with automated presentations of official acquisition policy documents via a web based virtual community where acquisition professionals share experiences, insights and best practices. Deferrals due to FY 2001 funding decrements are also reflected. 652

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(21) Commercial Practices Initiative - This program is intended to improve the performance of 124,000 acquisition workforce personnel in compliance with the DAWIA, FASA, Clinger-Cohen Act, GPRA, internal reforms and basic information about acquisition. Acquisition policy and procedures reforms are outstripping our ability to implement effectively. The Change Management Center (CMC) is already experiencing challenges as DoD acquisition customers have come to the CMC to ask for assistance for items directly related to the CMC mandate but which were not anticipated within the initial funding guidance. CMC has begun the effort to develop meaningful strategic performance metrics but needs additional funding.

1,586

(22) Arctic Military Environmental Cooperation (AMEC) - The program increase will fund additional work for its mission.

1,195

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(23) Chief Financial Officer Act Compliance
-Two new CFO Act compliance requirements pertaining to (1) National Defense Property, Plant and Equipment and (2) Internal Use Software significantly impact the Department's acquisition, logistics, procurement, information technology, and financial management communities requiring major changes to DoD policies, processes, procedures, and systems. A corporate approach to the implementation of these mandatory requirements will be led by the OUSD(AT&L) in order to achieve timely implementation, eliminate duplication of efforts and save DoD resources. The increase of funds is essential to perform OSD led DoD-wide efforts utilizing subject matter experts and Public Accounting Firms. The Internal Use Software (IUS) requirement went into effect in October 2000 requiring

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(24) CFO Act Compliance - (cont'd)

the capturing and reporting of the full cost of software development and enhancements to existing DoD software/ systems. For the Y2K effort, the DoD identified over 5,700 mission essential systems that will be included in implementation of the IUS requirements. The National Defense PP&E Requirements will be issued before the end of FY 2001 and will require capturing and reporting the full cost of all weapons systems acquisition programs and the reporting of the quantities and condition of weapons systems. The reporting of such information will be audited annually and, therefore, must be accurate and reliable.

1,030

(25) Defense Reform Project for Competition - is modestly increased due to a planned increase of competitive sourcing initiatives required to eliminate unneeded infrastructure

280

(26) Acquisition Programs Support Systems - increased to provide the needed level of contractor support for improved data

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management and data security.

839

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(27) Acquisition Reform Support and Improvement - Program growth is for direct support of the Future Workforce 2005 Taskforce. The Taskforce has been charged with analyzing, making recommendations and beginning implementation of plans to combat the acute problem we are facing resulting from the 30 to 50% of DoD Acquisition and Technology Workforce eligibility to retire by 2005.

690

(28) Acquisition Workforce Demonstration - Program growth is based on the increase in travel requirements to support the 3rd Cycle training and implementation at various sites and the conduct of on-site evaluation interviews. With the influx of new participants there will be an increased requirement to train new participants. Existing training materials must be updated with the latest changes and provided to the participating workforce. There will also be a requirement to publish a new/revised Federal Register with the anticipated increase of 10,000 participants in the demonstration project.

678

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(29) Environmental Security Cooperation/
International Acquisitions - Funding
increases will allow non-threatening
engagement with foreign militaries to
promote their environmental security
issues. 931

(30) Defense Acquisition Regulation (DAR)
Automation Program - Program is increased
to meet statutory requirements, and
requirements for acquisition excellence
initiatives.reform initiatives. 974

(31) Material Readiness Support -
Increase will fund the new statutory
requirement for DUSD Logistics and Material
Readiness to expand its role to formally
include DoD materiel readiness program
oversight. 1,000

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

17. Program Increases (Continued)

a. Program Growth in FY 2002 (Continued)

(32) The Low Observable/Counter Low Observable (LO/CLO) Program - Increase will fund an internet based system to process, review, and track export case status and trends involving the highly sensitive LO/CLO technology area. The effort was initiated and conducted from FY 99-FY 01 as a pilot program. Due to the tremendous success of the effort, the USD(AT&L) decided the program should have its own dedicated funding line in FY 2002.

257

Total Program Increases

42,803

18. Program Decreases

a. Program Reduction in FY 2002

(1) Intergovernmental Personnel Act (IPA)/ Reimbursable Details is decreased to reflect reducing resources.

-621

(2) Permanent Change of Station (PCS)/ program is modestly decreased.

-6

(3) National Performance Review - This Program is not continued.

-1,004

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

18. Program Decreases (Continued)

a. Program Reduction in FY 2002 (Continued)

(4) Office of the Special Assistant to the Secretary for Gulf War Illnesses, etc. - This program will shift its focus from Medical Research to Outreach, with those costs borne by another account under Health Affairs. A reduced staff will be transferred under OSD as the Office of an Assistant to the SecDef.	-5,524
(5) Republic of Korea Scholarship Fund - The memorial for Nogun-Ri will be funded in the first year, FY 2001, the following years are expected to fund scholarships only, with a resulting reduction in required funding.	-280
(6) Command Information Superiority Integration Support (CISA) - Congressional Add for CIAP is not carried forward.	-4,989
(7) Legacy Resource Management - Only a small amount for administrative costs is budgeted. This is a perennial congressional increase for DoD and the small budget is to ensure administration in the unlikely event funding ceases.	-12,186

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

18. Program Decreases (Continued)

a. Program Reduction in FY 2002 (Continued)

(8) OSD Studies and Analysis - The FY 2002 program decreases modestly in support of study and analysis requirements of the 30-35 principals across the Office of the Secretary of Defense and the Joint Staff.	-403
(9) Defense Environmental Security Corporate Information Management (DESCIM) - Nine million dollars was transferred to the Army.	-94
(10) Native American/Indian Lands Remediation - This is a perennial congressional increase for DoD, and the small budget is to ensure administration until completion of projects funded in prior years in the unlikely event funding ceases.	-10,149
(11) Commercial Technology for Maintenance Activities (CTMA)- This program is a congressional increase not continued in FY 2002.	-6,089
(12) CTMA, Wearable Computers - This program is a congressional increase not continued in FY 2002.	-849
(13) Energy Savings - This program is a congressional increase not continued in FY 2002.	-4,058

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

18. Program Decreases (Continued)

a. Program Reduction in FY 2002 (Continued)

(14) Pacific Command (PACOM) - This program is a congressional increase not continued in FY 2002.	-20,295	
(15) Middle East Regional Security Issues - This program is a congressional increase not continued in FY 2002.	-1,015	
(16) Clara Barton Center - This program is a congressional increase not continued in FY 2002.	-1,522	
(17) Grant for the USO - This program is a congressional increase not continued in FY 2002.	-7,610	
(18) Grant for the Red Cross - This program is a congressional increase not continued in FY 2001.	-5,074	
(19) Grant to the National Flag Foundation - This program is a congressional increase not continued in FY 2002.	-1,015	
(20) MASINT Feasibility Studies - This program is a congressional increase not continued in FY 2002.	-10,148	
(21) FIRES Data Capture Program - This program is a congressional increase not continued in FY 2002.	-4,059	
(22) Center for the Preservation of Democracy - This program is a congressional increase not continued in FY 2002.	-20,295	
(23) D Day Museum - This program is a congressional increase not continued in FY 2002.	-2,131	

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II. Financial Summary (O&M \$ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

18. Program Decreases (Continued)	
a. Program Reduction in FY 2002 (Continued)	
(24) Bosque Redondo - This program is a congressional increase not budgeted in FY 2002.	-2,030
(25) Oakland Military Institute (X-Year) - This program is a congressional increase not budgeted in FY 2002.	-2,030
(26) Indian Lands (X-Year) This is another congressional increase not continued.	-234
Total Program Decreases	-123,140
19. Program Changes (Net)	-80,907
20. FY 2002 Budget Request	437,141

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III. Performance Criteria and Evaluation Summary:

The Office of the Secretary of Defense (OSD) budget activity primarily funds the operational expenses, (travel, personnel, and contracts) of the civilian management headquarters' staff offices.

Other programs under the staff offices' purview, are assigned to OSD for execution as are congressional increases where appropriate. The performance of these is normally evaluated using accounting records. Obligations are expected to approach 100%.

Department of Defense (DoD) goals are set at the Departmental level. Each year the Secretary of Defense submits an unclassified Annual Report to the President and Congress containing the DoD goals. These reports are available on the Internet at <http://www.dtic.mil/execsec>.

The Planning, Programming and Budgeting System (PPBS) allocates resources to meet the Department's goals. One of the OSD offices, the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), is responsible for the PPBS. Equivalent staff offices are responsible for the proper execution of programs Department-wide. Quantifiable performance criteria and evaluation criteria are not applied to the OSD policy oversight function.

An OSD/Management Headquarters staff reduction goal was established under the Defense Reform Initiative and apportioned among the OSD components by the OSD Office of Management and Planning.

The staff reduction goal was attained at the end of FY 1999.

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IV. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2000/</u> <u>FY 2001</u>	<u>FY 2001/</u> <u>FY 2002</u>
<u>Military End Strength</u>					
Officer	400	395	405	-5	+20
Enlisted	89	79	76	-10	-3
Total	489	474	481	-15	+17
 <u>Civilian End Strength</u>					
US Direct Hire	1,391	1,475	1,490	+84	+15
 <u>Military Workyears</u>					
Officer	400	395	405	-5	+20
Enlisted	89	79	76	-10	-3
Total	489	474	481	-15	+17
 <u>Civilian Workyears (FTE)</u>					
US Direct Hire	1,396	1,455	1,483	+59	+28

Note: DIA is reimbursed for 50 additional FTE. These are 50 of the +59 shown above.

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V. OP 32 Line Items as Applicable: (Dollars in Thousands)

<u>to FY2002</u>	<u>Change from</u> <u>FY2000 to FY2001</u>			<u>Change from</u> <u>FY2001 to FY2002</u>			<u>FY2001</u>
	<u>FY 2000</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2002</u> <u>Estimate</u>
EX. Gen. & Spec. Schedules	159,227	7,337	1,322	167,886	9,518	1,210	178,614
Wage Board	448	18	0	466	17	0	483
Disability Comp.	613	50	0	663	0	0	663
Travel of Persons	14,972	239	-774	14,437	245	54	14,736
Transportation	32	0	68	100	1	110	211
SLUC/GSA Rent	111	1	0	112	1	0	113
Purchased Communications	129	2	0	131	2	-1	132
Printing & Repro.	9	0	0	9	0	0	9
Equip. Maintenance	1,506	24	0	1,530	26	-4	1,552
Equipment Purchases	60	0	0	60	1	-1	60
Contract Consultants	235	3	0	238	4	-1	241
Mgmt/Prof Support Svcs	112,207	1,795	5,201	119,203	2,026	-21,562	99,667
Studies, Anal. & Eval.	70,807	1,132	3,096	75,035	1,275	-19,101	57,209
Eng. & Tech. Svcs.	22,209	355	928	23,492	399	-5,700	18,191
Other Intra-gov't Pur	28,031	448	1,238	29,717	505	-7,601	22,621
Grants	30,608	489	5,503	36,600	622	-37,222	0
Other Contracts	33,930	542	0	34,472	586	-5,058	30,000
Other Costs	12,233	195	0	12,428	211	0	12,639
Total	487,367	12,630	16,582	516,579	15,439	-94,877	437,141

FY 2002 Amended Budget Submission Special Programs



June 2001

SPECIAL PROGRAMS
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-wide Activities

I. Description of Operations Financed:

A. FY 1999 Emergency Supplemental:

The FY 1999 Emergency Supplemental appropriated \$1,855 million for crisis response aviation support, counter-terrorism programs, security enhancements, preparedness against weapons of mass destruction, and classified programs. These funds were appropriated to the Operation and Maintenance, Defense-Wide account as no-year funds until transferred to an executing appropriation are available for execution only to the extent the President declares them necessary for an emergency requirement. Of the total amount appropriated, \$1,655 million was declared an emergency requirement through FY 2000, of which all but \$9.546 million has been reprogrammed to an executing appropriation. This \$9.546 million is carried forward in FY 2001 as a prior year unobligated balance. The \$200 million remaining available for declaration as an emergency requirement at the end of FY 2000 was declared an emergency requirement on October 18, 2000, leaving a total of \$209,546 million available for reprogramming in FY 2001.

B. Special Access Programs: In FY 2002, \$115.0 million is again budgeted for continuation of special access classified programs.

C. Classified Programs: The Department's FY 2001 budget request included \$200.0 million for classified programs that was denied by the Congress.

D. Vieques: The FY 2000 Supplemental Appropriations Act, P.L. 106-246, appropriated \$40 million "for necessary expenses to provide assistance to Vieques, Puerto Rico, to remain available until September 30, 2003." None of these funds were reprogrammed or obligated in FY 2000 and, thus, the entire amount is carried forward to FY 2001.

SPECIAL PROGRAMS
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 Amended Budget Submission
 Budget Activity 4: Administration and Service-wide Activities

II. Force Structure Summary: Not applicable.

III. Financial Summary (O&M: \$ in Thousands):

A. Subactivity Group:

	FY 2000	FY 2001			FY 2002
		Budget	Current	FY 2002	
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
1. FY 1999 Emergency Supplemental: Declared Balance *	0	0	0	199,747	0
Declared, Prior Year Balance **	0	0	0	9,546	0
Subtotal	0	0	0	209,293	0
2. Special Access Programs ***	0	115,000	115,000	115,000	115,000
3. Classified Programs	0	200,000	0	0	0
4. Vieques (Prior Year Balance)	0	0	0	40,000	0
Total	0	315,000	315,000	364,293	115,000

* These no-year funds were declared by the President on October 18, 2000.

** Amount remaining from the FY 1999 Emergency Supplemental appropriation that the President declared as an emergency requirement during FY 2000 and that were not reprogrammed to an executing account.

*** Section 8119 of the FY 2001 DoD Appropriations Act appropriated the FY 2001 amount as no-year funds.

SPECIAL PROGRAMS
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 Amended Budget Submission
 Budget Activity 4: Administration and Service-wide Activities

III. Financial Summary (O&M: \$ in Thousands) (Continued):

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/2001</u>	<u>Change</u> <u>FY 2001/2002</u>
Baseline Funding	315,000	364,293
Congressional Adjustments	(200,000)	0
Prior Year Balance	49,546	0
Declared in FY 2001	200,000	0
FY 2001 Rescission	(253)	0
Price Change	0	6,193
Reprogramming	0	0
Program Increases	0	0
Program Decreases	0	(255,486)
Current Estimate	364,293	115,000

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget	315,000
2. Congressional Adjustments (Distributed)	(200,000)
3. Congressional Adjustments (Undistributed)	0
4. FY 2001 Appropriated Amount	115,000
5. FY 2001 Rescission	-253
6. Price Change	0

SPECIAL PROGRAMS
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2002 Amended Budget Submission
Budget Activity 4: Administration and Service-wide Activities

III. Financial Summary (O&M: \$ in Thousands) (Continued):

7.	Program Increases		
a.	FY 1999 Emergency Supplemental prior year, FY X balance declared in FY 2000, but not reprogrammed to appropriations in FY 2000.	9,546	
b.	FY 1999 Emergency Supplemental declared by the President on October 18, 2000, as an emergency Requirement and will be reprogrammed to executing Appropriations.	200,000	
c.	Vieques FY 00/03 prior year balance brought forward	40,000	
	Total Program Increases		249,950
8.	Revised FY 2001 Current Estimate		364,293
9.	Price Growth		6,193
10.	Functional Transfers		0
11.	Program Increases		0
12.	Program Decrease		
a.	FY 1999 Emergency Supplemental prior year, FY X Balance reprogrammed to executing appropriations During FY 2001.	-9,708	
b.	FY 1999 Emergency Supplemental prior year, FY X Amount declared and reprogrammed to executing Appropriations during FY 2001.	-203,400	
c.	Vieques FY 00/03 funding executed in FY 2001.	-40,680	
d.	Special Access Programs	-1,698	
	Total Program Decreases		(255,486)
13.	FY 2002 Budget Request		115,000

SPECIAL PROGRAMS
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2002 Amended Budget Submission
 Budget Activity 4: Administration and Service-wide Activities

IV. Performance Criteria and Evaluation Summary: Not applicable.

V. Personnel Summary: Not applicable.

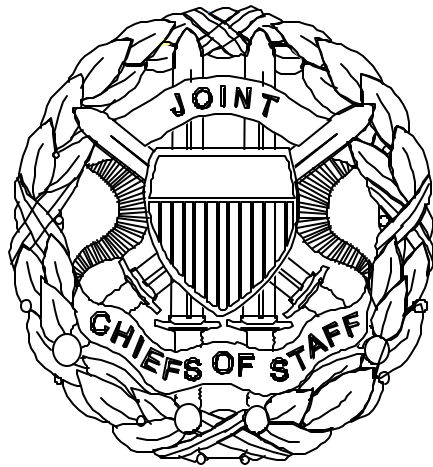
VI. Summary of Price and Program Changes (Dollars in Thousands):

	Change				Change		
	FY 2000/2001				FY 2001/2002		
	FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
	Actuals	Growth	Growth	Estimate	Growth	Growth	Estimate
Other Contracts	0	0	0	364,293	6,193	(255,486)	115,000
Total	0	0	0	364,293	6,193	(255,486)	115,000

FY 2002 Amended Budget Submission

THE JOINT STAFF

(TJS)



June 2001

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Appropriation Highlights

<u>Appropriation Summary</u>	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2002</u> <u>Estimate</u>
Operation and Maintenance, Defense-Wide	490,904	39,961	22,009	552,874	(11,213)	1,511	543,172

Description of Operations Financed:

The Joint Staff supports the Chairman of the Joint Chiefs of Staff (CJCS), the principal military adviser to the President, National Security Council, and Secretary of Defense. The CJCS serves as a member of, and presides over, the Joint Chiefs of Staff (JCS). He is responsible for the organization and management of the Joint Staff and its direction on behalf of the JCS. Funds are budgeted to accomplish a variety of functions and activities directed by the Chairman and Director, Joint Staff. Budget Activity 01 includes the CINC Initiative Fund, the Combating Terrorism Readiness Initiatives Fund, the CINCs Command and Control Initiatives Program (C2IP), C4I for the Warrior, and the CJCS exercise program. Budget Activity 04 programs include ISLAND SUN, the Joint Analytical Model Improvement Program, and the day-to-day resources required to fulfill the Chairman's responsibilities. These resources support: the Chairman's role as the single point of contact for current plans across the spectrum of operations to include conventional, special technical, reconnaissance, counternarcotics, counterterrorism, counterproliferation, and other special operations and Joint Warfighting Capabilities Assessments and analysis for department assessments such as the Quadrennial Defense Review. Development and evaluation of war plans; preparation of strategy, planning guidance, and policy for operations, logistics, C4, organizational issues, politico-military affairs, and international negotiations--in coordination with the combatant commands, the Services, OSD, the interagency, and international organizations. Development and maintenance of Joint Doctrine and the Joint Training System. Automation efforts, payments to the Pentagon Reservation Maintenance Revolving Fund, and other headquarters management support costs.

JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
Appropriation Highlights

(Dollars in Thousands)

<u>Appropriation Summary</u>	FY 2000	Price	Program	FY 2001	Price	Program	FY 2002
	<u>Actuals</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
Budget Activity 1: Operating Forces	357,654	37,496	(1,405)	393,745	(16,952)	(2,961)	373,832
Budget Activity 4: Admin & Service	133,250	2,465	23,414	159,129	5,739	4,472	169,340

<u>Narrative Explanation of Changes</u>	<u>Change</u>	<u>Change</u>
	<u>FY00/01</u>	<u>FY01/02</u>
a. Budget Activity 01, Operating Forces		

(1) CJCS Exercise Program. The Defense Planning Guidance directed a 30% man-day reduction to the CJCS Exercise Program by FY 2001. In FY 2001, the CJCS exercise program met the overall 30 percent man-day reduction goal, and the DepSecDef re-baselined the program from 51,000 C-141 (38,000 C-17) equivalent flying hours to 45,000 C-141 (34,000 C-17). The net reduction between FY 2001 and FY 2002 is due to:

- a. an increase of \$8.1 million to pay unanticipated commercial airlift augmentation costs, Military Sealift Command costs and to settle a Special Middle East Sealift contract dispute,
- b. the transfer of -\$4.7 million to the Army (\$2 million), Navy (\$1.9 million) and Air Force (\$.8 million) to fund Exercise NORTHERN EDGE incremental costs,
- c. adjustment to customer accounts (\$3.5 million),
- d. a program decrease of \$4.7 million, which provides minimum essential funding to support 34,000 C-17 equivalent flying hours and 1,100 steaming days, and
- e. fund US Joint Forces Command's commercial ticketing program -\$1.8 million.

-1,627 -6,474

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Appropriation Highlights

(Dollars in Thousands)

Narrative Explanation of Changes (continued):

	<u>Change</u>	<u>Change</u>
	<u>FY00/01</u>	<u>FY01/02</u>

<p>(2) <u>Combating Terrorism Readiness Initiative Fund.</u> Additional funds in FY 2002 will address antiterrorism and force protection findings/recommendations identified by the USS COLE commission's review of the recent terrorist attack. The COLE Commission recommended that funds be made available to address additional emergent and emergency combating terrorism requirements (which includes stop-gap sustainment costs) to provide the means and flexibility for the CJCS and the CINCs to rapidly respond to terrorist threats.</p>	610	7,200
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<p>(3) <u>CINCs' Initiative Fund (CIF).</u> FY 2002 decrease represents reduction to pay commercial airlift augmentation costs, Military Sealift Command costs and contract dispute settlement costs associated with a Special Middle East Sealift agreement. Funds were realigned from CIF to the CJCS exercise program to finance these unanticipated bills.</p>	0	-3,000
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<p>(4) <u>Joint Warrior Interoperability Demonstrations.</u> JWID operations and maintenance funding is being reduced. Funding is being revised to reflect CJCS direction to ensure critical milestones are met and gold nuggets are expeditiously acquired and fielded during the "exploitation year." The total amount of the required resources has not changed. The required appropriations mix to achieve JWID goals has changed. Operations and maintenance decreased, and funding was realigned to RDT&E.</p>	0	-746
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JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
Appropriation Highlights

(Dollars in Thousands)

Narrative Explanation of Changes (continued)

	<u>Change</u>	<u>Change</u>
	<u>FY 00/01</u>	<u>FY01/02</u>

b. Budget Activity 04, Administration and Service-wide Activities

(1) Pentagon Renovation & Maintenance Revolving Fund. Amounts reflect adjustments made to balance Pentagon Reservation and Maintenance Fund customer accounts with changes in renovation schedule, swing space, furnishings, and above standard requirements. The increase between FY 2000 and FY 2001 is due to two factors. In FY 2000, Congress transferred funds from the Joint Staff to the Pentagon Renovation Transfer fund. However, in FY 2001, the funding for Pentagon Renovation remains within the Joint Staff's budget. FY 2001 also includes the following one-time increases: (a) \$2 million for the Metro Entrance Facility, and (b) \$1.5 million to relocate the Washington Metro Area Transit Authority bus-stop. The decrease between FY 2001 and FY 2002 is due to adjustments made to balance the Pentagon Reservation Maintenance customer accounts and because the one-time FY 2001 increases, cited above, do not carry forward to FY 2002. A more complete description of changes is presented in OP-5, Reconciliation of Increases and Decreases.

	26,715	-13,481
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(2) Information Technology. Decrease due to realignment of Joint Warfare System, Joint Staff Information Network (JSIN), and SATCOM operations and maintenance funding to the RDT&E appropriation to comply with recent congressional language, which clarifies budgeting for information technology and Automated Information Systems.

	-12,286	0
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JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
Appropriation Highlights

(Dollars in Thousands)

<u>Narrative Explanation of Changes (continued)</u>	<u>Change</u>	<u>Change</u>
	<u>FY 00/01</u>	<u>FY01/02</u>
<p>(3) <u>Other Budget Activity 04 Programs</u>. FY 2001 increased over FY 2000 primarily due to Island Sun, JSIN, Analysis Support, Joint Training System, Joint Doctrine and National Military Command Center. FY 2002 increased over FY 2001 primarily due to JSIN, Analysis Suite, Joint Vision, CINC Manpower, Knowledge Management, Island Sun, Focused Logistics, Continuity of Operations Contingency Plan, and Joint Training System. A more complete description of changes is presented in OP-5, Reconciliation of Increases and Decreases.</p>	9,744	14,059
<p>(4) <u>JWCA</u>. FY 2002 increase restructures the JWCA process and strengthens the performance of analysis by the Joint Warfighting capabilities assessment teams of the Joint Requirements Oversight Council.</p>	0	5,594
<p>(5) <u>Combating Terrorism Readiness Directorate</u>. Additional funds in FY 2002 will address antiterrorism and force protection findings/recommendations identified by the USS COLE Commission's review of the recent terrorist attack. The COLE Commission recommended the development of Antiterrorism Training for all military personnel, family members, DOD employees, force protection unit advisors, and key leaders. Additionally, the commission recommended providing improved training and tactics, techniques, and procedures for in-transit deployed operational forces. This funding is to develop and distribute world class training products and programs of instruction to improve antiterrorism and force protection training for all DOD personnel.</p>	241	1,300

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 Appropriation Highlights

(Dollars in Thousands)

<u>Narrative Explanation of Changes (continued)</u>	<u>Change</u>	<u>Change</u>
	<u>FY 00/01</u>	<u>FY01/02</u>
(6) <u>Joint Multi-Dimensional Education & Analysis System (JMEANS)</u> . FY 2001 decreased over FY 2000 because Congress added \$4 million and \$3 million, respectively. However, in FY 2002 and FY 2003, the program decreases because the Joint Staff does not budget for JMEANS.	-1,000	-3,000

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-wide
 Summary of Increases and Decreases

(Dollars in Thousands)

	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
FY 2001 President's Budget Request	396,489	157,883	554,372
Congressional Adjustments (Distributed)	0	2,478	2,478
Congressional Adjustments (Undistributed)	-1,083	-654	-1,737
Congressional Adjustments (General Provisions)	-10,864	0	-10,864
Congressional Earmarks	-1,044	0	-1,044
FY 2001 Appropriated Enacted	383,498	159,707	543,205
FY 2001 Rescission		-1,194	-1,194
Program Changes	-617	617	0
Program Decrease			
Enhanced Defense Financial Management Training	0	-1	-1
Reprogrammings/Supplemental			
DWCF Rate Stabilization	10,864		10,864
Revised FY 2001 Estimate	393,745	159,129	552,874
Price Change	-16,952	5,739	-11,213

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-wide
 Summary of Increases and Decreases

(Dollars in Thousands)

	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
Functional Transfers/Reprogrammings			
- Exercise Northern Edge	-4,780		
- CJCS Exercises Commercial Ticketing for JSJFCOM	-1,831		
- Joint Warrior Interoperability Demonstration	-746		
- Joint Warfighting Capabilities Assessment		5,594	
- Pentagon Reservation and Maintenance Revolving Fund		-2,543	
- CINC Manpower		-915	
Total Transfers in FY 2002			-5,221
 Program Increases			
- CJCS Exercises	8,100		
- Joint Staff Information Network		3,437	
- Pentagon Reservation and Maintenance Revolving Fund		3,000	
- Combating Terrorism Readiness Initiative Fund	7,200	1,300	
- CINC Manpower		1,200	
- Knowledge Management		1,000	
- Joint Deployment & Distribution Process		850	
 Improvements			
- ISLAND SUN		837	
- Other Models		824	
- Tier One Costs		800	
- US/Russian Theater Missile Defense		795	
- Continuity of Operations Contingency Plan (COOP)		724	
- Analysis Suite		757	

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-wide
 Summary of Increases and Decreases

(Dollars in Thousands)

	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
- Joint Vision		680	
- Combat Support and Readiness Team (CSART)		678	
- Dynamic Commitment Beyond 2000 Wargame		630	
- Joint Training Information Management System		596	
- Defense in Depth Information Assurance		566	
Integration			
- Focused Logistics		522	
- Joint Warfare System		470	
- Information Superiority Experimentation		450	
- Joint Strategy Review		416	
Program Increases (cont'd)			
- Counterterrorism/Counterproliferation		411	
- Master Navigation Plan		403	
- Joint Manpower System		400	
- C4 Operational Architecture Assessment		394	
- C4 Security Management		363	
- Roles and Mission		363	
- START II/III Augmentation		275	
- Analysis Support		260	
- Joint Training System		241	
- Common Access Card		200	
- National Military Command Center		197	
- Global C2 Systems Management	235		
- Other Program Increases		378	
Total Program Increases in FY 2002			39,952

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-wide
 Summary of Increases and Decreases

(Dollars in Thousands)

	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
Program Decreases			
- CJCS Exercise Program	-8,139		
- CINC Initiatives Fund	-3,000		
- Pentagon Reservation and Maintenance Revolving Fund		-10,981	
- Unanticipated FY 2002 US TRANSCOM Bills		-5,100	
- Joint Multi-dimensional Education & Analysis System		-3,000	
- Pentagon Reservation and Maintenance		-3,000	
Total Program Decreases in FY 2002			-33,220
FY 2002 Budget Request	373,832	169,340	543,172

JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
(Dollars in thousands)

I. Narrative Description.

The Chairman serves as a member of and presides over the Joint Chiefs of Staff (JCS). He is the principal military adviser to the President, the National Security Council, and the Secretary of Defense. Additionally, he is responsible for the management and direction of the Joint Staff.

II. Description of Operations Financed.

a. **Budget Activity 1/Operating Forces.** Funds the transportation costs of joint exercises under the CJCS Exercise Program. This activity group provides minimum essential joint readiness training and support required to maintain US capability to effectively employ joint combat forces to meet contingencies worldwide. It provides tangible demonstrations of US resolve and joint readiness capability to project a military presence anywhere in the world in support of national interests and commitments to US allies. Joint training with allies provides the necessary interaction to test/evaluate combined systems, lines of communication, and technical agreements. Besides actual exercises to enhance readiness, the training programs of the Commanders in Chief (CINCs) are supported by computer simulation technology managed by the Joint Warfighting Center (JWFC). Emergent requirements of the combatant commands are supported by the Combating Terrorism Readiness Initiative Fund (CBTRIF), the CINC Initiatives Fund (CIF), and the CINCs' Command and Control Initiatives Program (C2IP). This budget activity also includes the Command, Control, Communications, Computers, and Intelligence for the Warrior (C4IFTW) program and the Joint C4I Surveillance and Reconnaissance (C4ISR) Battle Center (JBC).

JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
(Dollars in thousands)

b. **Budget Activity 4/Administration and Service-wide Activities.** Funds the day-to-day operations of the Joint Staff, including civilian personnel, travel, lease, rents and utilities, communications, purchased equipment maintenance, printing, contract studies, professional management services, facility maintenance, supplies, equipment, and other services. This budget activity provides the necessary funds to run the Joint Staff. The Joint Staff directly supports the Chairman and other members of the Joint Chiefs of Staff. Joint Staff programs include: Combating Terrorism Directorate, ISLAND SUN, Joint Modeling & Simulation which also includes the Joint Analytical Model Improvement Program (JAMIP), Development of the Joint Warfare System (JWARS), and Pentagon Renovation Maintenance Renovation Fund (PRMRF).

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 (Dollars in thousands)

III. Financial Summary (O&M \$ in Thousands):

	FY 2000 Actuals	FY 2001		FY 2002 Estimate	FY 2002 Estimate
		Budget Reques t	Current Approp		
A. <u>The Joint Staff</u>					
1. Operating Forces	357,654	396,489	383,498	393,745	373,832
2. Administrative & Service-wide Activities	<u>133,250</u>	<u>157,883</u>	<u>159,707</u>	<u>159,129</u>	<u>169,340</u>
TOTAL	490,904	554,372	543,205	552,874	543,172

B. Reconciliation Summary:

	Change FY 2001/FY 2001	Change FY 2001/FY 2002
Baseline Funding	554,372	552,874
Congressional Adjustments		
Distributed	2,478	-
Undistributed	-1,737	-
General Provisions	-10,864	-
Congressional Earmarks	-1,044	-
FY 2001 Rescission	-1,194	-
Reprogrammings	10,864	-

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 (Dollars in thousands)

Price Changes	0	-
		11,213
Funtional Transfer/Reprogramming		-5,221
Program Changes	-1	6,732
Current Estimate	552,874	543,17
		2

C. Reconciliation of Increases and Decreases:

	<u>(\$ in Thousands)</u>		
	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
FY 2001 President's Budget Request	396,489	157,883	554,372
Congressional Adjustments (Distributed)	0	2,478	2,478
Congressional Adjustments (Undistributed)	-1,083	-654	-1,737
Congressional Adjustments (General Provisions)	-10,864	0	-10,864
Congressional Earmarks	-1,044	0	-1,044
FY 2001 Appropriated Amount	383,498	159,707	543,205
FY 2001 Rescission	0	-1,194	-1,194
Pending Reprogramming	10,864	0	10,864
Program Changes	-617	616	-1
Revised FY 2001 Estimate	393,745	159,129	552,874
Price Change	-16,952	5,739	-11,213

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operation and Maintenance, Defense-Wide
 (Dollars in thousands)

Functional Transfers/Reprogramming			
- Exercise Northern Edge	-4,780		
- CJCS Exercises Commerical Ticketing for USJFCOM	-1,831		
- Joint Warrior Interoperability Demonstration	-746		
- Joint Warfighting Capabilities Assessment		5,594	
- Pentagon Reservation and Maintenance Revolving Fund		-2,543	
- CINC Manpower		-915	
Total Transfers/Reprogramming			-5,221
			<u>(\$ in Thousands)</u>
Program Increases:	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
- CJCS Exercises	8,100		
- Joint Staff Information Network		3,437	
- Pentagon Reservation and Maintenance Revolving Fund		3,000	
- Combating Terrorism Readiness Initiative Fund	7,200	1,300	
- CINC Manpower		1,200	
- Knowledge Management		1,000	
- Joint Deployment and Distribution Process Improvements		850	
- ISLAND SUN		837	
- Other Models		824	
- Tier One Costs		800	
- US/Russian Theater Missile Defense		795	
- Continuity of Operations Contingency Plan (COOP)		724	
Support			
- Analysis Suite		757	
- Joint Vision		680	
- Combat Support and Readiness Team (CSART)		678	
- Dynamic Commitment Beyond 2000 Wargame		630	
- Joint Training Information Management System		596	
- Defense in-Depth Information Assurance (IA) Integration		566	
- Focused Logistics		522	

JOINT STAFF
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-Wide
(Dollars in thousands)

- Joint Warfare System	470
- Information Superiority Experimentation	450
- Joint Strategy Review	416
- Counterterrorism/Counterproliferation	411
- Master Navigation Plan	403
- Joint Manpower System	400
- C4 Operational Architecture Assessment	394
- C4 Security Management	363
- Roles and Mission	363

JOINT STAFF
FY 2002 Budget Estimates
Operation and Maintenance, Defense-Wide

(\$ in Thousands)

	<u>BA 1</u>	<u>BA 4</u>	<u>Total</u>
Program Increases (con't)			
- START II/III Augmentation		275	
- Analysis Support		260	
- Joint Training System		241	
- Common Access Card		200	
- National Military Command Center		197	
- Global C2 Systems Management	235		
- Other Program Increases		378	
Total Program Increases in FY 2002			39,952
Program Decreases:			
- CJCS Exercise Program	-8,139		
- CINC Initiatives Fund	-3,000		
- Pentagon Reservation and Maint Revolving Fund		-10,981	
- Unanticipated FY 2002 TRANSCOM Bills		-5,100	
- Joint Multidimensional Education & Analysis		-3,000	
Sys			
- Pentagon Reservation and Maintenance		-3,000	
Total Program Decreases in FY 2002			-33,220
FY 2002 Budget Request	373,832	169,340	543,172

JOINT STAFF
FY 2002 Amended Budget Submission
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VII. Summary of Price & Program Changes:

		FY 2000 Estimate	Price Amount	Program Growth	FY 2001 Estimate	Price Amount	Program Growth	FY2002 Estimate
	CIVILIAN PERSONNEL COMP							
101	Ex., Gen & Spec Sched	16,213	600	(361)	16,452	592	(213)	16,831
103	Wage Board	36	1	0	37	1	(1)	37
199	Total Civ Pers Comp.	16,249	601	(361)	16,489	593	(214)	16,868
	TRAVEL							
308	Travel of Persons	7,352	118	(243)	7,227	123	(246)	7,104
399	Total Travel	7,352	118	(243)	7,227	123	(246)	7,104
	INDUSTRIAL FUND PURCHASES							
672	Pentagon Reservation Maintenance Revolving Fund	9,910	149	26,715	36,774	3,346	(13,481)	26,639
699	Total Industrial Fund Purchases	9,910	149	26,715	36,774	3,346	(13,481)	26,639
	TRANSPORTATION							
703	MAC Cargo	221,680	30,370	18,606	270,656	(10,285)	(22,503)	237,868
708	MSC Cargo (Fund)	61,300	9,992	(22,808)	48,484	(2,133)	7,308	53,659
719	MTMC (Port Handling Fund)	14,203	(3,835)	3,544	13,912	(5,565)	6,303	14,650
771	MTMC (Other-non-fund)	24,171	387	(969)	23,589	401	2,418	26,408
703	JCS Exercises	321,354	36,914	(1,627)	356,641	(17,582)	(6,474)	332,585
771	Commercial Transportation	4,064	65	(65)	4,064	69	(69)	4,064
799	Total Transportation	325,418	36,979	(1,692)	360,705	(17,513)	(6,543)	336,649
	OTHER PURCHASES							
912	Rental Payments to GSA	371	7	0	378	8	0	386
913	Purchased Utilities (non-WCF)	1,290	21	2	1,313	22	294	1,629
914	Purchased Commun. (non-WCF)	1,799	29	7	1,835	31	980	2,846
915	Rents (non-GSA)	549	9	(1.0)	557	9	1	567
917	Postal Services (U.S.P.S.)	97	2	(2)	97	2	(2)	97
920	Supplies & Materials (non-WCF)	7,520	120	310	7,950	135	(150)	7,935
921	Printing and Reproduction	330	5	217	552	9	(107)	454
922	Equipment Maint by Contract	9,884	158	2,746	12,788	217	3,471	16,476
923	Fac Maint by Contract	3,031	49	2,864	5,944	101	2,707	8,752
925	Equipment Purchases (non-WCF)	29,252	469	(5,516)	24,205	411	(432)	24,184
932	Mgt & Professional Spt Svs	10,663	171	2,050	12,884	219	3,258	16,361
933	Studies, Analysis & Evaluations	14,898	238	96	15,232	259	6,474	21,965
934	Engineering & Tech Services	15,989	256	(6,966)	9,279	157	506	9,942
987	Other Intra Gov't Purch	30,651	490	1,965	33,106	563	295	33,964
989	Other Contracts	5,651	90	(182)	5,559	95	4,700	10,354
999	Total Other Purchases	131,975	2,114	(2,410)	131,679	2,238	21,995	155,912
9999	TOTAL	490,904	39,961	22,009	552,874	(11,213)	1,511	543,172

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I. Description of Operations Financed. This activity group provides minimum essential joint readiness training and support required to maintain US capability to effectively employ joint combat forces to meet contingencies worldwide. It provides tangible demonstrations of US resolve and joint readiness capability to project a military presence anywhere in the world in support of national interests and commitments to US allies. Joint training with allies provides the necessary interaction to test and evaluate combined systems, lines of communication, and technical agreements. Emergent requirements of the combatant commands are supported by the Combating Terrorism Readiness Initiatives Fund (CbT RIF), the CINC Initiatives Fund (CIF), and the CINCs Command and Control Initiatives Program (C2IP). This budget activity also includes the Command, Control, Communications, Computers, and Intelligence for the Warrior (C4IFTW) program

II. Force Structure Summary.

a. The **CJCS Exercise Program** is the Chairman of the Joint Chiefs of Staff's principal vehicle for achieving joint and multinational training. The Joint Staff's exercise budget funds only the transportation of personnel and equipment to these world wide exercises. The program provides combatant commanders with their primary means to train battle staffs and forces in joint and combined operations, to evaluate war plans, and to execute their engagement strategies. It provides an opportunity to stress strategic transportation and C4I systems and evaluate their readiness and supportability across the full range of military operations. This critical program also provides a vehicle for the Department of Defense to assess the military's ability to satisfy joint national security requirements and to enhance and evaluate interoperability between the Services, as well as exercise critical Service-unique deployment and redeployment skills. In accordance with Defense Planning Guidance, the Joint Staff has rebaselined this program, having achieved the 30 percent requirement for cumulative man-day reductions by FY 2001.

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b. The **Combating Terrorism Readiness Initiatives Fund (CbT RIF)** provides a flexible response to meet CINC world wide emergency or unforeseen AT/FP requirements that, in the view of the combatant commander, require immediate attention. The program was established in FY 1996 and first funded in FY 1997. The primary focus of the fund is on physical security equipment and physical security site improvements. All CbT RIF expenditures for the Future Years Defense Program (FYDP) are programmed under physical security equipment, and actual requirements are not known until the execution year.

c. Other CINC support includes:

(1) **The CINC Initiatives Fund (CIF)** supports critical, emergent CINC contingency and interoperability requirements that are high-benefit and low-cost in the areas of exercises and force training, contingencies, selected operations, humanitarian and civic assistance, military education and training of foreign personnel, and personal expenses in support of bilateral or regional cooperation programs.

(2) **The CINC Command and Control Initiatives Program (C2IP)** supports timely, low-cost, near-term projects to increase CINCs' C2 capabilities in response to emerging or unforeseen requirements presented by the rapidly changing information technology environment. Each proposal must support a CINC C2 system, be under \$300,000, be reviewed for joint force interoperability, and receive follow-on support through existing logistical and personnel channels.

(3) **The Command, Control, Communication, Computers, and Intelligence for the Warrior (C4IFTW)** vision has now evolved into the Department's Global Information Grid (GIG) as a means to achieve information superiority. The GIG is focused on the warfighter's needs for information superiority plus the critical concerns of frequency spectrum and improving the management of the information infrastructure investment along with the co-evolution of Doctrine, Organization, Training and Education, Materiel, Leadership, Personnel, and Facilities (DOTMLPF). The GIG builds upon the existing Defense

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Information Infrastructure (DII) and Common Operating Environment (COE) and has been embraced as the single, secure grid that will provide seamless, end-to-end capabilities to all warfighting, national security, and support users. The C4IFTW program consists of three initiatives: Network Warfare Simulation (NETWARS), Joint Warrior Interoperability Demonstration (JWID), and the Joint Satellite Communications Architecture Planning and Evaluation (J-SCAPE) toolset. Only the JWID is partially funded with O&M.

(4) **Joint Warrior Interoperability Demonstrations (JWIDs)** are joint demonstrations of existing commercial off-the-shelf (COTS), new, and evolving technologies that, through Joint Staff screening, can satisfy warfighting requirements. JWIDs are the only opportunities where these technologies can be inserted into a joint C4I network and stressed under the scrutiny of warfighters, without impacting training or real-world missions. JWIDs enable warfighting CINCs to review and use technologies immediately, rather than go through costly and time-consuming, full-scale development efforts.

III. Financial Summary

(Dollars in Thousands):

	FY 2000	FY 2001			FY 2002
		Budget	Current	FY 2002	
A. <u>Operating Forces</u>	<u>Actuals</u>	<u>Request</u>	<u>Approp</u>	<u>Estimate</u>	<u>Estimate</u>
1. Combating Terrorism Readiness Initiative Fund	9,390	10,000	10,000	10,000	17,200
2. CJCS Exercise Program	321,354	357,079	346,394	356,641	332,585
3. Other CINC Support	<u>26,910</u>	<u>29,410</u>	<u>27,104</u>	<u>27,104</u>	<u>24,047</u>
TOTAL	357,654	396,489	383,498	393,745	373,832

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B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	396,489	393,745
Congressional Adjustments		
Distributed	-	-
Undistributed	-1,083	-
General Provisions	-10,864	-
Congressional Earmarks	-1,044	-
FY 2001 Rescission	-	-
Reprogramming	10,864	-
Price Change	-	-16,952
Functional Transfers/Reprogramming		-7,357
Program Change	-617	4,396
Current Estimate	393,745	373,832

C. Reconciliation of Increases and Decreases: (\$ in Thousands)

FY 2001 President's Budget Request		396,489
Congressional Adjustments (Undistributed)		
Defense Joint Accounting System	-1,083	
Total Congressional Adjustments (Undistributed)		-1,083
Congressional Adjustments (General Provisions)		
Section 8085 - Defense Working Capital Fund Rate Stabilization	-10,864	
Total Congressional Adjustments (General Provisions)		-10,864

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Congressional Earmarks		
Section 8047 - Indian Land Mitigation	-803	
Section 8142 - Bosque Redondo Memorial	-161	
Section 8139 - Mid-East Regional Security Issues Programs	-80	
Total Congressional Earmarks		-1,044
FY 2001 Appropriated Amount		383,498
FY 2001 Rescission	0	0
Reprogramming Action	10,864	10,864
Program Decrease		
Reflects minor decrease to fund higher priority Budget Activity 04 programs.	-617	
Total Program Decrease		-617
Revised FY 2001 Current Estimate		393,745
Price Change		-16,952
<u>Transfers Out</u>		
1. <u>CJCS Exercise Northern Edge</u>	\$-4,780	
Decrease transfers funds to the Army (\$2 million), Navy (\$1.9 million) and Air Force (\$0.8 million) to fund Exercise Northern Edge.		
2. <u>CJCS Exercises Commercial Ticketing for USJFCOM</u>	\$-1,831	

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Decrease represents Sec Def adjustment to fund US Joint Forces Command's commercial ticketing program.

3. Joint Warrior Interoperability Demonstration (JWID) (FY 2001 base \$1,488 million) Decrease represents realignment of funds to R&D for JWID. JWID provides focus and visibility into resolving C4 interoperability issues and provides organizing principles, techniques, and procedures for achieving information superiority as envisioned by Joint Vision 2020. The GIG stresses interoperability, and JWID leverages the rapid pace of C4I technology advancements. JWIDs are Joint Staff-sponsored demonstrations of evolving low-cost, low-risk C4I technologies and joint interoperability solutions impartially presented to the CINCs and military Services in an operational environment. This decrease occurred to reflect CJCS direction to ensure critical milestones are met and "golden nuggets" are expeditiously acquired and fielded during the "exploitation year." The total amount of the required resources for JWID has not changed. The required appropriations mix to achieve JWID goals has changed: O&M decreased, Procurement decreased, and RDT&E increased. \$-746

Total Transfers Out

-7,357

Program Increases

1. CJCS Exercise Program \$8,100
Increase represents funding required to pay for commercial airlift augmentation costs (\$3.7 million), unanticipated Military Sealift Command costs (\$3.8 million), and costs to settle a Special Middle East Sealift contract dispute (\$0.6 million).

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2. <u>Combating Terrorism Readiness Initiative Fund (CbT RIF)</u>	\$7,200
Additional funds will address antiterrorism and force protection findings/recommendations identified by the USS COLE Commission's review of the recent terrorist attack. The COLE Commission recommended that funds be made available for use to address emergent and emergency combating terrorism requirements to provide the means and flexibility for the CJCS and the CINCs to rapidly respond to terrorist threats.	
3. <u>Global C2 Systems Management</u>	235
New initiative to fund the independent Cost Baseline Analysis for Global Command and Control System. The cost baseline analysis is needed to comply with the Clinger-Cohen Act of 1997 and ensure baseline management disciplines (cost, schedule, and performance) continue to respond to requirements delivery from oversight management structure entities.	
Total Program Increases	15,535
<u>Program Decreases:</u>	
1. <u>CJCS Exercises</u>	-8,139
The CJCS Exercise Program serves as the critical vehicle to assess the military's ability to satisfy joint national security requirements and to enhance and evaluate interoperability among the Services, as well as exercise critical Service unique deployment/redeployment skills. This program decrease is attributed to two factors: (1) Sec Def adjustment to customer accounts (\$3.5 million), and (2) Minimum essential funding required to support 34,000 C-17 equivalent flying hours and 1,100 steaming days (4.639 million).	

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2. <u>CINC Initiative Fund</u>	-3,000
Decrease represents reduction to pay commercial airlift augmentation costs, Military Sealift Command costs and to settle a special Middle East sealift contract dispute. While this reduction was made to fund a must-pay bill for the CJCS Exercise program, it represents a 12 percent reduction in the Chairman of the Joint Chiefs of Staff's ability to support the CINCs' emergent and unforeseen requirements in FY 2002.	
Total Program Decreases	-11,139
FY 2002 Budget Request:	\$373,832

IV. Performance Criteria and Evaluation Summary:

a. **CbT RIF Program** provides a flexible response to meet CINC worldwide emergency or unforeseen security requirements. The primary focus of the fund is on physical security equipment and physical security site improvements. Examples of requirements satisfied in FY 2000 include: US Central Command's waterside security system, antivehicle barrier, and compound infrastructure improvements; US European Command's mass notification systems, perimeter Closed Circuit Television (CCTV), explosive vapor detectors and barriers; US Joint Forces Command's perimeter lighting, perimeter fencing, bollards, and mass notification system; US Pacific Command's vehicle barriers, explosive detection devices, fragmentation retention film, portable vehicle under vehicle inspection equipment and video surveillance equipment; U S Forces Korea's (USFK) alert warning system, mechanical barriers, and intrusion detection sensors; US Southern Command's mass notification system and warning sensors; US Space Command's AT/FP survivability kits; and US Transportation Command's AT/FP kits, fragmentation retention film, and bomb blankets.

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b. **The CINC Initiative Fund** supports both DOD corporate goals but most specifically shapes the international environment and respond to the full spectrum of crises by providing appropriately sized, positioned, and mobile forces." CIF supports critical, emergent CINC contingency and interoperability requirements that are high-benefit, low cost in the areas of exercises and force training, contingencies, selected operations, humanitarian and civic assistance, military education and training of foreign personnel, and personal expenses in support of bilateral or regional cooperation programs. In accordance with title 10, priority is given to CINC requests that enhance warfighting capability, readiness, and sustainability of CINC forces. In FY 2000, 35 projects totaling \$31 million were nominated. The Chairman of the Joint Chiefs of Staff approved 31 projects totaling \$24.3 million. Examples include: (1) Funding for Medical Analysis Tool (MAT) Training. MAT is a deliberate and crisis action planning tool that CINC and JTF medical planners use to provide theater medical requirement calculations for number of hospital beds, number of operating rooms needed, types of medical staffs by specialty, and blood requirements needed. (2) Funding for movement of Polish troops to Kosovo. This initiative funded the deployment of Polish military personnel and selected vehicles from Poland to Kosovo for participation in KFOR operations. (3) Funding for Joint Personnel Recovery Agency (JPRA) Mission Area Analysis (MAA). The JPRA MAA provided a nodal analysis of all activities the JPRA is tasked to support within the USG to include the theater CINCs, Services, Joint Staff, OSD, and other government agencies. The analysis will determine required interfaces, tasks and subtasks supported at each node. The MAA will be the basis for both short and long-term JPRA prioritized recommendations for personnel and resources. (4) Funding for the participation by two Kosovar Albanians in the Marshall Center executive course. The course fosters development of military institutions compatible with democratic processes and civilian control by educating these countries on defense planning procedures and organizations appropriate to democratic societies.

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c. **Command and Control Initiatives Program (C2IP).**

(1) The C2IP improves the CINCs' warfighting readiness capabilities by improving the CINCs' command and control (C2) systems. The program provides the CINCs with a capability to implement timely, low-cost, near-term improvements to their C2 systems to meet emerging and unforeseen requirements. C2IP supports the DOD corporate goals but most specifically "prepares now for an uncertain future by maintaining US qualitative superiority in key warfighting capabilities."

(2) In FY 2000, the C2IP program funded approximately 81 initiatives. These initiatives improved the joint US and/or coalition forces environment with command and control equipment and programs that have superior C2 combat capabilities and are in a high state of readiness to perform the full spectrum of military activities.

(3) Examples of C2IP funded projects include: USPACOM: USFK Command Center/JSA Collaborative Video System; USEUCOM: Companion UHF TACSAT System; USTRANSCOM: Remote Intransit Visibility Kits; USSTRATCOM: Strategic Automated Communications and Control System Desktop Terminal for Task Force; USSOUTHCOM: Joint Communications Contingency Team Component HQs World wide Deployable Satellite TV.

d. **C4I for the Warrior - Joint Warrior Interoperability Demonstration (JWID).**

(1) JWID are Joint Staff-sponsored demonstrations of evolving C4ISR technologies and joint/combined interoperability solutions. The capabilities and C4ISR processes are presented to the CINCs, the Military Services, and agencies in a joint operational environment that allows the warfighters of all Services to assess their value in solving current warfighting and interoperability deficiencies and recommend them for implementation or further refinement. Industry, government agencies, government and private research projects, and evolving government programs provide proposed self-funded demonstrations to be assessed by the warfighters. JWID provides a structure where C4ISR capabilities and processes are rigorously vetted and assessed by the warfighter for

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usefulness, performance, and usability. Those capabilities that are assessed to improve interoperability or solve warfighting deficiencies are proposed for further assessment by the Joint Battle Center (JBC) and/or the Joint Interoperability Test Command (JITC), for rapid insertion for warfighter use, or for insertion into the Joint Warfighting Capability Assessment (JWCA)/Joint Requirements Board (JRB)/Joint Requirements Oversight Council (JROC) process. JWIDs support the Joint Staff's goal of operationalizing JV 2020. Joint/Combined interoperability is a key goal of the Chairman Joint Chiefs of Staff. JWIDs are a major element of the rapid technology insertion portion of the J-6 campaign plan to make the Global Information Grid a reality.

JWID supports both DOD corporate goals "Shape the international environment and respond to the full spectrum of crises by providing appropriately sized, positioned, and mobile forces" and "Prepare now for an uncertain future by pursuing a focused modernization effort that maintains US qualitative superiority in key warfighting

capabilities. Transform the force by exploiting the Revolution in Military Affairs and reengineer the Department to achieve a 21st century infrastructure." JWID supports these goals by identifying programs and procuring systems that would be instrumental in maintaining the qualitative superiority of US combat forces. Specifically, JWID 2000 demonstrated 23 US technologies with two in the final selection process for acquisition during 2001. Both technologies offer a high payoff at little risk for the warfighters. In addition JWID 2000 was a significant contributor to allied interoperability. JWID 2000 provided the first activation of the Combined Federated Battle Lab Network (CFBLNet) which provides a year-round opportunity for research and development interoperability assessment among CINCs, Services, and allies. Key interoperability products of JWID 2000 included refinement of distributed collaborative planning (DCP) tools among senior warfighting commanders, availability of a common operation picture (COP) for simultaneous viewing by coalition task force and joint task force commanders, and advancements in exchanging electronic mail with attachments among allies. JWID also provides exercises that help maintain readiness by the participating organizations. For example, the 23 US technologies were demonstrated at 14 US sites,

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evaluated by 244 warfighters, who completed over 1,629 questionnaires. In addition, allied nations conducted 147 additional demonstrations at another 21 locations. JWID thereby gained valuable operational warfighting insights for both allied personnel and the United States. FY 2002 and out year JWID funding is revised to reflect CJCS direction to ensure critical milestones are met and gold nuggets are expeditiously acquired and fielded during the "exploitation year." The balance of required resources is maintained. The mix to achieve the goals changed: O&M decreased, Procurement decreased, and R&D increased.

CJCS Exercise program (1) Supports all DOD corporate goals but most particularly "shape the international environment and respond to the full spectrum of crises by providing appropriately sized, positioned, and mobile forces." The CJCS exercise program, a key component of the Joint Training System (JTS), is the Chairman's principal vehicle for achieving joint and multinational training. This critical program provides a vehicle

for the Department to assess the military's ability to satisfy joint national security requirements and to enhance and evaluate interoperability among the Services, as well as exercise critical Service unique deployment/redeployment skills. In addition to the obvious contributions to readiness and strategic access, this program provides political and diplomatic returns well beyond its relatively low cost. Exercises demonstrate US resolve and capability to project military power anywhere in the world in support of US national interests and in support of US allies. Additionally, the CJCS Exercise Program provides an opportunity to stress strategic transportation and C4I systems and evaluate their readiness and supportability across the full spectrum of military operations.

(2) The 2000 Annual Report to the President and the Congress, Performance Indicator 1.1.5 -- Number of Overseas Exercises -- shows the number of combined exercises as follows:

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Performance Indicator 1.1.5 - Number of Overseas Exercises			
	FY 2000 Baseline	FY 2001 Goal	FY 2002 Goal
Number of Combined Exercises (see note below)	189	197	185
Note: Combined exercises involve the participation of US forces with military forces of other nations.			

Note: The combined exercises referenced above include both CJCS exercises and other CINC exercises that are not under the CJCS exercise program. Further, the CJCS exercise program includes combinations of joint, combined, and single Service exercises. Therefore, the total number of CJCS exercises will never equal the number of combined exercises listed in the report.

(3) In the following tables, which break out the CJCS exercise program by Airlift/Sealift/Port Handling, and Inland Transportation, the FY 2000 combined exercises are highlighted on the airlift table with a # symbol (combined exercises for FY 2001 and 2002 may be different). Combined exercises are defined as those exercises, both overseas and CONUS, that have foreign nation participation. Some of these exercises, such as the Partnership for Peace (PFP) or the New Horizons series exercises, can include numerous exercises combined within those headings (i.e., for FY 2000 USEUCOM has 16 exercises combined under PFP).

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CJCS Exercise Program

AIRLIFT

	<u>FY 2000</u>	<u>FY 2000/2001</u> <u>Change</u>	<u>FY 2001</u>	<u>FY 2001/2002</u> <u>Change</u>	<u>FY 2002</u>
USCINCFROM # Cooperative Nugget	11	2	13	23	36
Cooperative Osprey	0	12	12	-12	0
# Cooperative Support	4	8	12	-12	0
# Cooperative Safeguard	47	-47	0	70	70
Cooperative Telos	0	0	0	0	0
Cooperative Tide	0	13	13	-13	0
# Cooperative Zenith	92	-92	0	34	34
Ellipse Alpha	223	-77	146	-15	131
Eloquent Nugget	26	-26	0	0	0
#JTFEX Series	228	502	730	-14	716
Linked Seas	384	-384	0	0	0
Northern Viking	0	604	604	-604	0
# Roving Sands	1,879	-242	1,637	11	1,648
# Sorbet Royale	393	-393	0	262	262
Strong Resolve	0	0	0	784	784
UE 01-3/FD 01	0	159	159	-159	0
UE 01-4/Joint Spirit	0	202	202	-202	0
Unified Endeavor	0	0	0	214	214
Viking	13	21	34	-34	0
Total Hours (C-17)	3,300	262	3,562	333	3,895
Total Dollars (\$ 000's)	21,991	4,973	26,964	-2,996	29,960

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		<u>FY 2000</u>	<u>FY 2000/2001</u> <u>Change</u>	<u>FY 2001</u>	<u>FY 2001/2002</u> <u>Change</u>	<u>FY 2002</u>
USCINCSOUTH	Blue Advance	0	18	18	1	17.3
	Ellipse Echo	25	57	82	-11.1	70.9
	# Fuerzas Aliadas Series	8	330	338	9	347
	# Fuerzas Aliadas PKO	54	-19	35	0	35
	Fuerzas de Defensas	7	-1	6	19	25
	# NewHorizon Haiti	197	-197	0	186	186
	# NewHorizon Series	532	468	1,000	-266	734
	Tradewinds	32	73	105	-1	104
	# Unitas	206	97	303	-4	299
	# United Counterdrug	21	-21	0	0	0
	Total Hours (C-17)	1,082	805	1,887	-69	1,818
Total Dollars (000's)	7,210	7,074	14,284	-300	13,984	
USCINCCENT	Accurate Test	0	252	252	-252	0
	# Bright Star	2,449	-150	2,299	-155	2,144
	# Central Asian Ex	0	0	0	0	0
	CENTRASBAT	777	0	777	3	780
	# Eager Initiative	0	0	0	0	0
	Eager Light	0	0	0	0	0
	Eager Tiger	0	294	294	-294	0
	# Early Victor	612	-29	583	100	683
	Earnest Leader	0	0	0	0	0
	Eastern Action	0	34	34	-34	0
	Eastern Castle Series	105	159	264	-199	65
	Eastern Eagle	0	0	0	0	0
	# Eastern Valor	229	-26	203	-60	143
	# Eastern Viper	571	0	571	-571	0
	Ellipse Foxtrot	21	1,119	1,140	-1,119	21
	# Inferno Creek	77	-77	0	77	77

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AIRLIFT

		<u>FY 2000</u>	<u>FY 2000/2001</u> <u>Change</u>	<u>FY 2001</u>	<u>FY 2001/2002</u> <u>Change</u>	<u>FY 2002</u>
USCINCCENT	(cont'd)					
	# Inherent Fury	571	-371	200	370	570
	# Initial Link	436	16	452	-69	383
	Inspired Gambit	0	0	0	0	0
	Internal Look	0	0	0	0	0
	# Iron Cobra	524	1	525	-525	0
	Luck Sentinel	0	0	0	0	0
	# Native Fury	740	-478	262	252	514
	Native Atlas	0	0	0	131	131
	# Natural Fire	926	0	926	-365	561
	Neon Falcon	0	132	132	-132	0
	Nectar Bend	0	0	0	0	0
	Noble Piper	0	348	348	-348	0
	# Rugged Series	397	-397	0	0	0
	Total C-17	8,435	827	9,262	-3,190	6,072
	Total Dollars (000's)	56,221	13,892	70,113	-23,413	46,700

USCINCEUR	# Adventure Series	68	19	87	64	151
	# Affirmative Alert	35	-22	13	-8	5
	African Eagle	0	156	156	-156	0
	African Lion	0	32	32	-2	30
	# Agile Lion	38	157	195	-195	0
	# Albanian Salvage	20	-20	0	0	0
	# Ardent Ground	84	69	153	-1	152
	# Athena	1.5	-.2	1.3	0	1.3
	Atlantic Resolve	0	0	0	42	42
	# Atlas Series	191	19	210	-11.7	198.3
	# Baltops	23	-4	19	0	19
	Battle Griffin	0	0	0	1,566	1,566
	# Blue Game	213	10	223	0	223
	Brave Knight	0	142	142	20	162

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Budget Activity 01: Operating Forces
CJCS Exercise Program

AIRLIFT

	<u>FY 2000</u>	<u>FY 2000/2001 Change</u>	<u>FY 2001</u>	<u>FY 2001/2002 Change</u>	<u>FY 2002</u>
USCINCEUR					
(cont'd)					
Casualty Care	0	17	17	-17	0
# Clean Hunter	282	87	369	273	642
# Combined Endeavor	53	4	57	0	57
# ComSixthFlt Invitex	63	45	108	0	108
# Cornerstone	578	-501	77	-1	76
Destined Glory	0	31	31	-6	25
Distant Thunder	0	222	222	-222	0
# Dynamic Series	2,374	-1,749	625	1,475	2,100
Ellipse Bravo	300	89	389	-298	91
Eugenie	0	44	44	-44	0
Flintlock	0	855	855	-855	0
Gabon	88	-88	0	0	0
# Juniper Series	440	-14	426	3	429
Matador	86	-22	64	10	74
# Medceur	238	-142	96	0	96
# Medflag	547	0	547	-406	141
Navy Divex	0	36	36	1	37
# Partnership for Peace	359	-42	317	33	350
Peacekeeper	0	0	0	0	0
# Peace Shield	240	-48	192	-64	128
Regional Exercise	0	0	0	99	99
Rescuer	0	5	5	259	264
# Rescue Eagle	560	0	560	-560	0
Sacred Company	0	346	346	-138	208
Sea Breeze	0	22	22	2	24
Shared Endeavor	0	51	51	-51	0
# Silver Eagle	507	1	508	-202	306
# Slovenia Salvage Divex	14.5	-14.5	0	0	0
Strong Resolve	0	0	0	260	260
# Tactical Fighter Weapon	273	-7	266	1	267
# Trail Blazer	49	93	142	-101	41
# Trojan Footprint	218	16	234	-1	233

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AIRLIFT

	<u>FY 2000</u>	<u>FY 2000/2001</u> <u>Change</u>	<u>FY 2001</u>	<u>FY 2001/2002</u> <u>Change</u>	<u>FY 2002</u>
USCINCEUR					
(cont'd)					
Union Flash	27	-2	25	-1	24
US-Russian Exercise	0	192	192	-51	141
# West Africa Training	20.5	-9.5	11	12	23
Total Hours (C-17)	7,990	75	8,065	728.6	8,793.3
Total Dollars (000's)	53,250	7,802	61,052	6,580	67,632
USCINCPAC					
Balikatan	386	-23	363	-350	13
# Cobra Gold	1,923	-11	1,912	-354	1,558
# Commando Sling	260	-154	106	-1	105
# Cope Series	391	-185	206	126	332
Crocodile	1,185	-1,185	0	0	0
Ellipse Charlie	466	-266	200	0	200
# Foal Eagle	1667	77	1,744	-158	1,586
Freedom Banner	0	508	508	-6	502
# Frequent Storm	484	-273	211	0	211
# Hong Kong Sarex	77	-63	14	-1	13
# Keen Edge/Sword	320	38	358	-3	355
Kingfisher	0	0	0	13	13
Northern Edge	198	-65	133	0	133
# RSO&I	788	-26	762	-206	556
Strategic Air Drop	0	98	98	-38	60
Tandem Thrust	0	1631	1,631	-1,631	0
Tempest Express	3	10	13	0	13
Tempo Brave	264	-50	214	51	265
# Ulchi Focus Lens	1,661	-168	1,493	-12	1,481
Total Hours (C-17)	10,073	-107	9,966	-2,570	7,396
Total Dollars (000's)	67,106	8,337	75,443	-18,560	56,883

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AIRLIFT

		<u>FY 2000</u>	<u>FY 2000/2001</u> <u>Change</u>	<u>FY 2001</u>	<u>FY 2001/2002</u> <u>Change</u>	<u>FY 2002</u>
CINCINORAD	Amalgam Warrior	6	87	93	52	145
	Amalgam Fabric Brave	0	15	15	12	27
	Amalgam Virgo	0	61	61	54	115
	# Amalgam Falcon Brave	28	-28	0	27	27
	Amalgam Fencing Brave	220	-14	206	-35	171
	Total Hours (C-17)	254	121	375	110	485
Total Dollars (000's)	1,693	1,146	2,839	891	3,730	
USCINCSOC	Bronze Arrow Series**	1,310	0	1,310	0	1,310
	Total Hours (C-17)	1,310	0	1,310	0	1,310
	Total Dollars (000's)	8,730	1,186	9,916	159	10,075
USCINCSPACE	Apollo Series***	41	-6	35	0	35
	Total Hours (C-17)	41	-6	35	0	35
	Total Dollars (000's)	273	-8	265	4	269
USCINCSTRAT	Global Archer	0	11	11	15	26
	Global Guardian	397	155	552	54	606
	Total Hours (C-17)	397	166	563	69	632
	Total Dollars (\$000)	2,646	1,616	4,262	598	4,860

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<u>AIRLIFT</u>		FY 2000/2001		FY 2001/2002		
		<u>FY 2000</u>	<u>Change</u>	<u>FY 2001</u>	<u>Change</u>	<u>FY 2002</u>
OTHER	Eligible Receiver	384	-9	375	0	375
	Positive Force	0	354	354	-238	116
	Total Hours (C-17)	384	345	729	-238	491
	Total Dollars (000's)	2,560	2,958	5,518	-1,743	3,775
GRAND TOTAL HOURS (C-17)		33,266	2,488	35,754	-4,827	30,927
GRAND TOTAL DOLLARS (\$000)		221,680	48,976	270,656	-32,788	237,868
	C-17 Equivalent Rates	6,664	906	7,570	121	7,691

Note: The CJCS exercise program uses a mix of military and commercial airlift platforms. Flying hours are depicted as C-17 equivalents to provide a common performance criteria for comparison of level of effort.

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SEALIFT

		FY 2000/2001		FY 2001/2002		
		<u>FY 2000</u>	<u>Change</u>	<u>FY 2001</u>	<u>Change</u>	<u>FY 2002</u>
USCINCFROM	JTFEX Series	16	-13	3	2	5
	Linked Seas	20	-20	0	0	0
	Northern Viking	0	23	23	-23	0
	Strong Resolve	0	0	0	60	60
	Total Steaming Days	36	-10	26	39	65
	Total Dollars (000's)	1,576	-213	1,363	2,100	3,463
USCINCSOUTH	New Horizon Haiti	14	-14	0	0	0
	New Horizon Series	485	-251	234	-180	54
	Tradewinds	38	-28	10	0	10
	Unitas	7	-7	0	0	0
	Total Steaming Days	544	-300	244	-180	64
	Total Dollars (000's)	23,814	-11,020	12,794	-9,384	3,410
USCINCCENT	Bright Star	96	-21	75	23	98
	Eastern Castle	30	-30	0	0	0
	Iron Series	0	0	0	1.3	1.3
	Native Fury	60	-60	0	0	0
	Neon Falcon	0	1.3	1.3	-1.3	0
	Total Steaming Days	186	-109.7	76.3	23	99.3
	Total Dollars (000's)	8,142	-4,141	4,001	1,289	5,290

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SEALIFT

		<u>FY 2000/2001</u>		<u>FY 2001/2002</u>		
	<u>FY 2000</u>	<u>Change</u>	<u>FY 2001</u>	<u>Change</u>	<u>FY 2002</u>	
USCINCEUR						
	Adventure Series	12	-12	0	9.5	9.5
	African Eagle	0	0	0	0	0
	Atlas Series	5	-5	0	0	0
	Battle Griffin	0	0	0	15	15
	Clean Hunter	0	15	15	0	15
	Cornerstone	7	1	8	-5	7.5
	Dynamic Series	46.2	-46.2	0	28	28
	Juniper Series	0	0	0	0	0
	Medceur	3.3	-3.3	0	0	0
	Medflag	3.3	-3.3	0	2	2
	Rescuer	0	0	0	4	4
	Rescue Eagle	4.6	-4.6	0	0	0
	Strong Resolve	0	0	0	99	99
	West African Trng Cruise	3.4	2.6	6	-6	0
	Total Steaming Days	84.8	-55.8	29	151	180
	Total Dollars (000's)	3,714	-2,193	1,521	8,068	9,589
USCINCPAC						
	Balkitan	1.5	0	1.5	-1.5	0
	Cobra Gold	127	-11	116	-1	115
	Crocodile	0	0	0	0	0
	Foal Eagle	23	0	23	38	61
	Freedom Banner	0	40	40	45	85
	Keen Edge/Sword	0	10	10	0	10
	Northern Edge	3	8	11	0	11
	Tandem Thrust	0	73	73	-73	0
	Ulchi Focus Lens	10	-1.4	8.6	0	8.6
	Total Steaming Days	164	119	283	7.6	290.6
	Total Dollars (000's)	7,201	7,643	14,844	637	15,481
	JLOTS	158	-89	69	0	69

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SEALIFT

	<u>FY 2000</u>	<u>FY 2000/2001 Change</u>	<u>FY 2001</u>	<u>FY 2001/2002 Change</u>	<u>FY 2002</u>
USCINCTRANS					
Turbo Activation	115	-50	65	-1	64
Turbo Cads	112	-65	47	31	78
Turbo Challenge	0	0	0	3	3
Turbo Intermodal Surge	0	84	84	10	94
Ultimate Caduceus	0	0	0	0	0
Total Steaming Days	385	-120	265	43	308
Total Dollars (000's)	16,853	-2,932	13,921	2,505	16,426
GRANT TOTAL STEAMING DAYS	1399.8	-476.5	923.3	83.6	1006.9
GRAND TOTAL SEALIFT (\$000)	61,300	-12,816	48,484	5,175	53,659
Roll-on/Roll-off Equivalent Rates (RO/RO)	43,775	8,660	52,435	839	53,274

Note: Like airframes, the CJCS exercise program uses a mix of sealift platforms -- RO/RO, fast sealift, break bulk, container, tug, and barge. Steaming days are depicted as RO/RO equivalents to provide a common performance criteria for comparison of level of effort. Each exercise requirement is resourced by MSC from available commercial and DOD assets, consequently, RO/RO rates depicted are anticipated average commercial rates.

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(Dollars in Thousands)

PORT HANDLING (PH)/ INLAND TRANSPORTATION (IT)	FY 2000		2000/2001 Change		FY 2001		2001/2002 Change		FY 2002	
	PH	IT	PH	IT	PH	IT	PH	IT	PH	IT
USCINCFROM										
Coop Zenith	0	45	0	-25	0	20	0	-20	0	0
JTFEX	90	493	24	67	114	560	441	-70	555	490
Linked Seas	30	29	-30	-29	0	0	0	0	0	0
Northern Light	0	0	30	29	30	29	-30	-29	0	0
Northern Viking	0	0	0	231	0	231	0	-231	0	0
Quick Force	0	0	0	0	0	0	0	0	0	0
Roving Sands	20	6,508	0	539	20	7,047	18	-2,009	38	5,038
Strong Resolve	0	0	0	0	0	0	0	0	0	0
Unified Endeavor	0	0	0	0	0	0	0	122	0	122
Total PH/IT Cost	140	7,075	24	812	164	7,887	429	-2,237	593	5,650
USCINCSOUTH										
Blue Advance	0	0	0	6	0	6	72	224	72	230
Fuerzas Aliadas PKO	0	0	0	7	0	7	0	48	0	55
Feurzas Aliadas Series	0	0	0	204	0	204	0	-23	0	181
Fuerzas De Defensas	0	103	0	-37	0	66	0	18	0	84
New Horizons Haiti	52	135	-27	-84	25	51	25	669	50	720
New Horizons Series	2,144	4,106	-224	-172	1,920	3,934	124	147	2,044	4,081
Tradewinds	0	30	0	-15	0	15	0	5	0	20
Unified Counterdrug	0	0	0	0	0	0	0	0	0	0
Total PH/IT Cost	2,196	4,374	-251	-91	1,945	4,283	221	1,088	2,166	5,371

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(Dollars in Thousands)

PORT HANDLING (PH)/ INLAND TRANSPORTATION (IT)	FY 2000		2000/2001 Change		FY 2001		2001/2002 Change		FY 2002	
	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>
USCINCCENT										
Accurate Test	0	0	0	0	0	0	0	0	0	0
Bright Star	2,505	3,205	-5	-999	2,500	2,206	24	964	2,524	3,170
Eager Series	8	7	0	48	8	55	0	-28	8	27
Early Victor	0	0	0	10	0	10	0	10	0	20
Eastern Action	0	0	0	0	0	0	0	0	0	0
Eastern Castle	400	207	-50	-167	350	40	-100	-40	250	0
Eastern Eagle	0	0	0	0	0	0	0	0	0	0
Eagle Resolve	0	125	0	-125	0	0	0	0	0	0
Extreme Valor	0	0	0	0	0	0	0	65	0	65
Inferno Creek	0	0	0	0	0	0	0	100	0	100
Initial Link	0	30	57	137	57	167	-57	-137	0	30
Internal Look	57	157	-57	-157	0	0	0	45	0	45
Lucky Sentinel	0	0	0	50	0	50	0	0	0	50
Iron Series	0	104	0	146	0	250	0	-250	0	0
Native Atlas	0	0	0	0	0	0	584	1,375	584	1,375
Native Fury	312	407	-50	60	262	467	123	-227	385	240
Neon Falcon	4	8	5	17	9	25	0	19	9	44
Natural Fire	117	627	-44	-522	73	105	-61	24	12	129
Noble Piper	0	0	0	10	0	10	0	-10	0	0
Rugged Series	0	0	0	0	0	0	0	0	0	0
Ultimate Resolve	0	0	105	105	105	105	-105	0	0	105
Total PH/IT Cost	3,403	4,877	-39	-1,387	3,364	3,490	408	1,910	3,772	5,400

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(Dollars in Thousands)

PORT HANDLING (PH)/ INLAND TRANSPORTATION (IT)	FY 2000		2000/2001 Change		FY 2001		2001/2002 Change		FY 2002	
	PH	IT	PH	IT	PH	IT	PH	IT	PH	IT
USCINCPAC										
Balikatan	382	391	9	-144	391	247	90	36	481	283
Cobra Gold	1,512	939	58	-187	1,570	752	19	236	1,589	988
Crocodile	824	302	-824	-302	0	0	0	0	0	0
Ellipse Charlie	0	1	0	-1	0	0	0	0	0	0
Foal Eagle	1,720	722	-11	119	1,709	841	62	-65	1,771	776
Freedom Banner	674	138	418	238	1,092	376	-361	56	731	432
Keen Edge/Sword	242	228	-8	252	234	480	60	-206	294	274
Kernal Blitz	30	74	10	5	40	79	-10	47	30	126
Northern Edge	50	50	-28	57	22	107	100	0	122	107
Rimpac	2	55	-2	-8	0	47	0	0	0	47
RSO&I	15	79	-12	30	3	109	112	-109	115	0
Tandem Thrust	0	0	75	204	75	204	-75	-204	0	0
Tempo Brave	0	4	0	-4	0	0	150	0	150	0
Ulchi Focus Lens	415	329	66	210	481	539	15	54	496	593
Total PH/IT Cost	5,866	3,312	-249	469	5,617	3,781	162	-155	5,779	3,626
USCINCEUR										
Adventure Series	0	125	500	475	500	600	-500	-475	0	125
Affirmative Alert	83	93	-83	-43	0	50	83	43	83	93
African Eagle	0	30	0	-30	0	0	0	0	0	0
African Lion	0	0	20	10	20	10	-20	-10	0	0
Ardent Ground	200	125	-200	225	0	350	250	-250	250	100
Arrcade Fusion	0	10	0	10	0	20	0	-20	0	0
Arrcade Guard	0	0	0	20	0	20	0	10	0	30

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(Dollars in Thousands)

PORT HANDLING (PH)/ INLAND TRANSPORTATION (IT)	FY 2000		2000/2001 Change		FY 2001		2001/2002 Change		FY 2002	
	PH	IT	PH	IT	PH	IT	PH	IT	PH	IT
USCINCEUR (cont'd)										
Atlas Series	300	21	-230	-6	70	15	0	5	70	20
Baltops	0	4	0	-4	0	0	0	0	0	0
Blue Game	1	80	-1	-80	0	0	1	47	1	47
Battle Griffin	0	0	0	0	0	0	0	2,352	0	2,352
Brave Knight	0	300	0	126	0	426	0	49	0	475
Casualty Care	0	0	0	30	0	30	0	-30	0	0
Clean Hunter	0	30	0	-29	0	1	0	54	0	55
Central Enterprise	0	41	0	-9	0	32	0	-32	0	0
Combined Endeavor	0	10	0	0	0	10	0	0	0	10
Cornerstone	150	62	-150	-62	0	0	0	20	0	20
Destined Glory	0	40	0	-40	0	0	0	0	0	0
Distant Thunder	0	25	0	15	0	40	0	-40	0	0
Dynamic Series	1,046	1,064	114	-453	1,160	611	9	-40	1,169	571
Ellipse Bravo	0	10	0	-4	0	6	0	4	0	10
Flintlock	0	6	0	0	0	6	0	-1	0	5
Juniper Series	0	0	20	105	20	105	-20	-105	0	0
Matador	0	0	106	244	106	244	9	1	115	245
Medceur	0	10	0	-10	0	0	0	8	0	8
Medflag	0	2	0	8	0	10	0	0	0	10
Noble Shirley	0	583	0	51	0	634	2	58	2	692
PFP	0	93	151	-60	151	33	-151	88	0	121
Peacekeeper	0	30	0	-30	0	0	0	10	0	10
Peaceshield	0	0	0	0	0	0	0	10	0	10
Rescuer	0	0	0	0	0	0	0	10	0	10
Rescue Eagle	10	140	-10	-140	0	0	0	0	0	0
Sacred Company	0	0	0	0	0	0	16	68	16	68
Sea Breeze	5	5	-5	-5	0	0	0	0	0	0

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(Dollars in Thousands)

<u>PORT HANDLING (PH)/</u> <u>INLAND TRANSPORTATION (IT)</u>	<u>FY 2000</u>		<u>2000/2001</u> <u>Change</u>		<u>FY 2001</u>		<u>2001/2002</u> <u>Change</u>		<u>FY 2002</u>	
	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>	<u>PH</u>	<u>IT</u>
USCINCEUR (cont'd)										
Shared Endeavor	0	0	0	0	0	0	0	0	0	0
Tactical Fighter Weaponry	0	0	0	0	0	0	0	25	0	25
Trail Blazer	0	0	0	0	0	0	0	20	0	20
Union Flash	0	6	0	-6	0	0	0	6	0	6
West Africa Training Cruise	3	50	-3	-50	0	0	0	47	0	47
Total PH/IT Cost	1,798	2,995	229	258	2,027	3,253	-321	1,932	1,706	5,185
USCINCTrans										
JLOTS	50	1038	-5	-648	45	390	35	-221	80	169
Turbo Cads	750	500	0	5	750	505	-196	502	554	1,007
Total PH/IT Cost	800	1538	-5	-643	795	895	-161	281	634	1,176
GRAND TOTAL PH/IT COST	14,203	24,171	-291	-582	13,912	23,589	738	2,819	14,650	26,408

Note: Like airframes, the CJCS Exercise Program uses a mix of sealift platforms -- RO/RO, fast sealift, break bulk, container, tug and barge. Steaming days are depicted as RO/RO equivalents to provide a common performance criteria for comparison of level of effort. Each exercise requirement is resourced by MSC from available commercial and DOD assets, consequently RO/RO rates depicted are anticipated average commercial rates.

V. Outyear Impact Summary:

N/A

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	FY 2000	Price	Program	FY 2001	Price	Program	FY 2002	
	Program	Amount	Growth	Program	Amount	Growth	Program	
CIVILIAN PERSONNEL COMP								
101	Ex., Gen & Spec Sched	0	0	0	0	0	0	
103	Wage Board	0	0	0	0	0	0	
199	Total Civ Pers Comp.	0	0	0	0	0	0	
TRAVEL								
308	Travel of Persons	2,000	32	(32)	2,000	34	(34)	2,000
399	Total Travel	2,000	32	(32)	2,000	34	(34)	2,000
INDUSTRIAL FUND PURCHASES								
672	Pentagon Reservation							
	Maintenance Revolving Fund	0	0	0	0	0	0	
699	Total Industrial Fund Purchases	0	0	0	0	0	0	
TRANSPORTATION								
703	JCS Exercises	321,354	36,914	(1,627)	356,641	(17,582)	(6,474)	332,585
771	Commercial Transportation	4,000	64	(64)	4,000	68	(68)	4,000
799	Total Transportation	325,354	36,978	(1,691)	360,641	(17,514)	(6,542)	336,585
OTHER PURCHASES								
912	Rental Payments to GSA	0	0	0	0	0	0	
913	Purchased Utilities (non-WCF)	0	0	0	0	(0)	0	
914	Purchased Commun. (non-WCF)	0	0	0	0	(0)	0	
915	Rents (non-GSA)	0	0	0	0	(0)	0	
917	Postal Services (U.S.P.S.)	0	0	0	0	(0)	0	
920	Supplies & Materials (non-WCF)	2,000	32	(32)	2,000	34	(34)	2,000
921	Printing and Reproduction	0	0	0	0	(0)	0	
922	Equipment Maint by Contract	0	0	0	0	(0)	0	
923	Fac Maint by Contract	2,100	34	2,866	5,000	85	2,415	7,500
925	Equipment Purchases (non-WCF)	20,783	333	(2,500)	18,616	316	1,826	20,758
932	Mgt & Professional Spt Svs	0	0	0	0	0	0	
933	Studies, Analysis & Evaluations	0	0	0	0	0	235	235
934	Cntrct Eng & Tech Svs	1,417	23	48	1,488	25	(759)	754
987	Other Intra Gov't Purch	3,000	48	(48)	3,000	51	(51)	3,000
989	Other Contracts	1,000	16	(16)	1,000	17	(17)	1,000
999	Total Other Purchases	30,300	486	318	31,104	528	3,615	35,247
9999	TOTAL	357,654	37,496	(1,405)	393,745	(16,952)	(2,961)	373,832

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I. Description of Operations Financed.

a. The Chairman of the Joint Chiefs of Staff serves as a member of and presides over the Joint Chiefs of Staff (JCS). He is the principal military adviser to the President, the National Security Council, and the Secretary of Defense. Additionally, he is responsible for the management and direction of the Joint Staff. The Joint Staff is comprised of directorates for providing support and analysis in the fields of manpower and personnel (J-1); operations (J-3), which includes the Combating Terrorism Directorate established in FY 1997; logistics (J-4); strategic plans and policy (J-5); command, control, communications, and computers (J-6); operational plans and joint force development (J-7); and force structure, resources, and assessment (J-8). There are four Deputy Directors for Operations responsible for: current operations, combating terrorism, current readiness and capabilities, and information operations. Logistics has three Deputy Directorates: one for Logistics, Readiness and Requirements; one for Logistics Readiness Center; and another for Medical Readiness. There are five Deputy Directorates for Strategic Plans and Policy, three responsible for politico-military affairs from the European, Asian, and Global perspectives; one for international negotiations; and one for strategy and policy. The Command, Control, Communications and Computer Systems (C4) director establishes joint doctrine and procedures for Defense-wide communications, military satellite and terrestrial networks, joint tactical C4 systems, and information assurance; and coordinates crisis and contingency C4 support for US forces worldwide. Three deputies support the Director, Command, Control, Communications and Computer Systems: the Deputy Director for C4 Command Operations, C4 Systems, and C4 Technology.

b. The Operational Plans and Joint Force Development Director is the implementing agent for Joint Vision 2020 (JV 2020) and is also responsible for joint doctrine, joint training, joint military education, execution and evaluation of the Chairman's Exercise Program, and evaluation of operational plans. Three deputies support the Director, Force Structure, Resources, and Assessment: the Deputy Directorate for Resources and

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Requirements; the Deputy Director for Joint Warfighting Capabilities Assessment (JWCA), Deputy Director for Wargaming, Simulation and Analysis. J-8 serves as the secretary, and coordinates the processes of the Joint Requirements Oversight Council (JROC) and JWCA Assessment teams. Other activities include the Joint Secretariat, the Director of Management, the JCS representatives for various international negotiations, and the US Delegation, United Nations Military Staff Committee.

II. Force Structure Summary.

a. This budget activity provides the necessary funds to run the Joint Staff. The Joint Staff directly supports the Chairman and other members of the Joint Chiefs of Staff. Joint Staff programs include:

b. **Combating Terrorism Directorate:** The Secretary of Defense, in a 15 September 1996 letter to the Chairman of the Joint Chiefs of Staff and in DOD Directive 2000.12, also dated 15 September 1996, assigned the Chairman specific new duties in combating terrorism. Additionally, the letter directed the Chairman to designate an appropriate office to carry out these new responsibilities and ensure that force protection considerations are included in every aspect of our military activities worldwide.

c. The Combating Terrorism Directorate assists the Chairman in his responsibility to serve as the principal adviser to the Secretary of Defense for all DOD antiterrorism and force protection (AT/FP) issues. Some of the duties of the office include, but are not limited to:

(1) Review the resources the Service Secretaries propose for AT/FP programs to determine whether they are adequate.

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(2) Prepare joint doctrines and standards for AT/FP. Review Service doctrines and standards.

(3) Ensure that combatant commanders' policies and programs are established for the protection of DOD personnel, their families, facilities, and other materiel.

(4) Assess the implementation of force protection programs within the combatant commanders' areas of responsibility (AORs).

d. **ISLAND SUN** is a Secretary of Defense-directed special access program.

e. **Joint Vision 2020** (JV 2020) is the Chairman's vision for how America's Armed Forces will transform in order to create a joint force that is dominant across the full spectrum of military operations. Transformation is focused on four operational concepts: dominant maneuver, precision strike, focused logistics, and full dimensional protection as enabled by information superiority and innovation. The integration of Service core competencies is essential to joint operations, and the employment of Total Force capabilities (active, reserve, guard, and civilian members) increases the options for the commander and complicates the opponent's choices. The vision is built on the premise that there will be a steady infusion of new technology and modernization and replacement of equipment. However, materiel superiority alone is not sufficient and must be matched with advances in doctrine, organization, training, leadership and education, recruitment and retention of quality people, and the use of joint facilities. Additionally, the effectiveness of joint operations will be enhanced through the integration of efforts with interagency and multinational forces. The vision will guide the development and assessment of future warfighting concepts and lead to fielding joint operational capabilities. The joint implementation process includes concept development, experimentation and assessment, and integration and implementation. The premise of this program relates to all the goals established for the Joint Staff and has tentacles

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reaching throughout the Defense Planning Guidance. Starting in FY 2000, the majority of JV 2010 funds were transferred to US Joint Forces Command (USJFCOM) for Joint Experimentation. To facilitate Joint Vision implementation, the Joint Vision Integration Cell (JVIC) will continue to evolve in FY 2002. The JVIC is the Chairman's information integration cell for tracking and fusion of Service-specific, USJFCOM, and multinational experimentation efforts, as well as the associated implementation of materiel and non-materiel changes.

f. **Joint Modeling & Simulation.** Joint Analysis Models are the Joint Staff analytical software tools and simulations supporting the assessment requirements of the Chairman of the Joint Chiefs of Staff. These tools assist in conducting studies and evaluations of military forces' programs and strategies. Key functions provided by this program include software development maintenance, documentation, and training on Joint Staff analytic tools and simulation models; development, design, and integration of database, graphics environments, and simulations; software engineering of application software to achieve software portability, interoperability, efficiency, performance, and enhanced analyst productivity; contracted technical expertise to assist Joint Staff military analysts; and exploring leading-edge technologies and methodologies in the joint modeling and simulations arenas.

g. The analytical models and simulations supported by the Joint Modeling and Simulation program are essential to the fulfillment of the analysis and assessment taskings of the Joint Staff. Analytical support requirements continue to motivate the need for greater amounts of data, faster processing speeds, expansion of knowledge-based software tools, exploration and incorporation of new modeling methodologies, and greater interoperability among distributed analysis networks and existing and emerging joint modeling and simulations systems. Funds are used to ensure compliance with DOD and Joint Staff Automated Information System life-cycle management initiatives; ensure Joint Staff analysts remain abreast of the latest hardware, operating system, and analytical/training requirements for the user community; provide continued development and maintenance of

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analytical models; and provide operational, technical, and analytical support to the analysts conducting warfighting assessments of computer systems development and upgrades.

h. Joint modeling and simulation also includes the **Joint Analytical Model Improvement Program (JAMIP)**. JAMIP addresses the significant limitations of existing theater-level simulations to provide analytic support to senior officials. Existing systems are grounded in Cold War theory about the use and deployment of forces and the nature of combat operations. They have limited capability to address the emerging concepts of joint operation warfighting. The Deputy Secretary of Defense established JAMIP in May 1995. The Joint Staff J-8 and OSD/PA&E share the lead in improving the state of analytic models throughout the Department via JAMIP. JAMIP is the development and modernization of the specialized analytic software tools and models required to examine joint operations in fulfillment of M&S support for the Chairman.

i. Development of the **Joint Warfare System (JWARS)** as the next-generation, theater-level campaign analysis tool is the centerpiece of JAMIP. JWARS will be a state-of-the-art, closed-form, constructive simulation of multisided, joint warfare for analysis. JWARS will include improved C4ISR and balanced joint warfare representations and replace several legacy systems that have limited representation of integrated joint operations and are technically outmoded in design, data management, and interoperability. The entire DOD analytic modeling community will use JWARS, including the CINCs, Joint Staff, Services, Office of the Secretary of Defense, and other DOD organizations. A JWARS prototype was completed in March 1997 and development began, with initial operational capability scheduled for FY 2001 and FOC for FY 2003.

j. This program also includes funding for the **Joint Data System (JDS)**. In June 1996, the Deputy Secretary of Defense designated the OSD/PA&E JDS as the primary data support agency for Joint Analytical Model Improvement Program (JAMIP). JDS is the central authoritative source of verified and validated data and information for use in

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the JAMIP suite of models and simulations. JDS provides data sourcing, database administration, data warehousing, verification, and validation to seven current simulations of theater-level warfare and to JWARS. For JWARS, JDS ensures that proposed modeling methods can be supported with data, and will obtain appropriate data for testing.

k. Development of the **Joint Staff Knowledge Advantage (JSKA)** Program provides a virtual collaborative environment that enables the Joint Staff to support the Chairman and his senior leaders through effective capture and sharing of knowledge in near-time across the entire Joint Staff.

l. **Pentagon Renovation Maintenance Revolving Fund (PRMRF)** is the Joint Staff's funding line to support the operation, maintenance, protection, and renovation of the Pentagon. PRMRF includes the Joint Staff rent and furniture bills and above standard facility maintenance and utilities.

m. **Management Support** provides the day-to-day resources required to fulfill the Chairman's responsibilities and supports Joint Staff personnel. Resources are used to:

(1) Provide the Chairman, National Command Authorities (NCA), and CINCs a real-time picture of current operations and provide a single point of contact for current plans across the spectrum of operations to include conventional, special technical, reconnaissance, counternarcotics, counterterrorism, counterproliferation, and other special operations.

(2) Many of the analysis functions demand a computing environment tailored for scientific analysis. The Analytical Suite, presently in Phase IV of its life cycle (operations and support), was developed as an integrated computing environment configured to support large-scale analyses and assessments, as well as ad hoc research and analysis for one-time taskings and scenario excursions, relating to:

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- (a) Assessments of joint force capabilities.
- (b) Analyses to assist the Chairman in the development of recommendations to the Secretary of Defense regarding force planning military assessments.
- (c) Tradeoff analyses between force effectiveness and alternative resource distributions.
- (d) Independent cost and budget analysis.
- (e) Evaluation of effects of manpower policy and program issues on joint warfighting capability.
- (f) Analyses of joint force capabilities and requirements.
- (g) Plan, fund, direct, and manage the development and improvement of joint models and simulations, analysis, gaming procedures, and techniques, including automated information system support required to conduct studies and analyses for CJCS.
- (h) Develop joint modeling and simulation capability as necessary.
- (i) Program and budget analyses.
- (j) Analysis of proposed force structures.
- (k) Applying qualitative and quantitative gaming and analysis methods involving participation by other Joint Staff directorates, DOD agencies, foreign nations, other government organizations, and the private sector.

(3) Develop and maintain joint doctrine for the employment of the Armed Forces. Previously, the Services fought under their individually developed doctrine, which led to confusion and inefficiency when joint operations were required. Joint doctrine is now the foundation of all military operations training, educating, organizing, equipping, structuring, and fighting - it focuses the Service efforts into a synergistic joint campaign. Because joint doctrine is the distilled wisdom of our collective warfighting

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experience, it becomes a formula for success in both war and other operations. Joint doctrine, by definition, is authoritative, thereby ensuring its primacy over Service doctrine.

(4) Develop and maintain the Joint Training System (JTS). JTS, which builds upon joint doctrine, is a four-phased systemic process designed to implement a high-quality joint training program that maximizes the readiness of the Armed Forces (i.e., the ability to place personnel and units into joint operations with a high probability of mission success). Phase I, Requirements, is expressed as a joint mission essential task list (JMETL), which produces mission-based, CINC-specific strategic, strategic theater, operational, or tactical tasks derived from the Universal Joint Task List. JMETL tasks are directly related to the National Military Strategy and the Joint Strategic Capabilities Plan's (JSCP) missions assigned to the combatant commands. Phase II, Plans, results in the creation of joint training plans by taking the requirement-based tasks, identified in the first phase, and linking them to the appropriate training audience and support tools. Phase III, Execution, implements joint training plans, normally through a CINC-sponsored exercise program, conducted and evaluated by joint force commanders. Finally, Phase IV, Assessments, is initiated by the commander to determine the plan's training effectiveness and resulting levels of joint readiness. Assessments impact doctrine, organization, training, material, and education.

(5) Provide assistance to the CINCs for developing and evaluating war plans. Prepare strategy, planning guidance, and policy for operations, logistics, organizational issues, politico-military affairs, and international negotiations -- in coordination with the combatant commands, the Services, Office of Secretary of Defense, the interagency, and international organizations. Provide independent assessments, plans, and evaluations of projects of high interest to the Chairman of the Joint Chiefs of Staff, the Director, Joint Staff, and other Services.

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(6) Execute the CJCS-Sponsored Exercise Program (CSEP). CSEP is focused on joint doctrine, policies, procedures, systems, and training to ensure effective strategic direction and integration of US and coalition military forces worldwide. The CSEP provides a robust "across the seams" training environment, which is specifically designed to address interoperability at the national level by presenting senior leaders with challenging and thought-provoking situations that address key warfighting issues. This program offers other government departments and agencies outside the Department of Defense, a baseline series of exercises that can be used to support interagency coordination and training.

(7) Provide support for logistic capabilities of the combatant commands, to include information fusion, developing strategic mobility, mobilization, medical, readiness, civil engineering, exercise/wargame analysis, and sustainment policies and procedures to support combat forces.

(8) Provide functional oversight to the Global Combat Support System (GCSS) to ensure information interoperability across combat support functions and between combat support and command and control functions in support of the joint warfighter. Coordinates the overall policy and guidance to implement the GCSS strategy representing a new paradigm in the way automated information systems of the future will be developed in accordance with the Clinger-Cohen Act.

(9) Coordinate DOD efforts to ensure adequate command, control, communications, and computer (C4) support to the CINCs and the National Command Authorities (NCA) for joint and combined military operations. Develop policies, plans, and programs for C4 systems, conceptualize future C4 systems design, and provide direction to improve command and control (C2) systems.

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(10) Perform the Joint Warfighting Capabilities Assessment (JWCA). JWCA processes assist the Joint Requirements Oversight Council (JROC) in providing recommendations to the Chairman concerning military advice to the Secretary of Defense on the military requirements and priorities. JWCA teams support the Chairman by assessing the extent to which the program recommendations and budget proposals of the Services and other DOD components conform with the priorities established in strategic plans and the priorities of the CINCs.

(11) Use interagency and international wargames, seminars, and workshops to:

(a) Conduct studies and analyses of nuclear and conventional forces in support of JWCA teams, international negotiations, Joint Strategic Planning System; Planning, Programming, and Budgeting System; the Quadrennial Defense Review; and analyses such as the Mobility Requirements Study-05, and the Weapons of Mass Destruction studies.

(b) Provide mobility modeling studies and analysis for the Chairman, Joint Chief of Staff and the Secretary of Defense to assess the logistics impacts of a dynamic range of strategic policies that address the "fort-to-foxhole" mobility program.

(c) Provide essential training, analysis, and assessments to maintain and improve US military sustainment capabilities in joint, combined, and coalition environments.

(d) Provide assessments of international and domestic politico-military, economic, demographic, environmental and psychosocial trends, and their impacts on national security policy and military strategy.

(e) Support interagency and international politico-military crisis simulations sponsored by the Chairman, Service principals, OSD, and the CINCs.

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(12) Operate and provide ongoing upgrades to the Joint Staff Information Network (JSIN, formerly known as the Joint Staff Automation of the Nineties (JSAN) program. JSIN is the network infrastructure that provides crucial decision-making information affecting military operations to the Chairman of the Joint Chiefs of Staff and the Joint Staff. JSIN improves action processing for faster coordination of critical classified and unclassified issues with CINCs, Services, and agencies. In addition, JSIN satisfies office automation requirements such as collaborative planning tools, action package preparation and tracking, automated message handling, local area networking, word processing, and electronic mail with attachments.

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III. Financial Summary (Dollars in Thousands)

	FY 2000	FY 2001			FY 2002
		Actuals	Budget Request	Approp	
A. <u>Administrative & Service-wide</u>					
1. Combating Terrorism Directorate	2,454	2,896	2,896	2,695	3,634
2. Joint Modeling & Simulation /1	24,191	16,435	16,435	16,435	16,435
3. Joint Staff Information Network	11,869	15,142	15,142	14,660	18,097
4. ISLAND SUN	26,991	30,520	30,520	29,659	30,496
5. Pentagon Res Maint Rev Fund/2	9,910	35,528	34,874	36,774	26,639
6. Management Support	<u>57,835</u>	<u>57,362</u>	<u>59,840</u>	<u>58,906</u>	<u>74,039</u>
TOTAL	133,250	157,883	159,707	159,129	169,340

B. Reconciliation Summary:

	Change	Change
	<u>FY 2001/FY 2001</u>	<u>FY 2001/FY 2002</u>
Baseline Funding	157,883	159,129
Congressional Adjustments		
Distributed	2,478	-
Undistributed	-654	-
General Provisions	-	-
Congressional Earmarks	-	-
FY 2001 Recission	-1,194	-
Reprogramming	-	-
Price Change	-	5,739
Functional Transfer/Reprogrammings		2,136
Program Change	<u>616</u>	<u>2,336</u>
Current Estimate	159,129	169,340

/1 Includes the Joint Analytical Model Improvement Program (JAMIP), the Joint Staff Modeling & Simulation, and Analytical Suite.

/2 In FY 2000, Pentagon Reservation was funded in the Management Headquarters program element. In FY 2001, a new program element was established to fund Pentagon Reservation and Maintenance costs.

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C. <u>Reconciliation of Increases and Decreases:</u>		(\$ in Thousands)	
FY 2001 President's Budget Request			157,883
Congressional Adjustments (Distributed)			
Joint Multidimensional Education & Analysis System (JMEANS)	3,000		
Headquarters Management Personnel Reduction	-522		
Total Congressional Adjustments (Distributed)			2,478
Congressional Adjustments (Undistributed)			
Pentagon Renovation Unobligated Balances	-654		
Total Congressional Adjustments (Undistributed)			-654
FY 2001 Appropriated Amount			159,707
FY 2001 Rescission		-1,194	-1,194
Program Increase			
<u>Other Purchases</u> : Reflects minor increase to fund higher priority Budget Activity 04 programs.		617	
Total Program Increase			617

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Program Decrease

Enhanced Defense Financial Management Training. Transfer of funds to the Secretary of Defense to provide DOD Financial Management Certification training for Joint Staff financial management personnel. -1

Total Program Decrease -1

Revised FY 2001 Current Estimate 159,129

Price Change 5,739

Transfers In

a. Joint Warfighting Capabilities Assessment (JWCA). 5,594
Increased funding restructures the JWCA process and strengthens the performance of analysis by the Joint Warfighting Capabilities Assessment teams of the Joint Requirements Oversight Council. Funding was reprogrammed from the Services budget (\$4 million) and realigned from the Joint Staff's procurement account (\$1.5 million) to fully fund this restructured process.

Total Transfers In 5,594

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Transfers Out

- a. Pentagon Reservation and Maintenance Revolving Fund. -2,543
Decrease reflects Secretary of Defense decision to finance the construction of the Pentagon Athletic Center from customer accounts. Funds were reprogrammed to the Defense-wide MILCON appropriation.
- b. CINC Manpower. -915
The Secretary of Defense temporarily added 19 civilian full-time equivalents to backfill military positions transferred to USSPACECOM in support of the Joint Task Force Computer Network Defense/Computer Network Attack and the Joint Information Operations Center. The funding and civilian billets were temporarily provided to the Joint Staff until the Director, Joint Staff determined specific CINC allocation. On 29 September 2000, the Director, Joint Staff allocated the civilian manpower billets to the CINCs and the Joint Staff. This decrease represents the transfer of 15 of the 19 full-time equivalents to the various CINCS to backfill the military billets transferred to USSPACECOM.

-3,458

Total Transfers Out

Program Increases

- a. Joint Staff Information Network (JSIN). 3,437
The Joint Staff Information Network includes the network infrastructure, applications, and programs that allow creations, staffing, and dissemination of crucial decision-making information affecting military operations to the Chairman of the Joint Chiefs of Staff and between

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members of the Joint Staff. JSIN comprises two components, one of which processes up to Top Secret classified information, and the other, unclassified information only. Ultimately, these critical systems allow the Joint Staff to support the Chairman of the Joint Chiefs in providing timely, accurate information and recommendations to the National Command Authorities (NCA) concerning national security matters. Two factors contribute to this programmatic increase: (1) the Joint Staff will be required to simultaneously support Joint Staff Action Processing System (JSAP) and its follow-on successor. FY 2002 will be a transition year between the two applications. (2) Additional funds are also needed for data translation and re-hosting, user training, software licensing, vendor support, and outsourcing for daily operations and maintenance of JSIN, as we increase the number of users on the unclassified component, and also increase the quantity and size of applications on the system.

- b. Pentagon Reservation and Maintenance Revolving Fund. 3,000
Increase reflects adjustments to balance Pentagon Reservation and Maintenance Revolving Fund customer accounts with changes in renovation schedule, swing space leases, furnishings and above standard requirements. This increase includes a one-time add to finance the construction of the Pentagon Athletic Center (\$2.5M), \$400K to fund Pentagon security enhancements and \$100K to fund pay raises for Pentagon Law Enforcement Officers.

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- c. Combating Terrorism Readiness Initiative Fund. 1,300
Additional funds will address antiterrorism and force protection findings/recommendations identified by the USS COLE Commission's review of the recent terrorist attack. The Cole Commission recommended that funds be made available to address emergent and emergency combating terrorism requirements. This funding will improve anti-terrorism and force protection training for all DoD personnel.
- d. CINC Manpower. 1,200
The Secretary of Defense temporarily added 19 civilian full-time equivalents to backfill military positions transferred to USSPACECOM in support of the Joint Task Force Computer Network Defense/Computer Network Attack and the Joint Information Operations Center. The funding and civilian billets were temporarily provided to the Joint Staff until the Director, Joint Staff, determined specific CINC allocation.
- e. Knowledge Management. 1,000
The Joint Staff Knowledge Advantage Program provides a virtual collaborative environment that enables the Joint Staff to support the Chairman, of the Joint Chiefs of Staff and his senior leaders through the effective capture and sharing of knowledge in near-real-time across the entire Joint Staff. Based on a review of the work already completed by several organizations within the Department of Defense, the Joint Staff understands the potential of becoming a knowledge-based organization. The funding identified will permit the Joint Staff to build on the efforts of organizations such as Joint Forces Command, and the Department of the Navy's, Space and Systems Warfare Command to

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exploit the power of knowledge management and to address the integration of their information requirements (in terms of people and process) with their existing information technologies.

- f. Joint Deployment and Distribution Process Improvements. 850
Funding provides contracting support to integrate existing and emerging joint deployment and distribution improvement (JDDPI) initiatives. Synchronizes various deployment and distribution development, and fields efforts ongoing within the Global Command and Control System, Advanced Concept Technology Demonstrations, and other arenas that support joint deployment and distribution process improvement. Collectively, these efforts enable the Department to meet the 72 hour Time Phased Force and Deployment Data (TPFDD) standard mandated by CJCSI 3020.01.
- g. ISLAND SUN. 837
Reflects increased operations, maintenance, and circuit leasing requirements.
- h. Other Models. 824
Continues maintenance and support of DOD combat models. This support will continue until the Joint Warfare System model is fielded sometime in FY 2003. Until the transition, this funding provides for the implementation of leading-edge technologies and methodologies in Joint Modeling and Simulation.

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- i. Tier One Costs. 800
The Deputy Secretary of Defense directed that a two-tier pricing system be implemented for telecommunication services. This pricing structure is needed to encourage the use of joint telecommunications systems while promoting security and interoperability. Tier One covers costs to provide the military readiness attributes not normally available in commercial systems, such as AUTODIN, DSN, and VTC capabilities.
- j. US/Russian Theater Missile Defense 795
In September 2000, Presidents Clinton and Putin signed a joint agreement to resume and expand Theater Missile Defense (TMD) cooperation. Additional funding supports two TMD exercises per year, with the Russian Ministry of Defense, beginning FY 2002. This increase achieves the TMD program objective to enhance US and Russian interoperability through cooperative steps, expanded bilateral command post, and field and computer-generated exercises, culminating in a combined air-defense and live-fire exercise.
- k. Continuity of Operations Contingency Plan (COOP) Support. 724
Additional funding is essential to meet the mandates of Executive Order 12656, Presidential Decision Directive 67, and the subsequent CJCS implementers. These policies mandate that plans be developed, maintained, and exercised to ensure essential functions continue unabated during national emergencies. Contractor support enables the Joint Staff to provide these plans and exercises and to ensure that they integrate with and support overarching enduring constitutional government, continuity of the Presidency, and continuity of government programs. Effective COOP operations require a high degree of special

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organization, guidance, and training for the Joint Staff and the military departments. This funding will enable a robust COOP program to test concepts, procedures, plan interoperability, and promote individual and collective training. Increase will support two Joint Staff directorates (J-3 and J-7).

l. Analysis Suite.

757

Additional funding is required for a Web master and an information architect for the Joint Staff J-8 web operation. This new operational requirement will add technical skill sets required supporting web-based functionality.

m. Joint Vision.

680

Increased funding implements the new concept of a Joint Vision Integration Cell (JVIC). The JVIC supports CJCS decision-making by providing a single-point comprehensive visual display of related and linked initiatives and issues associated with Joint Vision implementation. Continued concept refinement and development will provide the Chairman a state-of-the-art management and decision support tool to use in making recommendations on the transformation of US Armed Forces to the President and the Secretary of Defense. The JVIC supports the Defense Planning Guidance requirement for the Chairman to develop and maintain a Web-based system that allows the Department to continuously track all recommendations emerging from Service and joint concept development and experimentation, and the status of their implementation.

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- n. Combat Support and Readiness Team (CSART). 678
Continues critical effort to assess the CSARTs. Section 193 Title 10 requires the Chairman to assess the readiness and responsiveness of the combat support agencies to supply operating forces. Since none of these agencies are under the authority of the Chairman, the CSART assessment process is the primary way through which the Chairman can ensure they are ready to perform their combat support mission. This is also the only authority the Chairman has to look at any of the Defense agencies, and these seven consume over \$27B in DOD TOA and working capital fund revenue (74 percent of the Defense agency total TOA and working capital fund revenue) and hold 84 percent of the military manpower allocated to Defense agencies.
- o. Dynamic Commitment Beyond 2000 Wargame. 630
Continues critical effort to develop and maintain logistics and mobility database necessary to conduct transportation feasibility estimates, and provide data for postgame analysis in support of Dynamic Commitment War-game. Funds contractual support to continue to update and maintain game database for transportation analysis.
- p. Joint Training Information Management System (JTIMS). 596
JTIMS provides the automated support for the joint training community to fully implement the Joint Training System. JTIMS provides a Web-based suite of tools/applications providing interactive exchange of information between phases providing a user-friendly means to manage joint training/events process via a secure client/server system located on the joint digital library. Funding will integrate software package baseline to reflect additional capabilities required by the operational and training community.

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- q. Defense in-Depth Information Assurance (IA) Integration. 566
Continues critical effort to integrate information assurance activities in support of JV 2020. Integrates information assurance programs and actions of CINCs, Services, and agencies in developing policies, techniques, procedures, and tools for Defense in-Depth components (e.g., people, operations, and technology). Initiative will ensure that DOD organizational efforts are focused, unified, integrated, and consistent with the Global Information Grid (GIG) architecture itself. The funding will be used for contractual support to translate policy and technical information assurance efforts and issues into concrete recommendations that will be used to implement the DOD Defense in-Depth strategy.
- r. Focused Logistics. 522
Additional funding is essential for three purposes: (1) to continue contracting efforts supporting the Force Health Protection program, which is a unified strategy to protect Service members from health and environmental hazards associated with military service and is a Focused Logistic tenant (\$50K), (2) to fund the first iteration of the Focused Logistics Wargame (FLOW), which applies and assesses technologies, joint logistics doctrine, and desired operational capabilities required to meet JV2020 Focused Logistics challenges (\$87K), and (3) to initiate the first iteration of funding for J4 management oversight of Defense Reform Initiative Directive (DRID)#54 (Logistics Transformation) implementation. DRID #54, signed by the Deputy Secretary of Defense on 23 Mar 00, implements a strategy with which the Joint Staff J-4, OUSD (L), the Services, and appropriate Defense agencies begin optimizing processes and leveraging commercial solutions to increase the visibility, accuracy, and speed of logistics operations (\$385K).

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- s. Joint Warfare Systems (JWARS). 470
JWARS, the next generation model intended for use by the Joint analytic community, was scheduled for initial release in March 2000. Due to unforeseen difficulties, the initial release has been delayed to March 2001. Once released, JWARS becomes the Joint Staff's responsibility to manage, maintain, and implement configuration management. Additional funding provides an integrated logistics support package, consisting of (1) development of training materials, (2) training the user community, (3) maintenance and upgrades of the training facility, (4) Beta testing of JWARS, (5) distribution, (6) Web-based help desk, (7) installation of the model at user sites, and (8) configuration management.
- t. Information Superiority Experimentation. 450
This funding is required for contracted engineering and technical services associated with the coordination of the concepts and integrated activities related to the conduct of Information Superiority Experimentation (ISX). Funding would provide for contracted engineering and technical expertise to provide the overall unifying logic and direction for proposed ISXs, which would be executed by the Services and other DOD agencies. This funding is required to support the design, integration, and technical analysis efforts involved in experimentation oversight. These efforts include the coordination of modeling and simulation requirements, joint and Service battle laboratories, and related activities. This funding will also support the evaluation of experimentation results, which will indicate the follow-on actions required to accelerate the co-evolution of organization, doctrine, and technology.

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- u. Joint Strategy Review. 416
The Joint Strategy Review (JSR) provides the primary means for the Chairman, in consultation with the CINCs, Services, and Defense agencies, to analyze strategic concepts and issues relevant to strategy formulation. Funding provides contractual support to complete the JSR study. The JSR process continuously gathers information through an examination of current, emerging, and future issues related to threats, strategic assumptions, opportunities, technologies, organizations, doctrinal concepts, force structures, and military missions. This project will support the following Joint Staff strategic goals: (1) provide effective and timely military advice, and (2) anticipate and adapt to constant change. USC Title 10 requires the Chairman to provide for the strategic direction of the Armed Forces and perform net assessments to determine the capabilities of the Armed Forces of the United States and its allies as compared with those of its potential adversaries. The CJCSI 3100.01A designates the JSR as the Chairman's primary vehicle to meet these Title 10 responsibilities.
- v. CINC Counterterrorism/Counterproliferation. 411
The Department of Defense supports the United States Government Humanitarian Demining (HD) program in accordance with PDD 48 and 64 and the Interagency Humanitarian Demining Strategic Plan. The Joint Staff is the office of primary responsibility for HD operations and manages associated DOD HD program requirements. Additional funding is required to support Department of State and DOD-directed travel, supplies, and equipment in support of HD efforts.

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- w. Master Navigation Plan. 403
Funds provide contracted engineering and technical services to develop, update, and publish the CJCSI 6130.01, "Master Navigation Plan." PDD establishes national policy and a strategic vision for the management and use of the US Global Positioning System. This PDD requires the DOD to maintain a Standard Positioning Service as defined in the Federal Radionavigation Plan (FRP). Further DOD Directive 4650.0 requires the Chairman to serve as the operational focal point for "positioning/navigation operational matters." The published CJCS Master Navigation Plan provides the DOD input into the FRP and fulfills DOD's responsibilities as directed by both Presidential and DOD directives.
- x. Joint Manpower System. 400
Beginning FY 2002, the Joint Staff will field a new Web-based automated system that provides comprehensive visibility of all manpower assets outside of the Service departments. Implementation of this new system corrects findings identified by the DOD Inspector General, enables the Chairman to effectively exercise Title 10 responsibility to manage joint manpower and personnel billets, decreases the time required to backfill critical joint billets, and improves the joint manpower validation and approval process.
- y. C4 Operational Architecture Assessment. 394
Funding is required for contracted engineering and technical services associated with conducting in-depth interoperability assessments of C4 system requirement documents and mission area architectures. These assessments are required to ensure C4 systems are interoperable with one another, compatible with the Global Information Grid (GIG) Command & Control Systems Architecture, and that they support the capabilities

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called for in the Joint Operational Architecture. Thus, by ensuring that interoperability is addressed early in the requirements analysis and design phases of C4 systems, the DOD will avoid the prohibitive costs of reengineering to correct interoperability issues discovered late in a program (during testing or after system fielding).

z. C4 Security Management.

363

Increased funding will support ongoing Security Test and Evaluations of designated Joint Automated Information Systems (AIS) upgrades, determine associated security risks, track the status of all technical security fixes, and manage the associated security risks. In addition, these funds would permit the Joint Staff to evaluate CINC, Service, and major command site security accreditation documents in accordance with standards outlined in the DoD Information Technology Security Certification and Accreditation Process and develop global computer security policies and procedures for the Joint Staff-designated global AIS systems.

aa. Roles and Mission.

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Additional funding is needed to complete the Roles and Mission Report. Not less than once every 3 years or upon request of the President or the Secretary of Defense, the Chairman shall submit to the Secretary of Defense a report containing such recommendations for changes in the assignment of functions (roles and missions) to the Armed Forces as the Chairman considers necessary to achieve maximum effectiveness of the Armed Forces. In preparing each report, the Chairman shall consider (among other matters) the following: (1) changes in the nature of threats faced by the United States, (2) unnecessary duplication of

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effort among the Armed Forces, and (3) changes in technology that can be applied effectively to warfare. The Chairman shall include in each such report recommendations for such changes in policies, directives, regulations, and legislation as may be necessary to achieve the changes in assignment of functions recommended by the Chairman. J-5 is the CJCS designated office of primary responsibility to conduct the review of roles and missions of the Armed Forces required by USC title 10.

- bb. START II/III Augmentation. 275
Additional funding is essential to stand up the START II Bilateral Implementation Commission and support START III negotiations.
- cc. Analysis Support. 260
Analysis support encompasses CJCS Wargaming Operations, Methodology Development, and Joint Warfighting Capabilities Assessment Operations. This increase will be used to fund additional analytic activities associated with the results of the pending Quadrennial Defense Review.
- dd. Joint Training System (JTS). 241
Joint training is requirements-based and mission-focused the right approach. The increase in funding revises, adds, and improves the JTS. The increased funding will also support and implement PDD 56 and PL 103-62 by providing the following: Support in developing and conducting the "Discovery Series" of simulations and war games designed to assist in determining the required features (interagency doctrine, interagency task list, interagency training system) of an interagency training system (ITS) patterned after the JTS; and support in leading an

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interagency working group with the mission of building an ITS-compatible with the JTS and an interagency task list patterned after the universal joint task list, with the interagency tasks being incorporated into version 5.0 of the universal joint task list. The increased funding provides for the development of a new universal joint task list based on JV 2020 Desired Operational Capabilities no later than FY 2003 and will assist JV 2020 with the implementation of distributed/distance learning/training technologies developed through the President's initiative on Advanced Distributed Learning. The JTS provides guidance and an automated, Web-based suite of tools (the Joint Training Information Management System) for requirements, planning, executing, and assessing training. The Joint Training Information Management System, when fully operational in FY 2001, will automate the following: requirements phase: CINC/CSA JTS requirements; Joint/Agency Mission-Essential Task List development--due annually from CINCs/CSA; Plans Phase: Joint/Agency Training Plan development -- due annually from CINCs/CSAs; Execution Phase: executing joint events/exercises, Joint Exercise Life cycle Management -- a cycle within a cycle (planning, preparation, execution, and postexercise and evaluation phases); Joint After Action Reports--due at conclusion of each operation or joint event/exercises; Joint After action Report database updated as a result of after action- report input; Assessment Phase: training proficiency assessment data management-- data used by CINCs/CSAs to update Requirements, training plans and mission-essential task lists; CINC/CSA Readiness Assessment-created new requirement and codified old requirements; assessment and remedial action program -- data used to improve warfighting capabilities. JTIMS improves readiness through quality training based on requirements. JTIMS will be the key bridge to integrate the JTS to JV 2020.

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- ee. Common Access Card. 200
Funds the Joint Staff's share of the Defense Eligibility Enrollment System (DEERS)- expanded mission in FY2002, as directed by the Secretary of Defense. The DEERS is the Department's only modern, redesigned, cross-Service worldwide automation system that is fully operational. These funds implement the Common Access Card program and update the DEERS system to ensure security of the sensitive data used for the issuance of identification cards.
- ff. National Military Command Center. 197
Increase in funding is essential to meet expanding requirements to improve joint deployment operations. These evolving new paradigms (e.g., JOPES 2000, deployment process initiatives, including the 72-hour TPFDD standard and immediate response procedures) require implementing documentation for policy, procedures, and reporting instructions. Contractor support enables the J-3 to provide this essential guidance to CINCs/Services/agencies to accomplish the planning and execution for real-world operations. This funding will ensure the integration of operational requirements with evolving technologies to assess and manage the future.

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gg. Other Program Increases.

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Includes minor adjustments to several Joint Staff programs. For example, this increase provides funds: (1) to conduct periodic reviews and inspections of records management at each of the combatant command headquarters and convert Joint Staff instructions, manuals, and notices into PDF format and made available to the joint community electronically on the internet and intranet, and (2) for contractual support for the Joint Staff Historian. Funds will be used to revise "JCS and War in Vietnam." This 1300-page document, recently declassified, will capture key historical events between 1960-1968, and (3) update the Joint Operation Planning and Execution System (JOPES) Volume II and JOPES, Volume II Secret Supplement, Planning Formats, and Guidance. This update is essential to ensure the CINCs, Services, and Joint Staff will have current guidance and correct formats for deliberate planning. Included in this increase is \$83K for the Planning and Decision-making Study. This study provides unique analytical, technical and historical support to the J-5 Conventional Arms Control Division in support of five major international agreements and associated documents. Treaty implementation and entry into force take years to accomplish and require a detailed historical knowledge base that military members are unable to achieve given the relatively short military assignment cycle. Long-term technical and historical expertise and continuity afforded by contractor study support personnel with such expertise are invaluable in advising and assisting the military staff to ensure CJCS and CINC equities are equally represented with such experts from other agencies. United States

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Government participation in Conventional Armed Forces in Europe, Dayton Accords, and Open Skies Treaty are Presidential directives. CJCS and CINC representation in these USG meetings are critical to ensure US military equities are adequately represented and protected.

Total Program Increases:

24,417

Program Decreases.

- a. Pentagon Reservation Maintenance and Revolving Fund. -10,981
Decrease reflects adjustments (\$7,481) to balance Pentagon Reservation and Maintenance Revolving Fund customer accounts with changes in renovation schedule, swing-space leases, furnishings, above-standard requirements. This reduction also includes one-time FY 2001 costs that do not carry-forward to FY 2002 (Metro Entrance Facility (\$2M), and relocating the Washington Metro Area Transit Authority bus stops (\$1.5M)).
- b. FY 2002 Unanticipated TRANSCOM Bills. -5,100
Decrease represents reductions to various Budget Activity 04 programs to finance Budget Activity 01 commercial airlift augmentation costs, unanticipated Military Sealift Command costs and contract dispute settlement costs associated with the Special Middle East Sealift agreement. The following Budget Activity 04 programs were reduced in order to fund these Budget Activity 01 unanticipated bills: ISLAND SUN (\$527K), Combating Terrorism Directorate (\$605K), Theater Engagement Plan Management Information System (\$920K), Focused Logistics (\$620K) and

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Global Combat Support System (\$107K); International Negotiator Support (\$500K), JV 2020 (\$400); Joint Training Systems (\$600K); Joint Analysis Operations (\$130K); JWARS (\$150K); and Joint Staff Information Network (\$541K).

c. Joint Multidimensional Education and Analysis System. -3,000
Program was a one-time add by Congress in FY 2001.

d. Pentagon Reservation and Maintenance Offsets. -3,000

Decrease represents reductions to various BA 04 programs to finance the construction of the Pentagon Athletic Center (\$2.5M), fund Pentagon security enhancements (\$400K), and fund pay raises for Pentagon law enforcement officers (\$100K). The following programs were reduced: Information Superiority Experimentation (\$550K); Analysis Support (\$300K); Joint Staff Information Network (\$300K); National Military Command Center (\$50K); CINC Counterterrorism/Counter-proliferation (\$100K); COOP (\$100K); Military Assessment Capability Support (\$56K); Logistics Concept Development (\$50K); Computer Technology for Analysis Enhancements (\$98K); C4 Operational Architecture Assessment (\$40K); C4 Security Management (\$50K); Global C2 Systems Management (\$100K); JWID (\$180K); Information Assurance (\$30K); C4 Assessments (\$16K); Joint Staff Security Management (\$30K); Joint Staff Supplies (\$300K); Joint Staff printing (\$50K); Joint Staff contract studies (\$399K) and Joint Staff travel (\$201K).

Total Program Decreases: -22,081

FY 2002 Budget Request: \$169,340

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V. Performance Criteria and Evaluation Summary.

a. The Joint Staff is responsible for providing support to the Chairman of the Joint Chiefs of Staff in his role as the principal military adviser to the President, the National Security Council, and the Secretary of Defense. In this capacity, the Joint Staff supports the accomplishment of all DOD corporate goals.

b. It is difficult to quantify the results of staff actions. However, accomplishment of the DOD corporate goals and successful employment of US and coalition forces worldwide depends on a number of programs and actions provided by the Joint Staff. Development, enrichment, and deployment of joint policy, procedures, doctrine, and training methodologies are critical. Military engagement throughout the world on issues such as humanitarian law in armed conflict, maritime affairs, treaty compliance activities, security assistance matters, and international negotiations associated with these activities remain a priority. Analysis through modeling, simulations, war games, and analytical studies for Department assessments such as the Quadrennial Defense Review (QDR) and Joint Warfighting Capabilities Assessments (JWCA) must be accomplished to ensure efficient organizations and effective use of scarce resources. Development and evaluation of war plans and preparation of strategy, planning guidance, and policy for operations, logistics, C4, organizational issues, politico-military affairs, and international negotiations are crucial for improvements in Department operations. Examples of the Joint Staff's accomplishments in these areas include:

(1) In FY 2000, J-34 directorate personnel participated in 1997 and 1996 world-wide Joint Staff Integrated Vulnerability Assessments (JSIVAs), which assessed DOD installations in the area of physical security, intelligence and counterintelligence, operational readiness, structural intelligence, operational readiness, structural engineering, and infrastructure engineering. JSIVA teams provided combatant commanders, Service Chiefs, and installation commanders with an expert assessment of their

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vulnerability to terrorist attack, options to enhance their AT/FP programs, and feedback to the Chairman on his AT/FP initiatives.

(2) Implement lessons learned from the *Best Practices Study* to achieve the Chairman's vision of US forces being the premier organization in combating terrorism throughout the world. US forces may incorporate best practices derived from the study as they increase their proficiency in combating terrorism.

(3) Educate CINCs and Services on the AT/FP and Weapons of Mass Destruction (WMD) Planning Template Annex. This annex provides the installation commanders and DOD AT/FP planners a tool to assess threats and measure risk regarding incidents involving WMD utilizing an interactive CD-ROM. This tool complements the AT/FP Installation Planning Template that assists in the overall development of AT/FP plans.

(4) Conducted three Joint Staff AT/FP Level IV Executive Seminars, with CINC/Service/Defense agency general officer, flag officer, and other senior-level representatives in attendance. The seminar goal was to expose senior leadership to the increasing emphasis on antiterrorism in an effort to help institutionalize the commitment to develop a premier force protection capability.

(5) Conducted a WMD seminar educating Joint Staff leadership and prospective crisis action team officers.

(6) Planned for the FY 2001 Force Protection Equipment Demonstration (FPED). The FPED will showcase commercial-off-the-shelf (COTS) force protection equipment to commanders, senior decision-makers within the Department of Defense, the interagencies, and congressional members. The FPED purpose is to identify useful COTS items that can be readily obtained and put to use in a force protection role.

(7) Conducted a POM Review, in conjunction with OSD, resulting in \$282M of resources being redirected to AT/FP requirements.

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(8) Conducted JOPES documents review that defined planning and execution procedures for the Nation's deployment management system were staffed and published. Three published reference documents provided critical operational planning parameters. Two other documents were totally rewritten and are in the staffing process now with CINCs, Services, agencies, and the Joint Staff. One organizes the JOPES database and provides business rules; the other defines planning policies and procedures for JOPES. These documents enhanced joint capabilities of the US Armed Forces and improved force management procedures.

(9) Received CJCS approval of all regional CINC CONPLAN 0400s. Instituted the revision of CJCS CONPLANS 0400 (Counterproliferation (CP)) and 0300 to be completed in FY 2001. Rewrote the Charter of the Counterterrorism Joint Task Force. Produced a Consequence Management (CM) Planning Guide, a first-of-its-kind reference manual to be used by primary staff planners and tactical leaders tasked with planning and conducting CM operations. Participated in numerous CP/CM-related working groups, seminars, exercises, and workshops. Began production of a CJCSI, designed to list CM units by Component of Command, entitled "*Military Capabilities, Assets, and Units for Consequence Management Operations.*" CJCSI 3110.16 is a first-of-its-kind CJCSI that is designed to provide guidance and information to the NCA, Services, CINCs, and the Joint Staff for planning and conducting CM operations and for using CM assets. It is a valuable planning tool in the event of a CM event. Conducted two foreign WMD CM workshop/seminars in coordination with National Defense University. The workshop series is directed at CINC and interagency CM planners and presents realistic CM scenarios so that participants consider the risks and trade-offs associated with committing already-scarce DOD resources to foreign CM operations. Began production on a CJCSI for personnel recovery in the Department of Defense.

(10) All doctrine, CJCSIs, selected Service doctrine, and joint force briefings have been consolidated into a joint electronic library on CD-ROM. This single disc, which

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includes electronic-search capability, replaces over 200 publications at a fraction of the cost.

(11) The recently developed joint doctrine worldwide Web site is within the top five in all Department of Defense for popularity (over 100,000 accesses per week). It has become the preferred method for distributing doctrine, accessing the Joint Training System series of publications, in effect a "one-stop library," thus saving both time and money.

(12) The joint electronic information system is under development and will be a database of all doctrine that will be hyperlinked to all related material (e.g., universal joint task list, lessons learned, war plans, history). The system will include electronic staffing of doctrine as well as establish a "one-stop shop" for doctrine -- a reference library available 24 hours a day.

(13) A doctrine-networked education and training system is being developed. It will be an internet-based education system designed to teach doctrine to the entire military community -- formal schools, quick-reaction joint task forces, and Reserve Components. This initiative will save travel and classroom time, improve the knowledge level of the total force, and yield better-prepared joint forces.

(14) Examined the Nation's ability to mobilize the National Guard and Reserves and identified shortcomings in the mobilization planning processes.

(15) Developed and coordinated USG policy regarding antipersonnel land mines (APL) and mixed antitank munitions that resulted in the statement of US APL policy in PDD-64 ("Anti-Personnel Landmines: Expanding Upon and Strengthening US Policy". Preserved US military interests to retain the option to use these weapons to protect US forces while committing to seek suitable alternatives that would enable the US Government to sign the Ottawa Convention Treaty by 2006.

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(16) Assisted transition of USEUCOM/USCENTCOM responsibilities in their expanded areas of responsibility of Western Slavic/Caucasus and Central Asia.

(17) Organized and managed the information exchange mechanisms for the CFE Treaty implementation that guided USEUCOM and Services through the complex data exchange processes for the CFE Treaty and Global Exchange of Military Information. Developed and packaged detailed numerical analyses to support Joint Staff positions in the policy formulation process of CFE Treaty adaptation.

(18) Assisted in the formulation of a positive vision of the broader arms control regime (Article V) of the Dayton Accords.

(19) Assisted in the effort to develop militarily sound and significant confidence and security-building measures in the ongoing international effort to revise and update the Vienna Document 1994 -- the widest confidence and security building measures regime in Europe.

(20) Supported Anti-Ballistic Missile (ABM) Treaty-mandated meetings of the Standing Consultative Commission that lead to successfully negotiating with Belarus, Russia, Ukraine, and Kazakhstan, and implementation details for confidence building measures agreement from ABM/TMD demarcation agreements.

(21) Supported Intermediate Range Nuclear Forces (INF) Treaty-mandated meetings of the Special Verification Commission that successfully broke a 3-year delay on how to address INF inspection rights at Votkinsk, Russia.

(22) Developed multi-agency support team concept as operational link to PDD-56 ("USG Policy on Managing Complex Contingency Operations") politico-military planning process.

(23) Served as the Joint Staff representative on delegation to Rome negotiating creation of permanent UN International Criminal Court and successfully defended against treaty provisions that would have made US forces vulnerable to politically motivated prosecutions as war criminals.

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(24) Published Joint Planning Document, Joint Strategic Review, National Security Strategy Document, Contingency Planning Guidance, Joint Strategic Capabilities Plan, European Posture Review, Unified Command Plan, and Theater Engagement Planning Documents and associated annexes.

(25) Served as the Joint Staff lead for USG policy on space control and the use of lasers in space as a result of the midrange chemical infrared laser antisatellite test.

(26) Served as the Joint Staff representative to the Nuclear Weapons Council working-level groups and participated in the development of the Nuclear Weapons Stockpile Memorandum, Nuclear Stockpile Certification Report, Nuclear Weapons Stockpile Plan, Nuclear Weapons Deployment Plan, and the Nuclear Weapons Surety Report. Served as the Joint Staff lead to monitor Nuclear Stockpile Stewardship Program.

(27) Developed and implemented anthrax vaccine policy/plan.

(28) Represented the Joint Staff on NBC Defense Policy Counterproliferation Council, published Joint Pub 3-11 (Joint NBC Operations), and drafted CJCS 3110.07 (NBC Defense).

(29) Accomplished the Command and Control (C2) End-to-End (E2E) Assessment, which is a CINC, Service, and agency review of joint warfighting C4 programs, issues, and initiatives. It serves as a tool to conduct a joint warfighting C2 assessment. Its purpose is to identify and prioritize CINC critical C4 programs, issues, and initiatives to provide the JROC with knowledge to make effective acquisition and investment strategy decisions to achieve JV 2020. The C2 E2E assessment was accomplished in compliance with CJCSI 6111.01, "C4 Systems Planning, Assessments, and Evaluations." The C2 E2E supports the CJCS Title 10 responsibility to conduct the Chairman's Program Review during the PPBS Process.

(30) Performed the C4 Readiness Assessment (C4RA), which is an associated Joint Staff product of the C2 ETE assessment process. The C4RA presents and documents the results of the C2 end-to-end assessment supplemented by readiness analysis and reporting.

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It encapsulates the readiness of C4 systems in support of CINC C4 warfighting requirements. It addresses the ability of DoD C4 systems to support the execution of the National Military Strategy and provides the Joint Staff a summary of CINC C4 issues. The C4RA was accomplished in compliance with CJCSI 6111.01.

(31) Developed standardized information assurance (IA) metrics (CJCSI 6510.04) to support DOD's assessment of IA status for readiness reporting, determining resource requirements, and conducting risk assessments. Developed the Defense in-depth approach (brochure) to IA that integrates people, operations, and technology to achieve strong, effective, multilayer, multidimensional protection. This publication was the Joint Staff's first venture in a projected series intended to assist and guide those who defend DOD computer networks.

(32) Continued work in the Joint Deployment Process Improvement effort. The JDDPI action tracking database currently has 19 initiatives actively being worked, and over 30 initiatives have been implemented or closed. Per a July 1999 JROC tasking, updated CJCSI 3020.01 to establish a 72-hour objective time standard for validating TPFDD during crisis action planning.

(33) Initiated a study to review and evaluate what the Joint Simulation System (JSIMS) has the ability to display from initial operational Configuration through final operational configuration. The study models the Defense Transportation System as it relates to wholesale logistics distribution. The study will identify Advanced Concept Technology Demonstrations that could be integrated into JSIMS to enhance future Joint Staff, CINC, and Joint Task Force ability to conduct logistical planning. The study will enhance joint logistic decision making tools by providing increased visibility on the availability and distribution of critical logistic requirements.

(34) Supported the Focused Logistics Wargame (FLOW), the first joint logistics capability assessment ever attempted. It provides a mechanism for applying and assessing technological breakthroughs, joint logistics doctrine, and the desired operational

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capabilities required to implement the JV 2010 tenet of Focused Logistics. FLOW was played as a single-sided, seminar-style game where the given scenario was examined in a sequence of four moves. FLOW revealed deficiencies in four basic areas: engineering capabilities, trusted logistics information environment, on-demand communications for logistics, and contractor logistics support.

(35) Prepared and staffed a Capstone Requirements Document (CRD) for the Global Combat Support System (GCSS). The JROC approved the CRD in June 2000, and the J-4 was assigned CRD lead, officially giving them functional oversight responsibility for GCSS.

(36) Collaborated with Deputy Undersecretary of Defense for Logistics (USD(L) and USCENTCOM to initiate the Joint Logistics Warfighting Initiative (JLWI) to conduct joint and component demonstrations and experiments within the CENTCOM AOR. Intent is to use JLWI as a means to reduce customer wait time, decrease human intervention, and provide greater logistics visibility to the warfighter.

(37) Collaborated with DUSD (L) to prepare and release DRID # 54, Logistics Transformation. Defense Reform Initiatives Directive (DRID) #54, signed by the Deputy Secretary of Defense on 23 March 2000, implements a strategy with which the Joint Staff J-4, DUSD(L), the Services, and appropriate Defense agencies begin optimizing processes and leveraging commercial solutions to increase the visibility, speed, and efficiency of future logistics operations.

(38) Initiated an assessment of the Joint Nuclear Biological and Chemical (JNBC) Defense POM to assess the Joint NBC Defense Program - specifically, current and future materiel development and RDT&E -- to ensure that CINC CP Warfighting Requirements are adequately addressed. This assessment will recommend actions to address CINC CP priorities via the POM.

(39) Initiated a study of Joint Training System Interagency Education and Training. The objectives of this study are to conduct an analysis of current training programs and

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their relationship, current or potential, to the Universal Joint Task List, analyze the appropriated methodologies to integrate the agencies, and construct a way-ahead road map with metrics to achieve the recommended road map.

(40) Overhauled procedures and resources to improve the management and analytical rigor of Joint Staff studies. Designed, tested, and implemented new processes for the Joint Staff Resource Management Council to assess study requirements and allocate limited study resources. Designed and published guidebooks for Joint Staff action officers to assist them in knowledgeably building a study effort and in writing a well-structured statement of work. Designed and implemented a prototype management information system to help plan, resource, and track the status of Joint Staff studies.

(41) Established world wide user connectivity to an information base containing bibliographic information on Joint Staff studies, identification of joint subject matter experts, and descriptions of selected joint analytical tools and methodologies. Study planners and directors use the information base to quickly research past efforts or find additional sources of help (people and tools).

(42) Conducted a comparative analysis of various aircraft fleet composition and staging options to meet transportation requirements of the combatant commanders. This analysis was instrumental in validating requirements and costing-out alternatives in response to a congressional inquiry.

(43) Developed and deployed a World Wide Web-based collaborative tool to assist the joint warfighting community with conducting a major Departmental study on mobility requirements. The tool facilitates near-real-time collaboration among geographically separated authors, editors, and reviewers and allows them to more quickly develop and validate analytical findings and recommendations.

(44) Evaluated selected state-of-the-art analytical technologies to determine their potential to improve the accuracy and responsiveness of joint warfighting capability

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assessments, joint resource allocation, and force structure analyses. Developed prototype visualization tools that can generate new insights and permit greater interactivity with decision-makers in the areas of joint air-to-ground combat identification and strike operations. Developed a large-scale resource allocation model that can assess the impact of information flows on operational outcomes and force structure costs.

(45) Initiated research to gather and organize information concerning the details of smaller-scale contingencies to determine the commonalties and differences among them. Follow-on efforts will use the resulting data and database to analyze these operations and their impacts on the structure of the supporting forces.

(46) Provided technical support to the joint warfighting community to quantify the benefits, scope the resource requirements, and define operational concepts for implementing an open-source analytical capability to support combatant command and joint task force staffs during real-world operations.

(47) Assessed Joint Staff analytical capabilities and processes for supporting the Quadrennial Defense Review. Examined alternative analysis data structures, force structures, and technical capabilities required to support the senior decision-makers during the next QDR.

(48) Continued the development of the IOC version of the Joint Warfare System (JWARS). JWARS will be the next-generation, theater-level campaign analysis tool. Supporting JWARS activities included verification and validation (V&V) planning and execution; test and evaluation (T&E) planning; research into challenging representation problems (e.g., environment, communications, and WMD); and research into enhancing software performance. The Joint Data System JDS, (the central authoritative source of verified, validated, and certified (VV&C) data and information for use in the JAMIP suite of models and simulations), provided information on availability of data and actual data for JWARS development; continued to provide data for two major DOD studies ("Experiment

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in Modeling Focused Logistics" and "Mobility Requirements Study 2005"); and improved upon and released on a regular basis the detailed US force, unit, and equipment data in the conventional forces Database. The Joint Staff also managed and maintained the current suite of models (implemented three new versions of existing models; inducted four new tools into suite; and retired eight tools). In preparation for the assumption of responsibilities for JWARS field support and configuration management the Joint Staff, J-8 has implemented a help desk with a dedicated Web site, and published a help desk guide. In addition, the Joint Staff, J-8 has prepared and coordinated the Configuration Management Plan, Fielding Plan, Beta Test Plan, participated in use site surveys, and assisted user sites and the JWARS Office to meet hardware and supporting software requirements. J-8 has also prepared and coordinated Memorandums of Agreement among the JWARS development office, JDS, the Joint Staff, and each of the 12 beta test sites.

(49) Significant improvements were made to the reliability, capability, survivability, and security of the JSIN. Secure information flow between the Joint Staff and external agencies via JSIN increased drastically, without any incidents of intrusion, as the capability of Cyber-shield, Netranger, and firewall security components improved. Defense Messaging System (DMS) implementation began, providing writer-to-reader messaging services on a limited basis via the unclassified network. The JSAP application was improved by integrating the user interface with the JSIN e-mail client, providing a consolidated inbox for all staff actions. A robust, real-time JSIN network backup capability was installed at an alternate offsite location and validated during Y2K contingency testing. Obsolete equipment was disposed of or updated and redistributed maximizing utilization and return on investment. New generation secure telephone equipment was placed on order to upgrade the Joint Staff secure communications capabilities.

(50) Joint Vision 2020 supports both DOD corporate goals but more specifically, "prepares now for an uncertain future by pursuing a focused modernization effort that maintains US qualitative superiority in key warfighting capabilities; transforming the

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force by exploiting the Revolution in Military Affairs; and reengineering the Department to achieve a 21st century infrastructure." It provides force transformation strategy that will help ensure US military full-spectrum dominance in the 21st century. The vision is centered on the joint force of the future through the integration of Service core competencies. JV 2020 seeks to transform US joint military capabilities through the co-evolution of doctrine, organization, training, material, leadership and education, people, and facilities to achieve new levels of effectiveness in joint warfighting across the full range of military operations.

(51) The Joint Staff is building plans on a solid foundation, and significant progress has been made. Accomplishments and plans include: (a) published "Concept for Future Joint Operations" in May 1997 that expanded the concepts of JV 2010; (b) published Joint Vision 2020, which extends the conceptual template established by JV 2010; (c) The identification of 21st century challenges -- those future security issues -- will provide greater definition to the operational and enabling concepts and serve as compelling rationale for examining desired operational capabilities (DOCs). The DOCs are concept-based statements of capabilities required by the future joint force commander. (d) As the CJCS executive agent to operationalize the Joint Vision, the J-7 has worked with the CINCs, Services, OSD agencies, and Joint Staff directorates to develop the Joint Vision Implementation Master Plan (JIMP). It focuses and integrates efforts to assess JV 2020 concepts and desired operational capabilities. (e) Established the groundwork for building the Joint Vision Integration Cell (JVIC). The JVIC, an integrated electronic database, will become the focal point for tracking and fusion of Service specific, joint (USJFCOM), and multinational experimentation efforts.

(52) To fulfill guidance from the Secretary of Defense and the CJCS, US Joint Forces Command (USJFCOM) develops annual Joint Experimentation Campaign Plans that set the path for innovative concept development, experimentation, and assessment. The assessment of innovative concepts and leap a-head technologies can generate significant improvements to joint doctrine, organizations, training, materiel, leadership and education, personnel, and

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facilities. The Joint Experimentation Program is designed to sustain and widen the qualitative superiority of US forces over potential 21st century rivals and to prevent any adversary from surprising and exploiting advanced technologies faster than the United States. Additionally, the Joint Staff will make future revisions to the Joint Vision document when necessary.

(53) Initiated pilot programs to support the Joint Staff Knowledge Advantage (JSKA) programs efforts to ensure near-real-time knowledge sharing across the entire Joint Staff.

(54) Supported the Presidential delegation at the US-Russia Summit.

(55) Supported OSD, CJCS, VCJCS, and ACJCS visits to the Newly Independent States (NIS) resulting in many new initiatives directed at assisting former Soviet Union (FSU) countries transition to democracies and apolitical militaries.

(56) Developed and packaged detailed numerical analyses to support Joint Staff positions in the policy formulation process of CFE Treaty Adaptation.

(57) Developed and coordinated US policy regarding Anti-Personnel Landmines (APL) and mixed antitank munitions that resulted in the statement of US APL policy in PDD-64 (Anti-Personnel Landmines: Expanding Upon and Strengthening U.S. Policy (U)). Preserved US military interests to retain the option to use these weapons to protect US forces while committing to seek suitable alternatives that would enable the US Government to sign the Ottawa Convention by 2006.

(58) Supported Anti-Ballistic Missile (ABM) Treaty-mandated meetings of the Standing Consultative Commission that lead to successfully negotiating with Belarus, Russia, Ukraine, and Kazakhstan, implementation details for Confidence Building Measures Agreement (CBMA) from ABM/TMD Demarcation Agreements.

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(59) Supported Intermediate Range Nuclear Forces (INF) Treaty-mandated meetings of the Special Verification Commission that successfully broke 3-year logjam on how to address INF inspection rights at Votkinsk, Russia.

(60) Supported START Treaty-mandated meetings of the Joint Compliance and Inspection Commission that permitted full explanation of SECSTATE proposal to resolve both US and Russian START implementation and compliance concerns.

(61) Coordinated Joint Staff policy regarding the Missile Technology Control Regime that protected US military interest in reducing the proliferation of weapons of mass destruction by controlling transfers of missile-related technology that could contribute to their delivery systems.

(62) As a member of the DOS delegation, engaged in protracted bilateral discussion on missile nonproliferation with the UK and Brazil. Talks with Brazil resulted in successful completion of a significant bilateral technical agreement involving Brazil's space launch vehicle program.

(63) Served as senior Joint Staff representative to US-Russia Defense Cooperative Group meetings, supporting OSD and directly representing the Chairman on issues such as cooperation in KFOR and SFOR, Peacekeeping, NMD, and Combating Terrorism.

(64) Supported the development of United States government positions for future peacekeeping missions in Burundi, Democratic Republic of the Congo, and Ethiopia/Eritrea.

(65) Supported the SecDeF Defense Ministerial meeting with France and US/French Nuclear Bilateral Talks.

(66) Served as the Joint Staff representative on the Theater Nuclear Study working group that reviewed nuclear policies, forces, and planning processes.

(67) Conducted two multilateral working groups with African nations on political-military discussions of HIV/AIDS and peacekeeping engagement activities in the region.

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(68) Represented the Joint Staff at negotiations in Zambia with the UN, OAU, concerned States, and numerous rebel groups in the development of an acceptable command structure for the UN peacekeeping mission in the Congo.

(69) Participated as required, in meetings of foreign military committees, such as the Joint Staff-Jordan Joint Military Commission, the US-Egyptian Military Coordination Commission and other similar organizations and US.

(70) Declassification of Records. The Joint Staff has budgeted the following amounts to declassify records pursuant to Executive Order Number 12958: (\$ in thousands).

<u>FY00</u>	<u>FY01</u>	<u>FY02</u>
0	\$340	\$340

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 Budget Activity 04: Administrative & Servicewide Activities

V. Personnel Summary

	Actuals			Change
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 01/FY 02</u>
Active Military End Strength				
Officer	793	801	800	-1
Enlisted	284	273	259	-14
TOTAL	1077	1074	1059	-15
Civilian End Strength				
US Direct Hire	178	193	187	-6
TOTAL				
Active Military Average Strength				
Officer	809	806	805	-1
Enlisted	284	278	266	-12
TOTAL	1093	1084	1071	-13
Civilian FTEs				
USDH	185	186	190	-4
TOTAL	185	186	190	-4

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- a. Funding for 19 civilians added, beginning in FY 2002 and extending in each year of the FYDP, to backfill military billets transferred to USSPACECOM. This requirement was generated from USSPACECOM's expanded mission of Computer Network Defense/Attack. The 19 military billets were transferred from the CINCs to USSPACECOM and the civilian billets added to The Joint Staff were apportioned back to the affected CINCs. Fifteen of the 19 billets were transferred to the CINCS. The remaining 4 civilians do not represent organic growth to the Joint Staff but do, however, temporarily ramp FTE numbers in FY 2002 and out.
- b. The military personnel reductions are in accordance with the DepSecDef decisions in the Defense Reform Initiative (DRI). The overall decline in military billets is part of a 5-year phase-out plan, started in FY 1999, to reduce Joint Staff manpower by a total of 87 billets.

V. Outyear Impact Summary: N/A

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Budget Activity 04: Administrative and Service-Wide Activities

	FY 2000	Price	Program	FY 2001	Price	Program	FY 2002	
	Program	Amount	Growth	Program	Amount	Growth	Program	
CIVILIAN PERSONNEL COMP								
101	Ex., Gen & Spec Sched	16,213	600	(361)	16,452	592	(213)	16,831
103	Wage Board	36	1	0	37	1	(1)	37
199	Total Civ Pers Comp.	16,249	601	(361)	16,489	593	(214)	16,868
TRAVEL								
308	Travel of Persons	5,352	86	(211)	5,227	89	(212)	5,104
399	Total Travel	5,352	86	(211)	5,227	89	(212)	5,104
INDUSTRIAL FUND PURCHASES								
672	Pentagon Reservation							
	Maintenance Revolving Fund	9,910	149	26,715	36,774	3,346	(13,481)	26,639
699	Total Industrial Fund Purchases	9,910	149	26,715	36,774	3,346	(13,481)	26,639
TRANSPORTATION								
771	Commercial Transportation	64	1	(1)	64	1	(1)	64
799	Total Transportation	64	1	(1)	64	1	(1)	64
OTHER PURCHASES								
912	Rental Payments to GSA	371	7	0	378	8	0	386
913	Purchased Utilities (non-WCF)	1,290	21	2	1,313	22	294	1,629
914	Purchased Commun. (non-WCF)	1,799	29	7	1,835	31	980	2,846
915	Rents (non-GSA)	549	9	(1)	557	9	1	567
917	Postal Services (U.S.P.S.)	97	2	(2)	97	2	(2)	97
920	Supplies & Materials (non-WCF)	5,520	88	342	5,950	101	(116)	5,935
921	Printing and Reproduction	330	5	217	552	9	(107)	454
922	Equipment Maint by Contract	9,884	158	2,746	12,788	217	3,471	16,476
923	Fac Maint by Contract	931	15	(2)	944	16	292	1,252
925	Equipment Purchases (non-WCF)	8,469	136	(3,016)	5,589	95	(2,258)	3,426
932	Mgt & Professional Spt Svs	10,663	171	2,050	12,884	219	3,258	16,361
933	Studies, Analysis & Evaluations	14,898	238	96	15,232	259	6,239	21,730
934	Cntrct Eng & Tech Svs	14,572	233	(7,014)	7,791	132	1,265	9,188
987	Other Intra Gov't Purch	27,651	442	2,013	30,106	512	346	30,964
989	Other Contracts	4,651	74	(166)	4,559	78	4,717	9,354
999	Total Other Purchases	101,675	1,628	(2,728)	100,575	1,710	18,380	120,665
9999	TOTAL	133,250	2,465	23,414	159,129	5,739	4,472	169,340

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 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-Wide
 Facilities Sustainment, Restoration and Modernization

Activity Group: Facilities Sustainment and Restoration and Modernization

I. Narrative Description:

Facilities Sustainment and Restoration and Modernization funds the maintenance/upkeep of existing Joint Staff spaces and acquisition of new facilities. This program is a major component in the Pentagon Reservation Maintenance & Revolving Fund. This funding level reflects the Joint Staff's decision of how best to meet increased operational mission requirements while sustaining austere level of facility maintenance and repair. The Joint Staff funds RPM in Budget Activity 04, Management Headquarters, Program Element 090228J.

II. Description of Operations Financed:

Facilities Sustainment and Restoration and Modernization functions include maintenance and repair projects and minor construction accomplished by the Pentagon's in-house and contracted workforces. Our objectives are to sustain mission capability, quality of life, and workforce productivity.

III. Financial Summary: (O&M, \$ in Thousands)

FY 00 FY 01 FY 02

A. Activity Breakout

1. Sustainment	360	365	370
2. Restoration and Modernization Projects	<u>380</u>	<u>387</u>	<u>489</u>
Total	740	752	859

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 Facilities Sustainment, Restoration and Modernization

III. <u>Financial Summary (con't):</u>	FY 00	Price	Program	FY 01	Price	Program	FY 02
	<u>Prgm</u>	<u>Amt</u>	<u>Growth</u>	<u>Prgm</u>	<u>Amt</u>	<u>Growth</u>	<u>Prgm</u>
B. <u>OP-32 Line Items</u>							
923 Fac Maint by Contract	740	12	0	752	13	94	859

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 Operations and Maintenance, Defense-Wide
 Facilities Sustainment, Restoration, and Modernization

III. Financial Summary (con't):

C. Reconciliation of Increases and Decreases (\$000)

FY 2001 President's Budget Request	752
FY 2001 Baseline Funding (subtotal)	752
Revised FY 2001 Estimate	752
Price Change in FY 2002	13
Program Increase in FY 2002	94
a. <u>Area Improvement Program (AIP)</u>	94
FY 2002 increase due to cyclic requirements of AIP to paint and replace carpet. AIP is on a five-year cycle. FY 2002 will reduce backlog.	
FY 2002 Budget Request	859

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Facilities Sustainment, Restoration, and Modernization

IV. <u>Administration and Support</u>	<u>FY 00</u>	<u>FY 01</u>	<u>FY 02</u>
A. Number of A&E Contracts	0	0	0
B. Planning and Design Funds	0	0	0
C. Military E/S	5	5	5
D. Civilian E/S	0	0	0
E. Total Personnel E/S	5	5	5
F. Number of Installations	1	1	1

JOINT STAFF
 FY 2002 Amended Budget Submission
 Operations and Maintenance, Defense-Wide
 Facilities Sustainment, Restoration, and Modernization

<u>V. Personnel Summary:</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change</u> <u>FY 01/FY 02</u>
Active Military End Strength				
Officer	1	1	1	0
Enlisted	4	4	4	0
TOTAL	5	5	5	0
Civilian End Strength	0	0	0	0

FY 2002 Amended Budget Submission

UNITED STATES SPECIAL OPERATIONS
COMMAND (USSOCOM)



June 2001

INTRODUCTORY STATEMENT
 UNITED STATES SPECIAL OPERATIONS COMMAND
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission

(Dollars in Millions)

FY 2000 <u>Actual</u>	<i>Price</i> <u>Change</u>	<i>Program</i> <u>Change</u>	FY 2001 <u>Estimate</u>	<i>Price</i> <u>Change</u>	<i>Program</i> <u>Change</u>	FY 2002 <u>Estimate</u>
1,381.809	+62.918	-93.819	1,350.908	+39.265	+115.088	1,505.261

Summary: "Ready today and prepare for tomorrow" is the underlying theme of the FY 2002 Budget Estimate Submission. As USSOCOM prepares for the future with a sense of urgency, we continue to provide the nation with the most capable and relevant special operations force (SOF) in existence. Although proud of the capabilities that we have developed and use today, we are determined to be even more capable and more relevant in the future. At the same time we are sharing the resource-constrained environment with the other unified commands and the military services. This budget provides for the execution of a clearly articulated set of priorities and principles that enhances the balance between modernizing for the future and maintaining current readiness. At the same time, our program optimizes force structure and infrastructure to match the needs of our transition strategy for the future. Our number one priority remains focused readiness. At the same time, modernization is critical to our ability to prepare for the future. In SOF modernization programs, USSOCOM has carefully prioritized our resources to build "leap ahead" capabilities. Readiness and sustainability are resourced to accomplish our peacetime engagement and wartime missions.

Description of Operations Financed:

	FY 2000 Actual	Price Change	Program Change	FY 2001 Estimate	Price Change	Program Change	FY 2002 Estimate
Budget Activity 1: Operating Forces	1,291.537	60.381	-96.901	1,255.017	37.093	112.687	1,404.797
Budget Activity 3: Training and Recruiting	37.881	1.303	11.431	50.615	1.228	1.730	53.573
Budget Activity 4: Administration and Servicewide Activities	52.391	1.234	-8.349	45.276	.944	.671	46.891

INTRODUCTORY STATEMENT
UNITED STATES SPECIAL OPERATIONS COMMAND
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission

Narrative Explanation of Changes:

The FY 2002 budget request increases by \$154.353 million over the FY 2001 level, which includes \$39.265 million for price growth. The above table displays the USSOCOM O&M, Defense-Wide funding by program area. An explanation of the program changes is as follows:

- Budget Activity 1, Operating Forces (\$159.780 million) in FY 2002

Programs in BA-1 increased by \$159.780 million over the FY 2001 level, which includes \$37.093 million for price growth. Specific increases were the Combat Development Activities (\$30.180 million); Flying Hour Program (\$23.289 million); increase of 115 workyears (\$6.860 million); increase for contingency operations (\$24.200 million); forward basing of 160th Special Operations Aviation Regiment (ESOAR) (\$3.622 million); steaming day program (\$3.453 million); Riverine Craft (\$1.561 million); Intelligence and Communication programs (\$5.816 million); implementation of the Special Operations Command Pacific (SOCPAC) Joint Special Operations Aviation Component (JSOAC) (\$.250 million); Aircrew Training and Rehearsal System (ATARS) (\$6.954 million); Mobile satcom services provided by DISA (\$2.000 million); increase in Special Operations Forces Support Activity (SOFSA) contract (\$.789 million); Anti-Terrorism/Force Protection (\$1.725 million); and collateral equipment for various projects (\$7.472 million).

- Budget Activity 3, Training (\$2.958 million) in FY 2002

Programs in BA-3 increased by \$2.958 million over FY 2001, which includes +\$1.228 million in price growth. The \$1.730 million increase is due to requirements in support of the Advanced Individual Training (AIR) Civil Affairs/Psychological Operations (CA/PSYOP) Get Well Plan and contractor support for the SEAL Tactical Training and to upgrade the electric system at the Basic Underwater Demolition/SEAL facilities.

- Budget Activity 4, Administrative & Service Wide Activities (+1.615 million) in FY 2002

Programs in BA-4 increased by \$1.615 million over FY 2001 of which \$.944 million was price growth. Program increases for the Common Avionics Architecture for Penetration (CAAP) program is offset by realignment to BA-1 for Tactical Local Area Network (TACLAN) (-\$.791) and reductions in the AC-130U, MC-130H and the Mission Planning, Analysis, Rehearsal and Execution programs.

This administration has not addressed FY 2003-2007 requirements. All FY 2003-2007 budget estimates included in this book are notional and subject to change.

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FISCAL YEAR (FY) 2002 Amended Budget Submission

SUMMARY OF INCREASES AND DECREASES

(Dollars in Thousands)

	<u>BA-1</u>	<u>BA-3</u>	<u>BA-4</u>	<u>TOTAL</u>
FY 2001 President's Budget Request	1,263,572	49,158	43,864	1,356,594
1. Congressional Adjustments (Undistributed)				
a. Defense Joint Accounting Service (DJAS)	-2,398			-2,398
2. Congressional Adjustment (Distributed)				
a. Collateral Equipment for Naval Small Craft Instructional Technical Training School		2,000		2,000
3. Congressional Earmarks				
a. Indian Lands Mitigation	-1,776			-1,776
b. Mid East Regional Security Issues	-178			-178
c. Bosque Redondo Memorial	-357			-357
FY 2001 Appropriation Enacted	1,258,863	51,158	43,864	1,353,885
4. FY 2001 Rescission	-2,977	0	0	-2,977
5. Program Changes	-869	-543	1,412	0
Revised FY 2001 Current Estimate	1,255,017	50,615	45,276	1,350,908
6. Transfers In				
a. Funds from OCOTF for SW Asia operations	15,200			15,200
7. Transfers Out				
8. Price Change	37,093	1,228	944	39,265
9. Program Increases				

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FISCAL YEAR (FY) 2002 Amended Budget Submission

SUMMARY OF INCREASES AND DECREASES

(Dollars in Thousands)

a. Annualization of New FY 2001 Program	0	0	0	0
b. One-Time FY 2002 Costs	9,986	0	0	9,986
c. Towed Decoy			1,000	1,000
d. Program Growth in FY 2002	101,685	1,730	3,988	107,403
10. Program Decreases				
a. Annualization of New FY 2001 Program	0	0	0	0
b. One-Time FY 2001 Costs	-467	0	-791	-1,258
c. Program Reductions in FY 2002	-13,717	0	-3,526	-17,243
11. Revised FY 2002 Estimate	1,404,797	53,573	46,891	1,505,261

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 1: Operating Forces**

I. Description of Operations Financed:

A. Flight Operations - Supports two active Special Operations Wings (SOW) (16 SOW, Hurlburt Field, FL and 58 SOW, Kirkland AFB, NM) and two Special Operations Groups (SOG) (352 SOG, RAF Mildenhall UK and 353 SOG, Kadena AB JA) and their associated squadrons. Includes the 919th Special Operations Reserve Wing located at Duke Field, FL and the 193rd Special Operations Air National Guard Wing, Harrisburg IAP, PA. Includes the 160th Special Operations Aviation Regiment at Ft Campbell, KY. Funding supports Special Operations Forces (SOF) Army and Air Force civilian manpower authorizations, flying hours, Special Operations (SO) peculiar and support equipment, necessary facilities, initial qualification and recurring training of aircrews in SOF aircraft operations and tactics. Costs specifically identified and measurable to SOF active tactical aviation operational units, organizations and special operation wings and squadrons are also included in this subactivity.

B. Ship/Boat Operations - Supports Naval Special Warfare Groups, Special Boat Squadrons, and SEAL Teams. Includes Active and Reserve Navy manpower authorizations, SO-peculiar and support equipment, necessary facilities, and associated costs specifically identified and measurable to ships and boats assigned to Naval Special Warfare Command.

C. Combat Development Activities - Includes Joint and Component manpower authorizations, Special Operations Forces (SOF) peculiar and support equipment, necessary facilities and the associated costs specifically identified and measurable to the development of combat doctrine, organizational concepts, material requirements, and other developmental activities related to SOF. Also includes activities to support experimentation, tests, project evaluations necessary to develop and/or validate new doctrine material and organizations for special operations.

D. Other Operations - Includes manpower authorizations, SO-peculiar and support equipment, necessary facilities and the associated costs specifically identified and measurable to SOF Active Army Ranger; Active and National Guard Army Special Forces activities; Active and Reserve Army Psychological Operations; Active and Reserve Army Civil Affairs Units; Counter Drug Activities and Operations TEMPO; Naval Special Warfare units and detachments; support of SEAL Teams, SEAL Delivery Vehicle Teams; and Active and Reserve SOF units and detachments, Air Force 770th Special Tactics Group, Special Tactics Squadrons, Combat Control Squadrons, and SOF Para Rescue Forces.

E. Force Related Training - Provides for the conduct of, or participation in, strategic mobility, major Commander-In-Chief directed, and Joint Chiefs of Staff exercises. Force related training includes Joint Combined Exchange Training sponsored by Commander-In-Chief-Special Operations Command in

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 1: Operating Forces**

Support of regional Theater CINCs and the Services. Includes all Headquarters USSOCOM and/or component manpower authorizations, SO-peculiar and support equipment, necessary facilities, and the associated costs specifically identified and measurable to the conduct of force related training in schools performing SOF related training.

F. Operational Support - Includes manpower authorizations, SO-peculiar and support equipment, necessary facilities and associated costs specifically identified and measurable to SOF Active Army Special Operations Support Command, Active and Reserve Army Tactical Communication, and other SOF operational support units and organizations.

G. Intelligence and Communications - Includes all Headquarters USSOCOM and/or component manpower authorizations, SO-peculiar and support equipment, necessary facilities and associated resources directly associated with ADP support costs for the Global Command and Control System, non-tactical telecommunications networks, services, leases, facility controls and associated equipment. This includes Command Center operations; deployable command, control and communications assets; and automation support required to maintain SOF command and control.

H. Management Operational Headquarters. Includes manpower authorizations, SOF peculiar and support equipment, necessary facilities and associated costs specifically identified and measurable to the U.S. Army, Air Force and Naval USSOCOM Component Command Headquarters of SOF, as well as the USSOCOM Headquarters and its management support activities. Also includes costs associated with the expenditure of funds in support of officially sanctioned activities used to maintain the standing and prestige of the United States by extending official courtesies to guests which promote the goals of CINC Special Operations Command and the Department of Defense. Additionally, includes support for the Theater Special Operations Commands (SOCs).

I. Depot Maintenance - Supports maintenance (to include installation of modification/conversion kits) of weapons/support systems and commodity groups associated with Special Operations Command (SOC) activities. Includes Headquarters USSOCOM and/or components funds for reimbursement of the industrial funds of each Service for depot maintenance of SOF-unique or SO-peculiar aircraft and equipment. Includes reimbursement for ship maintenance activities at industrially funded Naval shipyards and costs associated with non-industrial funded ship maintenance activities at Navy ship repair facilities.

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J. Base Support - Costs specifically identified and measurable as tenant Base Support costs incurred by the Naval Special Warfare Command. In addition provides for all SOF unique minor construction costing less than the statutory maximum amount for a Minor Military Construction project as established by Section 205 of Title 10, U.S.C. Also includes costs for Pre-Design of SOF construction projects.

II. Force Structure Summary: Not Applicable.

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III. Financial Summary (O&M: \$ in thousands):

A. Operations Financed

	FY 2000 <u>ACTUAL</u>	BUDGET <u>REQUEST</u>	<u>FY 2001</u> <u>APPROPRIATION</u>	CURRENT <u>ESTIMATE</u>	FY 2002 <u>ESTIMATE</u>
BA-1 OPERATING FORCES	1,291,537	1,263,572	1,258,863	1,255,017	1,404,797
SO Operational Forces	938,386	890,254	890,808	890,089	1,017,125
Flight Operations	444,493	449,250	452,002	453,259	507,395
Ship/Boat Operations	53,197	54,386	53,839	54,218	63,385
Combat Development Activities	257,994	250,313	248,527	243,958	277,965
Other Operations	182,702	136,305	136,440	138,654	168,380
SO Operational support	353,151	373,318	368,055	364,928	387,672
Force Related Training	34,871	35,335	35,930	32,412	36,179
Operational Support	26,124	26,544	23,640	28,860	28,787
Intelligence & Communication	71,843	103,024	98,857	97,503	105,240
Management/Operational Hqtrs	91,381	80,089	83,601	83,341	90,896
Depot Maintenance	108,373	114,402	112,474	109,299	112,110
Base Support	20,559	13,924	13,553	13,513	14,460

B. Reconciliation Summary:

	<u>Change</u> <u>FY2001/FY2001</u>	<u>Change</u> <u>FY2001/FY2002</u>
1. Baseline Funding	1,263,572	1,255,017
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)	-2,398	
Congressional Earmark	-2,311	
2. Appropriated Amount	1,258,863	
Across-the-board Reduction FY 2001	-2,977	
Rescission		
Transfers In		15,200
Transfers Out		
Intra Agency Transfer In		
Intra-Agency Transfers Out		
3. Price Change		37,093
4. Program Changes	-869	88,787
5. Current Estimate	1,255,017	1,404,797

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III. Financial Summary (O&M: \$ In Thousands)

C. Reconciliation of Increases and Decreases

1. FY 2001 President's Budget Request	1,263,572
2. Congressional Adjustments (Undistributed) Defense Joint Accounting Service (DJAS)	-2,398
Total Congressional Adjustments (Undistributed)	-2,398
3. Congressional Earmarks Section 8047	
a. Indian Lands Mitigation	-1,776
b. Mid East Regional Security Issues Section 8139	-178
c. Bosque Redondo Memorial Section 8142	-357
Total Congressional Earmarks	-2,311
4. FY 2001 Appropriated Enacted	1,258,863
5. FY 2001 Rescission	-2,977
6. Program Increase	
a. Realignment from BA-3 to properly reflect execution of funds.	543
Total Program Increases	543
7. Program Decreases	

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a. Realignment to BA-4 for accurate execution of funding.	-1,412	
Total Program Decreases	-1,412	
Total BA-1 Program Changes		-869
8. Revised FY 2001 Current Estimate		1,255,017
9. Functional Transfers In:		
(a) Funds from OCOTF for SW Asia operations		15,200
Total Functional Transfers In		15,200
10. Functional Transfers Out		
Total Functional Transfers Out		

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11. Price Growth		37,093
12. Program Increases		
a. Annualization	0	
b. One Time Costs		
(1) The Special Operations Forces Support Activity (SOFSA) support contract will be re-competed in FY 2002. Funds will also provide SOFSA SIPRNET capability for key financial personnel at Lexington, KY.	789	
(2) Increase in Anti-Terrorism/Force Protection within the operational support area. Provides for force protection upgrades that include: mirrors used to inspect vehicles, closed circuit TV security systems, barricades, archway metal detectors for building entrances, kevlar/composite curtains, portable high-powered spotlights, wireless alarm systems, lightweight concealable body armor and room bug detectors.	1,725	
(3) Collateral equipment associated with the SOF Remote Command and Control Facility-Phase II Project NVZR993706A and the collateral equipment for the Command Control Facility located at Coronado CA. Collateral equipment includes furniture, office equipment, photocopy equipment and miscellaneous supplies.	3,979	

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(4) Provides collateral equipment funding for Projects 993796 and P216. Funding supports the Headquarters USSOCOM renovation and construction of a permanent shower/locker facility at the Naval Special Warfare Command Headquarters.	3,493
Total One Time Costs	9,986

c. Program Growth

(1) Increase is the result of the new Air Force Cost Analysis Improvement Group (AFCAIG) and U.S. Army Cost and Economic analysis Center (CEAC) cost per-flying-hour factors. These factors are detailed analysis of actual and projected aircraft operations and maintenance costs.	23,289
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(2) United States Special Operations Command (USSOCOM) will deploy 6 MH-47E Chinooks to Taegu, Korea to replace the retiring MH-53J Pave Low helicopters currently located at OSAN AB, Korea. Funds provide for the Contract Logistic Support and sustainment of the E/160 th Special Operations Aviation Regiment.	3,622
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(3) Represents an increase of 115 workyears in FY 2002: 60 for Air Force Special Operations Command (AFSOC) of which 14 support the Special Operations Forces University; 36 for United States Army Special Operations Command (USASOC) for Security Guards for the 160 th Special Operations Aviation regiment and administrative operational support; 2 for United States Special Operation Joint Forces Command (SOCJFCOM); and 17 for the Naval Special Warfare Special Operations Command.	6,860
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(4) Increase supports the steaming day program and the cyclic equipment purchases for Patrol Coastal ships, i.e. INMARSAT, NAVMACS. Allows reasonable funding of ship's operations, organizations and intermediate maintenance, utilities, port services, INMARSAT, Stinger training and deployment costs.	3,453
(5) Provides sustainment funding for the eight Special Operations Riverine Craft being delivered in FY 2002. A crew of four mans the riverine craft and carries up to eight combat-loaded operators. The craft air mobility, shallow draft, armor protection, high speed and other capabilities are required to meet contingency operations/cooperative engagement, Foreign Internal Defense (FID) and riverine requirements.	1,561
(6) Provides sustainment support for new 11 meter Rigid Inflatable Boats (RIB) being delivered in FY 2002. Sustainment costs include, fuel, travel, consumables, repair parts and maintenance.	499
(7) Provides funding for Focus Relief for costs associated with the replacement of transferred equipment and transportation/airlift of personnel and equipment.	9,000
(8) Combat Development Activities (see submission under separate cover).	21,453
(9) Increased funding is required for lease of Psychological Operations Broadcast System equipment (POBS). Lease of selected equipment is required to bridge the gap until full fielding of POBS components. POBS is a capstone program consisting of wide area, multimedia systems providing radio and	608

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television to theater CINCs. It includes the PSYOP distribution system, upgraded Media Production Center at Ft. Bragg, theater Media production centers, flyaway radio and TV broadcast packages, etc.

(10) Increase supports maintenance of Special Operations Forces (SOF) training ranges at Fort Bragg and initial equipment acquisition to support force structure increase within the 528th Special Operations Support Battalion at Ft. Bragg. The range is for specialized SOF mission training at Ft. Bragg. 1,364

(11) Increase in funding is due to growth in the Public Key Infrastructure (PKI) program and the C4IAS Capital Equipment Replacement Program (CERP) program. The increase in funding for PKI supports PK enabling of applications, sustainment of Class 3 PKI residing on the NIPRNet and the transition phase to Class 4 PKI. In addition, the initial issuance of Class 4 capability on the SIPRNET will be accomplished in FY 2002. This effort is in accordance with milestones established by the ASD C3I in the Memorandum for Secretaries of Military Departments dated 12 August 2000 and remains compatible with other DoD CINCs, Services and Agencies. The increase in funding for C4IAS will fund replacement of personal computers. 3,277

(12) Increase in sustainment for the: Multi-mission Advanced Tactical Terminal (MATT) program supporting thirteen replacement systems; Multi-Band Inter/Intra Team Radio (MBITR); Multi-Mission Radio (MBMMR); and SOF Tactical Assured Connectivity Systems (SOFTACS) fielded in late FY 2001. 1,748

(13) Realignment from BA-4, Special Operations Forces Intelligence Vehicle (SOFIV), to the 791

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Tactical Local Area Network (TACLAN). TACLAN will provide centralized management to integrate initiatives into a single information management system.

(14) Systems Engineering Technical Assistance (SETA) contract for Air Force Special Operations Command (AFSOC) Tactical Training and the AFSOC Intel Databases programs. 1,776

(15) Implementation of Joint Special Operations Aviation Component (JSOAC) in Pacific Command. In March 2001, USSOCOM will establish a standing JSOAC with 16 enlisted and 15 officer's billets assigned. The JSOAC will act as the single air manager for joint SOF air planning in peace, crisis and war in the Pacific area of responsibility. 250

(16) Provides funding for contractor support to the USSOCOM Comptroller to comply with the provisions of the Chief Financial Officers Act. 308

(17) Funding provides for USSOCOM's share of the Aircrew Training and Rehearsal system (ATARS) contract to cover Contract Logistic Support (CLS) for all SOF simulators at Kirkland and Hurlburt Air Force Bases. Requirements include instructors and instructor training, instructional material, courseware, data library, minor facility preparation, and sustainment of the Training System Support Center. The CV-22 simulator's will be included in this contract. 6,954

(18) Funds are provided for mobile satcom services provided by the Defense Information Systems Activity (DISA). Specifically, these funds will be utilized for the purchase of Iridium Phones. 2,000

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<p>(19) Program growth is due to funds being realigned from the Joint Combined Exchange Training (JCET) in FY 2001 to address urgent shortfalls within USSOCOM.</p>	<p>2,800</p>	
<p>(20) Funds were provided for increases in electricity as part of the Department of the Navy's Implementation Plan for privatizing utility systems in support of the Department of Defense Reform Initiative Directive (DRID #49-Privatizing Utility Systems).</p>	<p>996</p>	
<p>(21) Joint Operational Stocks increase provides equipment support for the Beacon Transponder and Body Armor to support real world, contingency and training missions for the Theater commands</p>	<p>376</p>	
<p>(22) Alert Posture (see submission under separate cover).</p>	<p>8,700</p>	
	<p>Total Program Growth</p>	<p>101,685</p>
	<p>Total BA-1 Increases</p>	<p>111,671</p>

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13. Program Decreases		
a. Annualization		0
b. One Time Costs		
(1) Reduction in funds to support one-time pre-design services for MILCON projects.	-467	
Total One Time Costs		-467
c. Program Reductions		
(1) Sustainment for several programs was de-scoped to project total ownership savings goals. Special Operations Tactical Video System (SOTVS), SOCRATES POAS, Joint Base Station (JBS) and Special Operations Communication Assemblage Improvement (SOCAIMP) are participating pilot programs. In addition, one staff year of periodic sustainment technical support was reduced for the SCAMPI program. A further reduction in SCAMPI was realized due to projected deactivation of IDNX based long haul terrestrial service as the new DISN circuits become fully operational.	-3,600	
(2) A Patrol Coastal (PC) funding decrease represents decommissioning of PC 5 and 6, removing PC 7 and 8 from the Depot Phased Maintenance Availability (DPMA) schedule and reduced engine overhauls (11 engines).	-5,623	

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<p>(3) AC-130U Gunship decrease is due to a reduction in contractor support and System Program Office overhead at the Gunship System Program Office, Aeronautical Systems Command, Wright Patterson AFB. Additionally, this reduction also decreases travel in support of the AC-130U Program by approximately 20%.</p>	<p>-1,805</p>	
<p>(4) MC-130H Talon II reflects a decrease as program management office transitions from Air Systems Command to Warner Robins Air Logistics Command and a decrease in the number of deficiency reports identified/outstanding during flight test and operational use, as well as the maturation of the MC-130H weapon system.</p>	<p>-1,256</p>	
<p>(6) Decrease in Systems Engineering Technical Assistance (SETA) requirements for Air Force Special Operations Command (AFSOC).</p>	<p>-1,433</p>	
<p>Total Program Reductions</p>	<p>-13,717</p>	
<p>Total BA-1 Decreases</p>		<p>-14,184</p>
<p>Total BA-1 Program Change</p>		<p>97,487</p>
<p>14. FY 2002 Budget Request</p>		<p>1,404,797</p>

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Performance Criteria and Evaluation Summary:

A. Aircraft, Number by Type (Average Primary Aircraft Inventory)

	<u>FY 2000</u> <u>ACTUAL</u>	<u>FY 2001</u> <u>ESTIMATE</u>	<u>FY 2002</u> <u>ESTIMATE</u>
1. Army Active			
a. MH-47D	11	11	11
b. MH-47E	25	25	25
c. MH-60K	23	23	23
d. MH-60L	37	37	37
e. AH-6J	19	19	19
f. MH-6J	18	18	18
g. TH-6J	10	10	10
h. CASA-212	3	3	3
Total Army Active	146	146	146
2. Air Force Active			
a. AC-130H	8	8	8
b. AC-130U	13	13	13
c. EC-137D	1	1	1
d. MC-130P	25	24	24
e. MC-130H	24	24	24
f. MH-53J	38	36	33
g. TH-53A	6	6	5
h. UH-1N	2	2	2
i. CV-22	0	0	0
j. CASA-212	2	2	2
Total Air Force Active	119	116	112

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A. Aircraft, Number by Type (Average Primary Aircraft Inventory)	(Continued)		
	FY 2000	FY 2001	FY 2002
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>
3. Air Force Reserve			
a. MC-130E	14	14	14
Total Air Force Reserve	14	14	14
4. Air National Guard			
a. EC-130E	6	6	6
Total Air National Guard	6	6	6
Total Air Force	139	136	132
TOTAL AIRCRAFT (AVG PAI)	285	282	278

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B. Aircraft Flying Hours

	<u>FY 2000</u> <u>ACTUAL</u>	<u>FY 2001</u> <u>ESTIMATE</u>	<u>FY 2002</u> <u>ESTIMATE</u>
1. Army Active			
a. MH-47D	2,191	1,975	2,773
b. MH-47E	5,962	4,986	6,375
c. MH-60K	5,383	5,538	4,976
d. MH-60L	8,168	7,730	7,662
e. AH-6J	4,100	4,308	3,713
f. MH-6J	3,699	3,556	4,009
g. TH-6J	3,706	3,872	4,350
Total Army Active	33,159	31,965	33,858
2. Air Force Active			
a. AC-130H	3,350	3,294	3,489
b. AC-130U	5,609	5,128	5,409
c. MC-130P	10,071	10,219	10,017
d. MC-130H	10,401	10,075	10,900
e. MH-53J	12,829	11,816	12,144
f. TH-53A	1,440	1,454	1,420
g. UH-1N	796	792	740
h. CV-22	0	0	0
Total Air Force Active	44,496	42,778	44,119

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B. Aircraft Flying Hours (continued)

	<u>FY 2000 ACTUAL</u>	<u>FY 2001 ESTIMATE</u>	<u>FY 2002 ESTIMATE</u>
3. Air Force Reserves			
a. MC-130E	4,635	5,579	5,533
Total Air Force Reserve	4,635	5,579	5,533
4. Air National Guard			
a. EC-130E	2,850	2,587	2,636
Total Air National Guard	2,850	2,587	2,636
Total Air Force	51,981	50,944	52,288
TOTAL FLYING HOURS	86,051	82,909	86,146

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C. Naval Special Warfare Command

	<u>FY 2000</u> <u>ACTUAL</u>	<u>FY 2001</u> <u>ESTIMATE</u>	<u>FY 2002</u> <u>ESTIMATE</u>
1. SOF Equipment and Craft Inventory			
a. SEAL Delivery Vehicles (SDV)	10	10	11
b. Dry Deck Shelters (DDS)	6	6	6
c. Patrol Boats Light (PBL)	16	16	16
d. Rigid Hull Inflatable Boats (RIB)	64	70	70
e. Patrol Boats Riverine Craft (CAC)	0	6	6
f. Patrol Boats Riverine (SOC-R)	0	0	0
g. Mark V Special Operations Craft (MKV SOC)	20	20	20
h. Advanced SEAL Delivery System (ASDS) Prototype	1	1	1
Total Craft/Boats Supported	117	129	130
2. Ships			
a. Patrol Coastal (PC)	13	13	11

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D. Depot Maintenance

	<u>FY 2000</u> <u>ACTUAL</u>	<u>FY 2001</u> <u>ESTIMATE</u>	<u>FY 2002</u> <u>ESTIMATE</u>
1. Aircraft			
a. Airframe/Engine Maintenance	49.828	51.324	54.568
b. Software Maintenance	4.255	4.485	3.723
c. Other Maintenance	19.175	19.338	21.204
Total Aircraft Maintenance	73.258	75.147	79.495
2. Ships (Patrol Coastal Only)			
a. Overhaul	2.230	2.000	.200
b. Phased Maintenance	4.910	6.000	1.500
c. Other Maintenance	5.346	7.698	5.303
Total Ships Maintenance	12.486	15.698	7.003
3. Other Depot Maintenance			
a. SEAL Delivery Vehicles	2.923	1.397	1.304
b. Dry Deck Shelters	2.611	3.300	3.850
c. Mark V	4.219	5.975	5.125
d. ASDS	.541	3.600	6.450
e. Riverine/MUGR	.039	.042	.324
f. Ground Maintenance (Army)	5.347	6.169	6.350
g. Software Maintenance	15.919	27.943	30.611
h. NAVSPEC Small Weapons	1.600	1.600	1.700
Total Other Depot Maintenance	33.199	50.026	55.714
Total Craft Repair Funding Requirement	118.943	140.871	142.212

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E. Special Operations Training

	FY 2000	FY 2001	FY 2002
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>
1. U. S. Army John F. Kennedy Special Warfare Center and School			
Number of Courses	60	62	62
Number of Classes	279	190	197
Number of Students	10,497	10,156	10,342
2. Naval Special Warfare Center			
Number of Courses	36	36	36
Number of Classes	126	127	127
Number of Students	3,724	4,276	4,277
3. Air Force Special Operations School			
Number of Courses	23	27	28
Number of Classes	98	101	103
Number of Students	6,850	7,056	7,267

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- V. Personnel Summary: Not Applicable: Civilian Personnel are reimbursed to and reported by the Services.
- VI. OP-32 Summary of Price and Program Changes: See Next Page

Operation & Maintenance, Defense-
Wide

Rate Date: 06/015/01

Price and Program Growth: By Line Item

Sub Activity: SPECIAL OPERATIONS COMMAND

Line Item	FY 2000 PROG	Foreign Adjust	Price-Growth PCT	Price-Growth AMT	PROG. Growth	FY 2001 PROG	Foreign Adjust	Price-Growth PCT	Price-Growth Amt	PROG. Growth	FY 2002 PROG	Foreign Adjust	Price-Growth PCT	Price-Growth Amt	PROG Growth	FY 2003 PROG
0308-TRAVEL OF PERSONS	153384	0	1.60	2452	-8176	147660	0	1.70	2513	-328	149845	0	1.70	2549	-2161	150233
TRAVEL Total	153384	0	1.60	2452	-8176	147660	0	1.70	2513	-328	149845	0	1.70	2549	-2161	150233
0401-DFSC FUEL DBOF	31894	0	62.90	20062	-10842	41114	0	-1	-410	3391	44095	0	-3.50	-1542	-6620	35933
0402-SERVICE DBOF FUEL	4257	0	62.91	2678	792	7727	0	-97	-75	3139	10791	0	-3.49	-377	-2021	8393
0411-ARMY MNGD SUP&MAT	31092	0	-4.20	-1307	-1810	27975	0	-2.50	-698	12675	39952	0	-4.20	-1678	-5490	32784
0412-NAVY MNGD SUP&MAT	15663	0	15.50	2427	-245	17845	0	-4.71	-841	1135	18139	0	15.51	2813	-870	20082
0414-AF MANAGED SUP&MAT	151630	0	6.40	9703	-12007	149326	0	10.60	15829	2807	167962	0	6.40	10749	-34860	143851
0415-DLA MNGD SUP&MAT	24308	0	4.50	1095	1336	26739	0	.39	105	-9	26835	0	4.49	1205	-786	27254
0416-GSA MNGD SUP&MAT	9001	0	1.61	145	5221	14367	0	1.69	243	261	14871	0	1.70	253	388	15512
0417-LOCAL PROCURE DBOF	35498	0	1.60	567	-7968	28097	0	1.70	477	2926	31500	0	1.70	535	664	32699
SUPPLIES AND MATERIAL	303343	0	11.66	35370	-25523	313190	0	4.67	14630	26325	354145	0	3.38	11958	-49595	316508
Total																
0502-ARMY DBOF EQUIP	9109	0	-4.19	-382	-1429	7298	0	-2.51	-183	1663	8778	0	-4.19	-368	1357	9767
0503-NAVY DBOF EQUIP	3053	0	15.53	474	-467	3060	0	-4.71	-144	900	3816	0	15.49	591	160	4567
0505-AF DBOF EQUIP	2531	0	6.40	162	860	3553	0	10.58	376	479	4408	0	6.37	281	-599	4090
0506-DLA DBOF EQUIP	2399	0	4.50	108	1453	3960	0	.40	16	537	4513	0	4.48	202	-1105	3610
0507-GSA MNGD EQUIP	2353	0	1.49	35	-554	1834	0	1.74	32	1503	3369	0	1.72	58	-1165	2262
DBOF EQUIPMENT	19445	0	2.04	397	-137	19705	0	.49	97	5082	24884	0	3.07	764	-1352	24296
PURCHASES Total																
0602-ARMY DEPOT SYS COMM	68	0	7.35	5	-38	35	0	2.86	1	0	36	0	8.33	3	-2	37
0610-NAVAL AWC	5806	0	3.01	175	492	6473	0	.51	33	622	7128	0	.3	214	13	7355
0611-NAVAL SWC	20346	0	2.80	569	-1285	19630	0	-4.40	-79	-2330	17221	0	2.80	482	1017	18720
0612-NAVAL UWC	125	0	5.60	7	-24	108	0	0	0	6	114	0	5.26	6	0	120
0613-NAVAL AVIATION DEPOT	236	0	14.41	34	-270	0	0	0	0	0	0	0	0	0	0	0
0614-NAVAL CC&OCEAN SURV	1162	0	-6.0	-7	125	1280	0	1.64	21	-17	1284	0	-5.5	-7	6	1283
0615-NAVY INFO SRVCS	1717	0	8.39	144	-451	1410	0	0	0	108	1518	0	8.37	127	-124	1521
0631-NAVAL CIVIL ENG CTR	244	0	-2.05	-5	709	948	0	-2.53	-24	73	997	0	-2.11	-21	60	1036
0632-NAVAL ORD FAC	1272	0	0	0	165	1437	0	0	0	22	1459	0	0	0	22	1481
0633-DEF PUB&PRINT SER	1139	0	11.24	128	-674	593	0	-1.69	-10	69	652	0	11.20	73	15	740
0634-NAVAL PWC UTIL	3502	0	1.83	64	-37	3529	0	18.70	660	-207	3982	0	1.83	73	-407	3648
0635-NAVAL P WC PUBLIC	9794	0	1.99	195	-1361	8628	0	9.81	846	67	9541	0	2	191	-405	9327
0637-NAVAL SHIPYARDS	2647	0	2.49	66	147	2860	0	5.70	163	-138	2885	0	2.50	72	62	3019
0640-MC DEPOT MAINT	1530	0	18.63	285	989	2804	0	6.99	196	-1500	1500	0	18.60	279	0	1779
0647-DISA - INFO SERVICES	106	0	-6.60	-7	-67	32	0	-	-5	5	32	0	-6.25	-2	2	32
0648-ARMY - INFO SERVICES	731	0	-	-197	-348	186	0	32.80	61	-61	186	0	-	-50	50	186
0649-AF - INFO SERVICES	3	0	0	0	0	3	0	0	0	0	3	0	0	0	0	3
0661-AF DEPOT ORGANIC	0	0	0	0	83	83	0	16.87	14	-10	87	0	12.64	11	-7	91
0662-AF DEPOT CONTRACT	13152	0	0	0	-2051	11101	0	2	222	-223	11100	0	0	0	-5497	5603
0671-COMM SERVICES DISA	1416	0	-35	-5	-396	1015	0	13.79	140	270	1425	0	-35	-5	-41	1379
0678-DEF SECURITY SRVC	0	0	0	0	0	0	0	0	0	200	200	0	0	0	0	200

Operation & Maintenance, Defense-
Wide

Rate Date: 06/015/01

Price and Program Growth: By Line Item

Sub Activity: SPECIAL OPERATIONS COMMAND

Line Item	FY 2000	Foreign	Price-Growth		PROG.	FY 2001	Foreign	Price-Growth		PROG.	FY 2002	Foreign	Price-Growth		PROG.	FY 2003
	PROG	Adjust	PCT	AMT	Growth	PROG	Adjust	PCT	Amt	Growth	PROG	Adjust	PCT	Amt	Growth	PROG
0679-COST REIM PURCHASES	571	0	1.58	9	-580	0	0	0	0	0	0	0	0	0	0	0
OTHER DBOF PURCHASES	65567	0	2.23	1460	-4872	62155	0	3.60	2239	-3044	61350	0	2.36	1446	-5236	57560
Total																
0701-MAC CARGO DBOF	26355	0	7.50	1977	-23410	4922	0	7.21	355	238	5515	0	0	0	-22	5493
0702-MAC SAAM	10850	0	0	0	-10850	0	0	0	0	0	0	0	0	0	0	0
0703-AMC SAAM/JCS EXERCIS	30277	0	13.70	4148	24721	59146	0	-3.80	-2247	16884	73783	0	13.70	10109	-635	83257
0711-MSC CARGO DBOF	0	0	0	0	47	47	0	-4.26	-2	3	48	0	0	0	1	49
0721-MTMC PORT HAND DBOF	25	0	-28	-7	10	28	0	-	-11	11	28	0	0	0	0	28
0725-MTMC OTHER NON-DBOF	0	0	0	0	29	29	0	0	0	0	29	0	0	0	0	29
0771-COMM TRANS	3600	0	1.53	55	-1976	1679	0	1.61	27	24	1730	0	1.62	28	40	1798
TRANSPORTATION Total	71107	0	8.68	6173	-11429	65851	0	-2.85	-1878	17160	81133	0	12.49	10137	-616	90654
0913-PUR UTIL NON-DBOF	1075	0	1.67	18	269	1362	0	1.69	23	-69	1316	0	1.67	22	2265	3603
0914-PUR COMM NON-DBOF	12730	0	1.59	203	3474	16407	0	1.69	278	1530	18215	0	1.69	308	-1944	16579
0915-RENTS NON-GSA	2657	0	1.54	41	2416	5114	0	1.68	86	-377	4823	0	1.66	80	-32	4871
0917-U.S.P.S.	72	0	0	0	-52	20	0	0	0	0	20	0	0	0	0	20
0920-SUP/MAT NON-DBOF	47137	0	1.59	750	-13892	33995	0	1.70	579	8057	42631	0	1.71	727	23772	67130
0921-PRINT/REPRO	801	0	1.62	13	-270	544	0	1.65	9	94	647	0	1.70	11	163	821
0922-EQUIP MAINT CONTRACT	174820	0	1.60	2796	-7131	170485	0	1.70	2898	25583	198966	0	1.70	3381	2768	205115
0923-FAC MAINT CONTRACT	7522	0	1.61	121	-2196	5447	0	1.71	93	-68	5472	0	1.68	92	-51	5513
0924-MEDICAL SUPPLIES	344	0	4.07	14	-158	200	0	4	8	-3	205	0	3.90	8	-3	210
0925-EQUIP PUR NON-DBOF	27329	0	1.60	438	-10315	17452	0	1.71	298	4180	21930	0	1.71	375	1418	23723
0926-OTHER OVERSEAS PUR	215	0	1.86	4	943	1162	0	1.72	20	-1048	134	0	1.49	2	0	136
0928-SHIP MAINT CONTRACT	21268	0	1.60	341	5217	26826	0	1.70	457	1354	28637	0	1.70	487	1752	30876
0929-AIRCRAFT REWORKS CON	6021	0	1.59	96	-4592	1525	0	1.70	26	-3	1548	0	1.68	26	-3	1571
0930-OTHER DEPOT NON-DBOF	34548	0	1.60	553	14001	49102	0	1.70	835	2130	52067	0	1.70	885	-2985	49967
0932-MNGT&PROF SUP SERV	6186	0	1.60	99	-579	5706	0	1.70	97	73	5876	0	1.68	99	191	6166
0933-STUDIES, ANAL, EVAL	2850	0	1.58	45	1978	4873	0	1.68	82	255	5210	0	1.69	88	66	5364
0934-ENG&TECH SERVICES	3965	0	1.61	64	-501	3528	0	1.70	60	266	3854	0	1.66	64	-526	3392
0937-LOCAL PUR FUEL	449	0	62.81	282	289	1020	0	-.98	-10	157	1167	0	-	-174	16	1009
0987-OTHER INTRA GOV PUR	1826	0	1.53	28	452	2306	0	1.65	38	237	2581	0	1.70	44	264	2889
0989-OTHER CONTRACTS	184348	0	1.60	2948	-36479	150817	0	1.70	2563	18562	171942	0	1.70	2921	-1992	172871
0998-OTHER COSTS	142528	0	3.98	5675	362	148565	0	7.44	11052	6582	166199	0	3.24	5393	-3524	168068
OTHER PURCHASES Total	678691	0	2.14	14529	-46764	646456	0	3.02	19492	67492	733440	0	2.02	14839	21615	769894
SPECIAL OPERATIONS COMMAND Total	1291537	0	4.68	60381	-96901	1255017	0	2.96	37093	112687	1404797	0	2.97	41693	-37345	1409145

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 3: Training and Recruiting**

I. Description of Operations Financed:

A. Specialized Skill Training and Recruiting - Provides for the United States Army John F. Kennedy Special Warfare Center (USAJFKSWC), the Special Operations Medical Training Center (SOMTC), the Naval Special Warfare Center (NSWCEN), and the USAF Special Operations School (USAFSOS). These schools provide training in both basic and advanced special operations skills and operations, and educate American and Allied personnel in geopolitical, psychological and military considerations of joint special operations. BA3 funds also support Special Operations Forces (SOF) Language Training producing speaking proficiency levels of 1 to 1+. Funding also supports the Naval Small Craft Instruction and Technical Training School.

B. Professional Development Education - Includes the USAF Special Operations School (USAFSOS) at Hurlburt Field, FL and the newly established SOF University. The USAFSOS primary mission is to provide specialized special operations education for United States Special Operations Command (USSOCOM) air component personnel and other USSOCOM members. Since FY 1994, the school has provided the Command's EDGE Professional Development program. This is a progressive education program qualifying Air Force Special Operations Forces (ARSOF) personnel to serve in Joint Special Operations Task Forces and joint staffs. The SOF University is an institution of higher learning consisting of teaching and research facilities focused on producing and promoting Joint Special Operations strategic and operational analysis and education. It is the Joint Special Operations center of excellence dedicated to building and maintaining a consortium of Joint Special Operations education activities focused on the education of SOF leaders as well as non-SOF decision makers at the intermediate and senior levels.

C. Base Support - Provides for base support costs specifically identifiable to the Naval Special Warfare Center.

II. Force Structure Summary: Not Applicable

III. Financial Summary (Dollars in Thousands)

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 3: Training and Recruiting

	FY 2000 <u>ACTUALS</u>	FY 2001		FY 2002 <u>ESTIMATE</u>
		<u>BUDGET REQUEST</u>	<u>APPROP</u>	
BA-3 TRAINING				
Skill and Advanced Training	37,881	49,158	51,158	53,573
Specialized Skill Training	33,220	46,026	48,026	48,769
Professional Development Education	3,280	1,684	1,684	3,001
Base Support	1,381	1,448	1,448	1,803
B. <u>Reconciliation Summary:</u>				
		CHANGE FY 2001 PB TO FY 2001 CURRENT ESTIMATE		CHANGE FY 2001 CURRENT TO FY 2002 ESTIMATE
<u>Baseline Funding</u>		49,158		50,615
Congressional Adjustments (Distributed)		2,000		
Congressional Adjustments (Undistributed)				
Adjustments to Meet Congressional Intent				
Congressional Adjustments (General Provisions)				
Subtotal FY 2001 Appropriated Enacted		51,158		
Program Changes (FY 2001 PB to FY 2001 Current)				
Anticipated Supplemental Reprogrammings				
Price Changes				1,228
Functional Transfers				
Program Changes		-543		1,730
FY 2001 Current Estimate		50,615		53,573

III. Financial Summary (O&M: Dollars In Thousands)

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 3: Training and Recruiting

C. Reconciliation of Increases and Decreases

1. FY 2001 President's Budget Request		49,158
2. Congressional Adjustments (Distributed):		
a. Collateral Equipment for the Naval Small Craft Instructional Technical Training School	2,000	
Total Congressional Adjustments Distributed		2,000
3. FY 2001 Appropriated Enacted		51,158
4. Program Decreases		
a. Internal realignment to BA-1 to reflect proper execution of funds for the Special Operations Forces University.	-543	
Total Program Decreases		-543
5. FY 2001 Current Estimate		50,615
6. Price Growth		1,228
7. Program Increases		
a. Annualization of new FY 2001 Program	0	
b. One time Costs	0	

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 3: Training and Recruiting**

c. Program Growth

(1) Funding supports the United States 744
Army John F. Kennedy Special Warfare Center School
(USAJFKSWCS), specifically, the additional training
requirements in support of the Advanced Individual Training
(AIT) Civil Affairs/Psychological Operations (CA/PSYOP) Get
Well Plan. The United States Army Civil Affairs and
Psychological Operations Command (USACAPOC) is critically
short Military Occupational Skill Qualification (MOSQ) Civil
Affairs (CA) and Psychological Operations (PSYOP) soldiers.
The Get Well Plan is designed to address both the low Duty
MOSQ rate in units and the increase in force structure by
doubling AIT capacity (from eight classes per year to 16
classes per year). Currently there is a backlog of soldiers
currently awaiting AIT class seats. The planned expansion
of USACAPOC force structure will further increase student
load causing an increased requirement for automation
equipment. Another factor is the increase of 843 additional
language coded billets for USACAPOC. This mandates a
significant increase in initial language acquisition
training capacity. This will also cause an additional
requirement for instructors and material for the Basic
Military Language Course (BMLC), i.e., cassettes, tapes, CD-
ROM based language training materials, etc.

(4) Provides contractor support for the 551
SEAL Tactical Training (STT) and to upgrade the electric
system at the Basic Underwater Demolition/SEAL (BUD/S)
facilities at San Clemente Island.

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 3: Training and Recruiting

(5) Funds an increase of eight work years 435
for the Air Force Special Operations Forces University.

	1,730	
Total Program Growth	1,730	
Total Ba-3 Increases		1,730
8. Program Decreases		
a. Annualization of FY 2001 Programs	0	
b. One Time Costs	0	
c. Program Reductions	0	
Total Program Decreases		0
Total BA-3 Program Change		1,730
9. FY 2002 Budget Request		53,573

IV. Performance Criteria and Evaluation Summary: None in BA-3

V. Personnel Summary: Not Applicable: Civilian Personnel are reimbursed and reported by the Services.

VI. Outyear Summary: Not Applicable

N/A

VI. OP-32 Summary of Price and Program Changes: See next page.

Operation & Maintenance, Defense-
Wide

Rate Date: 06/015/01

Price and Program Growth: By Line Item

Sub Activity: SPECIAL OPERATIONS COMMAND

Line Item	FY 2000 PROG	Foreign Adjust	Price-Growth PCT	AMT	PROG. Growth	FY 2001 PROG	Foreign Adjust	Price-Growth PCT	Amt	PROG. Growth	FY 2002 PROG	Foreign Adjust	Price-Growth PCT	Amt	PROG. Growth	FY 2003 PROG
0308-TRAVEL OF PERSONS	3321	0	1.60	53	3053	6427	0	1.70	109	81	6617	0	1.69	112	-745	5984
TRAVEL Total	3321	0	1.60	53	3053	6427	0	1.70	109	81	6617	0	1.69	112	-745	5984
0401-DFSC FUEL DBOF	65	0	63.08	41	-49	57	0	0	0	6	63	0	-3.17	-2	15	76
0402-SERVICE DBOF FUEL	380	0	62.89	239	-272	347	0	-86	-3	-43	301	0	-3.65	-11	-14	276
0411-ARMY MNGD SUP&MAT	1020	0	-4.22	-43	-55	922	0	-2.49	-23	222	1121	0	-4.19	-47	150	1224
0412-NAVY MNGD SUP&MAT	164	0	15.24	25	143	332	0	-4.52	-15	22	339	0	15.63	53	6	398
0414-AF MANAGED SUP&MAT	28	0	7.14	2	-10	20	0	10	2	-1	21	0	4.76	1	0	22
0415-DLA MNGD SUP&MAT	2064	0	4.51	93	308	2465	0	.41	10	183	2658	0	4.51	120	-59	2719
0416-GSA MNGD SUP&MAT	256	0	1.17	3	-6	253	0	1.58	4	21	278	0	1.44	4	139	421
0417-LOCAL PROCURE DBOF	0	0	0	0	2617	2617	0	1.68	44	90	2751	0	1.71	47	530	3328
SUPPLIES AND MATERIAL	3977	0	9.05	360	2676	7013	0	.27	19	500	7532	0	2.19	165	767	8464
Total																
0502-ARMY DBOF EQUIP	305	0	-4.26	-13	150	442	0	-2.49	-11	192	623	0	-4.17	-26	25	622
0503-NAVY DBOF EQUIP	3	0	0	0	1	4	0	0	0	0	4	0	25	1	-1	4
0505-AF DBOF EQUIP	75	0	6.67	5	-79	1	0	0	0	0	1	0	0	0	0	1
0506-DLA DBOF EQUIP	48	0	4.17	2	0	50	0	0	0	52	102	0	4.90	5	0	107
0507-GSA MNGD EQUIP	25	0	0	0	0	25	0	0	0	25	50	0	2	1	0	51
DBOF EQUIPMENT	456	0	-1.32	-6	72	522	0	-2.11	-11	269	780	0	-2.44	-19	24	785
PURCHASES Total																
0614-NAVAL CC&OCEAN SURV	0	0	0	0	26	26	0	0	0	0	26	0	0	0	0	26
0615-NAVY INFO SRVCS	0	0	0	0	142	142	0	0	0	2	144	0	8.33	12	-10	146
0631-NAVAL CIVIL ENG CTR	0	0	0	0	294	294	0	-2.38	-7	340	627	0	-2.07	-13	-614	0
0633-DEF PUB&PRINT SER	0	0	0	0	679	679	0	-1.91	-13	232	898	0	11.47	103	-12	989
0634-NAVAL PWC UTIL	0	0	0	0	761	761	0	18.66	142	-64	839	0	1.79	15	155	1009
0635-NAVAL P WC PUBLIC	0	0	0	0	611	611	0	9.82	60	216	887	0	2.03	18	325	1230
<cf set Total3 = decimalformat(total1)> OTHER DBOF PURCHASES Total	0	0	0	0	2513	2513	0	7.24	182	726	3421	0	3.95	135	-156	3400
0701-MAC CARGO DBOF	18	0	5.56	1	-1	18	0	5.56	1	-1	18	0	0	0	0	18
0721-MTMC PORT HAND DBOF	8	0	-25	-2	2	8	0	-	-3	3	8	0	0	0	0	8
									37.50							
TRANSPORTATION Total	26	0	-3.85	-1	1	26	0	-7.69	-2	2	26	0	0.00	0	0	26
0914-PUR COMM NON-DBOF	107	0	.93	1	1	109	0	1.83	2	24	135	0	1.48	2	0	137
0915-RENTS NON-GSA	949	0	1.69	16	-8	957	0	1.78	17	-3	971	0	1.75	17	-3	985
0917-U.S.P.S.	10	0	0	0	0	10	0	0	0	0	10	0	0	0	0	10
0920-SUP/MAT NON-DBOF	4312	0	1.60	69	-230	4151	0	1.71	71	-3	4219	0	1.71	72	-261	4030
0922-EQUIP MAINT CONTRACT	6242	0	1.60	100	-10	6332	0	1.71	108	187	6627	0	1.71	113	-12	6728
0925-EQUIP PUR NON-DBOF	1295	0	1.62	21	1106	2422	0	1.73	42	-2035	429	0	1.86	8	20	457
0932-MNGT&PROF SUP SERV	922	0	1.63	15	-1	936	0	1.71	16	-2	950	0	1.68	16	-2	964
0937-LOCAL PUR FUEL	60	0	63.33	38	-4	94	0	-1.06	-1	-13	80	0	-15	-12	9	77
0987-OTHER INTRA GOV PUR	1253	0	1.60	20	-770	503	0	1.59	8	398	909	0	1.65	15	495	1419
0989-OTHER CONTRACTS	0	0	0	0	2563	2563	0	1.72	44	1150	3757	0	1.70	64	752	4573
0998-OTHER COSTS	14951	0	4.13	617	469	16037	0	3.89	624	449	17110	0	3.35	573	0	17683

Operation & Maintenance, Defense-
Wide

Rate Date: 06/015/01

Price and Program Growth: By Line Item

Sub Activity: SPECIAL OPERATIONS COMMAND

Line Item	FY 2000	Foreign	Price-Growth		PROG.	FY 2001	Foreign	Price-Growth		PROG.	FY 2002	Foreign	Price-Growth		PROG.	FY 2003
	PROG	Adjust	PCT	AMT	Growth	PROG	Adjust	PCT	Amt	Growth	PROG	Adjust	PCT	Amt	Growth	PROG
OTHER PURCHASES Total	30101	0	2.98	897	3116	34114	0	2.73	931	152	35197	0	2.47	868	998	37063
SPECIAL OPERATIONS COMMAND Total	37881	0	3.44	1303	11431	50615	0	2.43	1228	1730	53573	0	2.35	1261	888	55722

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 4: Administrative & Service-Wide Activities

I. Description of Operations Financed:

Logistics Operations, Acquisition and Program Management - Provides resources for Operation and Maintenance costs supporting Special Operation Forces (SOF)-peculiar acquisition program management, and engineering and logistical support for SOF tactical acquisition programs. Support includes funding for travel, operational testing and evaluation support, and related supplies and equipment. Also supports various acquisition efforts and civilian acquisition program managers of Intelligence Systems programs. Funds civilian program management and general contractor support for the Special Operations Acquisition and Logistics Center (SOAL) to include support equipment, necessary facilities, SOAL civilians and associated management costs.

II. Force Structure Summary: Not Applicable

III. Financial Summary (O&M: \$ in thousands):

A. Operations Financed

	FY 2000 <u>ACTUALS</u>	BUDGET <u>REQUEST</u>	<u>FY 2001</u> <u>APPROPRIATION</u>	CURRENT <u>ESTIMATE</u>	FY 2002 <u>ESTIMATE</u>
BA-4 LOGISTICS OPERATIONS	52,391	43,864	43,864	45,276	46,891
Acquisition/Program Management	52,391	43,864	43,864	45,276	46,891

B. Reconciliation Summary:

	<u>Change</u> <u>FY2001/FY2001</u>	<u>Change</u> <u>FY2001/FY2002</u>
1. Baseline Funding	43,864	45,276
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Congressional Earmark		
2. Appropriated Amount	43,864	
FY 2001 Rescission		
Transfers In		1,000
Transfers Out		
Intra-Agency Transfers Out		
3. Price Change		944
4. Program Changes	1,412	-329
5. Current Estimate	45,276	46,891

III. Financial Summary (O&M: \$ In Thousands)

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION

Budget Activity 4: Administrative & Service-Wide Activities

C. Reconciliation of Increases and Decreases

1.	FY 2001 President's Budget Req	43,864
2.	FY 2001 Appropriated Enacted	43,864
3.	Program Increases	
	a. Realignment from BA1 for accurate execution of funding.	1,412
	Total BA-4 Program Changes	1,412
4.	Revised FY 2001 Current Estimate	45,276
5.	Functional Transfers In:	
	a. Towed Decoy allocated in Program Decision Memorandum.	1,000
	Total Functional Transfers In	1,000
6.	Price Growth	944
7.	Program Increases	
	a. Annualization of new FY 2001 Programs	0
	b. One Time Costs	0
	c. Program Growth	
	(1) The Common Avionics Architecture for Penetration (CAAP) program provides a low probability of intercept/low probability of detection (LPI/LPD) terrain avoidance navigation system and enhanced situational awareness capability for Special Operations Forces aircraft. The \$2.674 million increase provides initial	2,674

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

Budget Activity 4: Administrative & Service-Wide Activities

operation and maintenance funding for the engineering, program management and logistics support necessary to participate/oversee the integration of SOF/CAAP requirements with the United States Special Operations (USSOCOM) sponsored studies and analysis through the Program Executive Office - Fixed Wing.

(2) Additional sustaining engineering and logistics support funding is required to support the Special Operations Craft - Riverine (SOC-R) procured with FY 2001 investment funds. Prototype delivery is July 2001. Additional systems will be received and tested by Special Boat Unit 22 in October 2001 and February and May of FY 2002. 560

(3) The Body Armor/Load Carrying System increase is based upon centralized replenishment of fielded stock, per the life cycle cost estimate. 754

Total Program Increases 3,988

Total Increases 3,988

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 4: Administrative & Service-Wide Activities**

8. Program Decreases

a. Annualization of FY 2001 Programs

b. One Time Costs

(1) Realignment to BA-1, Intelligence and Communication, for the sustainment of the Tactical Local Area Network (TACLAN) system from the Special Operations Forces Intelligence Vehicle (SOFIV) program. -791

Total One-Time Costs -791

c. Program Reductions

(1) The AC-130U Gunship program reduction decreases contractor support at Warner Robbins Air Logistic Command, and System Program Office overhead at the Gunship System Program Office, Aeronautical Systems Command, Wright Patterson AFB, OH. In addition, decrease travel in support of the AC-130U Program by approximately 20 percent. -736

(2) The MC-130H Talon II decrease is due to the draw down of advisory and assistance services for logistics and technical support. The AN/APQ170 organic radar depot is fully operational and transitioned to Air Force Special Operations Command. -978

(3) Mission Planning, Analysis, Rehearsal and Execution (MPARE) and Special Operations Command Research, Analysis and Threat Evaluation Systems (SOCRATES) were reduced as a result of performing life cycle sustainment management in-house. -832

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
Budget Activity 4: Administrative & Service-Wide Activities

(4) Decrease in program management support for the Joint Base Station program, the Multi-Band Inter/Intra Team Radio (MBITR) and the Multi-Band/Multi- Mission Radio (MBMMR) and the Psychological Operation Broadcast System (POBS). Investment funding level to support evolutionary technology insertions was reduced.	-980	
Total Program Reductions	-3,526	
Total BA-4 Decreases		-4,317
Total BA-4 Program Increase/Decreases		-329
9. FY 2002 Budget Req		46,891

IV. Performance Criteria and Evaluation Summary: Not applicable

V. Personnel Summary: Not applicable

VI. Outyear Impact Summary:

N/A

VII. OP-32 Summary of Price and Program Changes: See next page.

Operation & Maintenance, Defense-
Wide

Rate Date: 06/015/01

Price and Program Growth: By Line Item

Sub Activity: SPECIAL OPERATIONS COMMAND

Line Item	FY 2000 PROG	Foreign Adjust	Price-Growth PCT	AMT	PROG. Growth	FY 2001 PROG	Foreign Adjust	Price-Growth PCT	Amt	PROG. Growth	FY 2002 PROG	Foreign Adjust	Price-Growth PCT	Amt	PROG Growth	FY 2003 PROG
0308-TRAVEL OF PERSONS	2655	0	1.58	42	324	3021	0	1.69	51	108	3180	0	1.70	54	-218	3016
TRAVEL Total	2655	0	1.58	42	324	3021	0	1.69	51	108	3180	0	1.70	54	-218	3016
0411-ARMY MNGD SUP&MAT	837	0	-4.18	-35	-607	195	0	-2.56	-5	1002	1192	0	-4.19	-50	1122	2264
0412-NAVY MNGD SUP&MAT	1785	0	15.52	277	-1553	509	0	-4.72	-24	289	774	0	15.50	120	1954	2848
0414-AF MANAGED SUP/MAT	2	0	0	0	74	76	0	10.53	8	-74	10	0	10	1	8	19
0417-LOCAL PROCURE DBOF	30	0	0	0	6	36	0	2.78	1	76	113	0	1.77	2	-76	39
SUPPLIES AND MATERIAL	2654	0	9.12	242	-2080	816	0	-2.45	-20	1293	2089	0	3.49	73	3008	5170
Total																
0610-NAVAL AWC	413	0	2.91	12	-404	21	0	0	0	209	230	0	3.04	7	28	265
0611-NAVAL SWC	45	0	2.22	1	237	283	0	-3.35	-1	13	295	0	2.71	8	-203	100
0637-NAVAL SHIPYARDS	53	0	1.89	1	-54	0	0	0	0	0	0	0	0	0	0	0
0648-ARMY - INFO SERVICES	58	0	-	-16	-42	0	0	0	0	0	0	0	0	0	0	0
			27.59													
0671-COMM SERVICES DISA	0	0	0	0	12	12	0	16.67	2	0	14	0	0	0	2	16
OTHER DBOF PURCHASES	569	0	-3.35	-2	-251	316	0	.32	1	222	539	0	2.78	15	-173	381
Total																
0771-COMM TRANS	6	0	0	0	31	37	0	0	0	18	55	0	1.82	1	-41	15
TRANSPORTATION Total	6	0	0.00	0	31	37	0	0.00	0	18	55	0	1.82	1	-41	15
0914-PUR COMM NON-DBOF	18	0	0	0	-4	14	0	0	0	2	16	0	0	0	2	18
0915-RENTS NON-GSA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	30
0917-U.S.P.S.	6	0	0	0	6	12	0	0	0	3	15	0	0	0	-6	9
0920-SUP/MAT NON-DBOF	541	0	1.66	9	-193	357	0	1.68	6	-5	358	0	1.68	6	-193	171
0921-PRINT/REPRO	6	0	0	0	154	160	0	1.88	3	11	174	0	1.72	3	-164	13
0922-EQUIP MAINT CONTRACT	2185	0	1.60	35	-294	1926	0	1.71	33	-1669	290	0	1.72	5	-27	268
0925-EQUIP PUR NON-DBOF	1915	0	1.62	31	-1689	257	0	1.95	5	322	584	0	1.71	10	-497	97
0930-OTHER DEPOT NON-DBOF	1463	0	1.57	23	-1486	0	0	0	0	0	0	0	0	0	0	0
0932-MNGT&PROF SUP SERV	5128	0	1.60	82	247	5457	0	1.70	93	298	5848	0	1.71	100	-90	5858
0933-STUDIES, ANAL, EVAL	1978	0	1.57	31	-818	1191	0	1.68	20	529	1740	0	1.72	30	171	1941
0934-ENG&TECH SERVICES	5648	0	1.61	91	-713	5026	0	1.69	85	502	5613	0	1.69	95	-188	5520
0987-OTHER INTRA GOV PUR	28	0	0	0	-28	0	0	0	0	0	0	0	0	0	0	0
0989-OTHER CONTRACTS	16701	0	1.60	268	-2610	14359	0	1.69	243	-1019	13583	0	1.71	232	-3842	9973
0998-OTHER COSTS	10890	0	3.51	382	1055	12327	0	3.44	424	56	12807	0	3.27	419	0	13226
OTHER PURCHASES Total	46507	0	2.05	952	-6373	41086	0	2.22	912	-970	41028	0	2.19	900	-4804	37124
SPECIAL OPERATIONS COMMAND Total	52391	0	2.36	1234	-8349	45276	0	2.08	944	671	46891	0	2.22	1043	-2228	45706

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

JCS EXERCISE PROGRAM - O&M COSTS

(Dollars in Thousands)

IV. Performance Criteria and Evaluation:

<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
13,929	12,006	12,742

Description of Operations Financed:

Joint Chiefs of Staff (JCS) Exercises provides Active, National Guard, and Reserve units funding for participation in CJCS-sponsored exercises. United States Special Operations Command (USSOCOM) is responsible for providing combat ready forces in support of the regional unified combatant commands. Exercises are critical to train joint and combined forces, to test C4I architecture, and to assess force readiness and interoperability. USSOCOM's participation includes per diem costs, supplies, materiel, equipment and services.

FY 2000 - FY 2001:

Decrease is due to realignment of resources to satisfy critical USSOCOM anticipated requirements in FY 2001. This will be closely monitored during the year of execution.

FY 2001 - FY 2002:

Increase is due to price growth and realignment of resources in FY 2001 as stated above.

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

BASE OPERATIONS SUPPORT PROGRAM
(Dollars in Thousands)

<u>IV. Performance Criteria and Evaluation:</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
A. Administration (\$000)	0	0	0
Military Personnel Average Strength	0	0	0
Civilian Personnel FTEs		0	0
Number of Bases, Total	0	0	0
(CONUS)			
(Overseas)			
Population Served, Total	0	0	0
(Military, Average Strength)	0	0	0
(Civilian, FTEs)	0	0	0
B. Retail Supply Operations (\$000)	0	0	0
Military Personnel Average Strength	0	0	0
Civilian Personnel FTEs	0	0	0
C. Bachelor Housing Ops./Furn. (\$000)	0	0	0
Military Average Strength	0	0	0
Civilian FTEs	0	0	0
No. of Officer Quarters	0	0	0
No. of Enlisted Quarters	0	0	0
D. Other Morale, Welfare and Recreation (\$000)	0	0	0
Military Average Strength	0	0	0
Civilian FTEs	0	0	0
Population Served, Total	0	0	0
(Military, Average Strength)	0	0	0
(Civilian/Dependents, FTEs)	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

BASE OPERATIONS SUPPORT PROGRAM
(Dollars in Thousands)

<u>IV. Performance Criteria and Evaluation:</u> (Cont'd)	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
E. Maintenance of Installation Equipment (\$000)	0	0	0
Military Average Strength	0	0	0
Civilian FTEs	0	0	0
F. Other Base Services (\$000)	1,672	1,679	1,708
Military Average Strength	0	0	0
Civilian FTEs	0	0	0
Number of Motor Vehicles, Total	0	0	0
(Owned)	1,218	1,218	1,218
(Leased)	42	42	42
G. Other Personnel Support (\$000)	0	0	0
Military Average Strength	0	0	0
Civilian FTEs	0	0	0
Population Served, Total	0	0	0
(Military, Average Strength)	0	0	0
(Civilian, FTEs)	0	0	0
H. Payments to GSA (\$000)	0	0	0
Standard Level User Charges (\$000)	0	0	0
Leased Space (000 sq ft)	0	0	0
Recurring Reimbursements (\$000)	0	0	0
One-time Reimbursements (\$000)	0	0	0
I. Non-GSA Lease Payments for Space			
Leased Space (000 sq ft)	118	120	120
Recurring Reimbursements (\$000)	3,020	3,151	2,831
One-time Reimbursements (\$000)	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

BASE OPERATIONS SUPPORT PROGRAM
(Dollars in Thousands)

<u>IV. Performance Criteria and Evaluation:</u> (Cont'd)	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
J. Other Engineering Support (\$000)	2,275	2,624	2,308
Military Personnel Average Strength	0	0	0
Civilian Personnel FTEs	0	0	0
K. Operation of Utilities (\$000)	4,577	5,521	5,994
Military Personnel Average Strength	0	0	0
Civilian Personnel FTEs	0	0	0
Electricity (MWH)	13,472	18,117	18,983
Heating (MBTU)	24,696	24,459	23,423
Water, Plants & Systems (000 gals)	25,770	36,247	36,556
Sewage & Waste Systems (000 gals)	11,323	15,054	15,428
Air Conditioning and Refrigeration (Ton)	0	0	0
L. Child and Youth Development Programs	0	0	0
Number of Child Development Centers	0	0	0
Number of Family Child Care (FCC) Homes	0	0	0
Total Number of Children Receiving Care	0	0	0
Percent of Eligible Children Receiving Care	0	0	0
Number of Children on Waiting List	0	0	0
Total Military Child Population (Infant to 12 years)	0	0	0
Number of Youth Facilities	0	0	0
Youth Population Serviced (Grades 1 to 12)	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION

TRANSPORTATION PROGRAM

(\$ in Thousands)

IV. Performance Criteria and Evaluation

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
<u>First Destination Transportation (FDT) (by Mode of Shipment):</u>			
Military Traffic Management Command:			
Port Handling (MT)	0	0	0
Military Sealift Command:			
Regular Routes (MT)	0	0	0
Per Diem (SD)	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	0	0	0
Military Airlift Command:			
Regular Channel (ST)	0	0	0
SAAM (MSN)	<u>21,862</u>	<u>0</u>	<u>0</u>
Subtotal	21,862	0	0
Commercial:			
Air (ST)	0	0	0
Surface (ST)	<u>6</u>	<u>67</u>	<u>85</u>
Subtotal	6	67	85
 TOTAL FDT	 21,868	 67	 85

Note: Costs in FY 2000 are Contingency Operations
 Flight cost not budgeted in out years.

UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION

TRANSPORTATION PROGRAM

(\$ in Thousands)

IV. Performance Criteria and Evaluation

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
<u>Second Destination Transportation (SDT) (by Mode of Shipment):</u>			
Military Traffic Management Command:			
Port Handling (MT)	33	36	36
Other Non-Fund	0	29	29
	33	65	65
Military Sealift Command:			
Regular Routes (MT)	0	47	48
Per Diem (SD)	0	0	0
Subtotal	0	47	48
Military Airlift Command:			
Regular Channel (ST)	4,511	4,940	5,533
SAAM (MSN)	41,127	59,146	73,783
Subtotal	45,638	64,086	79,316
Commercial:			
Air (ST)	3303	1,090	1,131
Surface (ST)	297	559	569
Subtotal	3,600	1,649	1,700
TOTAL SDT	49,271	65,847	81,129
<u>Second Destination Transportation by Selected Commodities:</u>			
Cargo (Military Supplies and Equipment)	49,271	65,847	81,129
Base Exchanges			
Subsistence			
Overseas Mail			
TOTAL FDT AND SDT	71,139	65,914	81,214

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION**

REAL PROPERTY MAINTENANCE AND MINOR CONSTRUCTION

Activity Group: Real Property Maintenance and Minor Construction

I. Description of Operations Financed:

The United States Special Operations Command (USSOCOM) is a tenant on U.S. Service installations. Resources listed below are purchased utilities and minor construction projects for Special Operations Forces (SOF) unique projects.

II. Force Structure Summary: N/A

III. Financial Summary (O&M \$ thousands):

A. Subactivity Breakout: Base Support
Total

B. Reconciliation Summary: N/A

C. Reconciliation of Increases and Decreases: N/A

IV. Performance Criteria and Evaluation:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
A. <u>Maintenance & Repair</u>			
Utilities (XXX)	\$0	\$0	\$0
Buildings (KSF)	1,866	1,928	2,050
Pavements (KSY)	0	0	0
Land (AC)	0	0	0
Other Facilities (KSF)	0	0	0
Railroad Trackage (KLF)	0	0	0
Recurring Maintenance	\$1,299	\$1,089	\$1,388
Major Repair	\$2,780	\$789	\$855

IV. Performance Criteria and Evaluation (continued):

**UNITED STATES SPECIAL OPERATIONS COMMAND
OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION**

REAL PROPERTY MAINTENANCE AND MINOR CONSTRUCTION

	FY 2000	FY 2001	FY 2002
B. <u>Minor Construction</u>			
Number of Projects	75	46	49
C. <u>Administration and Support</u>			
Number of A&E Contracts	18	15	18
Planning and Design Funds	\$161	\$235	\$598
Military E/S	N/A		
Civilian FTE	N/A		
Total Personnel FTE			
Number of Installations	N/A		
Backlog of Maintenance and Repair (thousands)			

V. Personnel Summary: N/A

VI. Outyear Data: N/A

VII. OP-32 Line Items: 401, 412, 415, 631, 634, 635, 913, 920, 922, 923, 987, 989

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)
 OPERATIONS AND MAINTENANCE, DEFENSE-WIDE
 FY 2002 AMENDED BUDGET SUBMISSION
TRAINING AND EDUCATION
 (Dollars in Thousands)

IV PERFORMANCE CRITERIA AND EVALUATION:

	FY 2000			FY 2001			FY 2002		
	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>
<u>Recruit Training</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
<u>One Station Unit Training</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
<u>Specialized Skill Trng</u>									
<u>Initial Skill</u>									
ACTIVE	13,021	10,433	1,948	13,543	10,900	1,864	13,419	10,955	1,937
GUARD	615	417	116	533	354	95	546	356	102
RESERVE	757	722	89	736	706	84	1,116	1,079	153
OTHER	<u>272</u>	<u>272</u>	<u>39</u>	<u>871</u>	<u>871</u>	<u>115</u>	<u>956</u>	<u>956</u>	<u>126</u>
SubTotal	14,665	11,844	2,192	15,683	12,831	2,158	16,037	13,346	2,318
<u>Skill Progression</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)
OPERATIONS AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
TRAINING AND EDUCATION
(Dollars in Thousands)

	<u>FY 2000</u>			<u>FY 2001</u>			<u>FY 2002</u>		
	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>
			<u>LOAD</u>			<u>LOAD</u>			
<u>Specialized Skill Trng</u>									
<u>(Cont)</u>									
<u>FUNCTIONAL</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
<u>OTHER</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
<u>OTHER</u>									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
<u>OFFICER ACQUISITION:</u>									
OFFICER CANDIDATE SCHOOL/ OFFICER TRAINING SCHOOL	0	0	0	0	0	0	0	0	0
ACADEMY PREPARATORY SCHOOL	0	0	0	0	0	0	0	0	0
BOOST (NAVY)	0	0	0	0	0	0	0	0	0
FLIGHT SCREENING (AF)	0	0	0	0	0	0	0	0	0
OTHER COLLEGE	0	0	0	0	0	0	0	0	0
COMMISSIONING PROGRAMS	0	0	0	0	0	0	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)
OPERATIONS AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
TRAINING AND EDUCATION
(Dollars in Thousands)

	<u>FY 2000</u>			<u>FY 2001</u>			<u>FY 2002</u>		
	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>
<u>Specialized Skill Trng</u>									
(Cont)									
<u>SENIOR ROTC:</u>									
SCHOLARSHIP	0	0	0	0	0	0	0	0	0
COLLEGE	0	0	0	0	0	0	0	0	0
<u>SERVICE ACADEMY</u>									
Beginning End Strength(1 OCT)	0	0	0	0	0	0	0	0	0
ATTRITION	0	0	0	0	0	0	0	0	0
GRADUATES	0	0	0	0	0	0	0	0	0
ENTRIES	0	0	0	0	0	0	0	0	0
END STRENGTH (30 SEPT)	0	0	0	0	0	0	0	0	0
AVERAGE ONBOARD	0	0	0	0	0	0	0	0	0
<u>PROFESSIONAL MILITARY</u>									
<u>EDUCATION</u>									
ACTIVE	5,161	5,161	70	5,310	5,310	72	5,463	5,463	73
GUARD	402	402	4	414	414	4	426	426	4
RESERVE	589	589	7	607	607	8	625	625	8
OTHER	898	898	11	925	925	11	953	953	12
SubTotal	7,050	7,050	92	7,256	7,256	95	7,467	7,467	97
<u>FLIGHT TRAINING</u>									
<u>Undergraduate Pilot Training</u>									
Active									
STRIKE/JET	0	0	0	0	0	0	0	0	0
HELICOPTER	0	0	0	0	0	0	0	0	0
MARITIME	0	0	0	0	0	0	0	0	0
SubTotal	0	0	0	0	0	0	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)
OPERATIONS AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
TRAINING AND EDUCATION
(Dollars in Thousands)

	<u>FY 2000</u>			<u>FY 2001</u>			<u>FY 2002</u>		
	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>
			<u>LOAD</u>			<u>LOAD</u>			
<u>FLIGHT TRAINING (cont)</u>									
Undergraduate Pilot Training									
Guard									
STRIKE/JET	0	0	0	0	0	0	0	0	0
HELICOPTER	0	0	0	0	0	0	0	0	0
MARITIME	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
Undergraduate Pilot Training									
Reserve									
STRIKE/JET	0	0	0	0	0	0	0	0	0
HELICOPTER	0	0	0	0	0	0	0	0	0
MARITIME	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
UNDERGRADUATE NFO/NAVIGATOR									
TNG									
Advance Flight Tng									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0
Other Flight Tng									
ACTIVE	0	0	0	0	0	0	0	0	0
GUARD	0	0	0	0	0	0	0	0	0
RESERVE	0	0	0	0	0	0	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SubTotal	0	0	0	0	0	0	0	0	0

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)
OPERATIONS AND MAINTENANCE, DEFENSE-WIDE
FY 2002 AMENDED BUDGET SUBMISSION
TRAINING AND EDUCATION
(Dollars in Thousands)

	<u>FY 2000</u>			<u>FY 2001</u>			<u>FY 2002</u>		
	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>	<u>INPUT</u>	<u>OUTPUT</u>	<u>WORK LOAD</u>
<u>FLIGHT TRAINING (cont)</u>									
Flying Hours									
UNDERGRADUATE PILOT	0	0	0	0	0	0	0	0	0
STRIKE/JET	0	0	0	0	0	0	0	0	0
HELICOPTER	0	0	0	0	0	0	0	0	0
MARITIME	0	0	0	0	0	0	0	0	0
UNDERGRADUATE NFO/NAVIGATOR	0	0	0	0	0	0	0	0	0
OTHER FLYING HOURS	0	0	0	0	0	0	0	0	0

FY 2002 Amended Budget Submission

Washington Headquarters Services (WHS)



June 2001

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed:

a. The Washington Headquarters Services (WHS) was established under Title 10, United States Code, on October 1, 1977 as a Department of Defense (DoD) Field Activity to provide operational support to specified DoD activities in the National Capital Region. In general, the Core Operational Support Activities of the organization represents a consolidation of functions which provides a variety of administrative and operational support and services to designated DoD activities which are not authorized their own support capability. WHS enables support functions to be centralized for maximum efficiency and control, by assuming the responsibility of planning, managing and administering the following functions:

(1) Administrative support of the Office of the Secretary of Defense (OSD), DoD Field Activities, and other specified Defense activities, including budgeting and accounting, civilian and military personnel management, office services, personnel and information security, correspondence and cables management, directives and records management, travel, and other such administrative services.

(2) Information management and technology support for the OSD and other assigned DoD activities, including developing information management strategies and programs; assisting organizational components in developing program proposals, plans, and budgets for automated information systems. This includes information and data systems in support of the OSD decision and policy-making process, including management goals in support of information collection and reports preparation.

(3) DoD-occupied, General Services Administration (GSA)-controlled administrative space in the NCR and DoD common support facilities, including office space, law enforcement, maintenance, repair and alteration of assigned buildings, custodial services, physical security, building administration, graphics, contracting, property management, concessions, and other support services.

(4) Staff activities in support of the responsibilities of the OSD for the Federal Voting Assistance Program.

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed (Con't):

(5) Administration of the Freedom of Information Act Program through timely compliance with its policies, consistent with the Department's responsibility to ensure national security.

(6) Administration of the Defense Privacy Program, including management and guidance to avoid conflicts of policy or procedures.

b. WHS also programs and funds Defense Programs, including:

(1) The Project Management Office (PMO), for the Defense Travel System (DTS), which provides procurement management and system fielding support of the DTS worldwide. The DTS is the standard DoD business travel services system that combines reengineered travel policies and procedures with the best industry practices and technology. It provides full travel management support from arranging for travel and approving travel authorizations, to processing reimbursement vouchers following travel and maintaining appropriate government records. The DTS is a fully electronic process that leverages technology to speed the coordination of travel, incorporates a digital signature capability, and embraces standard industry Electronic Commerce procedures.

(2) The DoD Public Key Infrastructure (PKI) effort, which is a critical element in achieving a security Information Assurance (IA) posture for the Defense Information Infrastructure (DII).

(3) Other Defense support includes the DoD Commissions, Panels, Boards and Task Forces Program, and the Federal Executive Boards Program.

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed (Con't):

c. The Washington Headquarters Services (WHS) Core Operational Support Activities finances the following functions/missions:

(1) Budget and Finance: Formulates, presents, and executes the Program Objective Memoranda, President's Budgets, and Future Years Defense Programs for the OSD, WHS, and certain DoD Field Activities. It also administers the Official Representation Program for the OSD, including the development of policies for use of these funds; for DoD officials, military and civilian employees, consultants and experts, and others authorized to travel on official business at Government expense under the auspices of OSD. Provides information system technology and management; installation level accounting support for appropriations allocated or allotted to OSD and WHS; and develops, establishes and administers control procedures for apportionment and allocations at the intermediate level for OSD. WHS also develops, implements and assists the accounting and reporting systems for the DoD Trust Funds and appropriation level reporting for OSD; manages the Treasury Index 97 (Defense-Wide) debt collection and cash management programs, and the OSD Government Travel Card Program.

(2) Correspondence and directives: Provides administrative support to the immediate offices of the Secretary and Deputy Secretary of Defense and their principal assistants. Ensures an orderly flow of correspondence, cable traffic, and intelligence items for consideration; manage the DoD Directives System; implement records management for all OSD functional elements, systematic declassification, and historical research programs.

(3) Personnel and security: Provides personnel, security, training and equal employment opportunity (EEO) services for military and civilian personnel assigned to the Office of the Secretary of Defense and a variety of DoD Field Activities, Defense Agencies, Military Departments, the White House, the National Security Council and the Congress. This includes a National Capital Region Human Resource Service Center which provides consolidated personnel services for participating DoD agencies, to include administration for various automation initiatives, and numerous services to on-site personnel offices.

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed (Con't):

(4) Real Estate and facilities: Provides administrative and operational support to specified DoD activities in the National Capital Region (NCR), including space management, law enforcement, maintenance, repair and alteration of assigned buildings, custodial, physical security, building administration, graphics services, acquisition, property management, safety, environmental management, and other support services. Also directs, coordinates and administers the Pentagon Renovation Program for the development of strategic and facility plans to meet the long-range administrative space needs for the DoD in the NCR and a capital improvement program for the Pentagon Reservation. WHS also provides for the Management of DoD-occupied, General Services Administration-controlled administrative space in the NCR and DoD common support facilities includes office space, concessions, layout design and other related building administrative functions.

(5) Information operations and reports: Applies information management and information technology strategies to meet selected reporting and management goals in support of the decision and policy making processes. This includes management information collection and reports preparation in areas including procurement, logistics, manpower and economics, as requirements of the Office of the Secretary of Defense, Military Departments, Defense Agencies, DoD Field Activities, DoD Inspector General, other Executive Branch organizations, and the Legislative Branch.

(6) Federal voting assistance program: Administers the Uniformed and Overseas Citizen Absentee Voting Act, 42 USC 1973. The Act covers the voting rights of all members of the Uniformed Services, merchant marine, their family members, and all other U.S. citizens outside the United States. Management of the program requires coordination with executive branch departments and agencies, the Congress, state and local governments, political parties, U.S. corporations, and both national and international organizations. Conducts national and international Get Out the Vote campaigns and manages the voting assistance program of the Department of Defense, including Guard and Reserve Components. Administers those provisions of the National Voter Registration Act designating armed forces recruiting offices to be state registration agencies for all purposes of the Act.

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed (Con't):

(7) Freedom of information and security review: Directs and administers the Freedom of Information Act (FOIA) Program to ensure compliance with policies and procedures that govern the administration of the program. Also serves as the proponent for the Department's regulation and other discretionary instructions and guidance to ensure timely and reasonable uniform implementation of the FOIA. Internally administers the FOIA Program for the Office of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff and the Combatant Commands. In so doing, promotes public trust by making the maximum amount of information available to the public, consistent with the Department's responsibility to ensure national security.

(8) Defense privacy: Serves as the focal point for the coordination of Privacy Act matters with the Defense Privacy Board; the Defense Privacy Board Legal Committee; the Office of Management and Budget; the General Accounting Office; the Office of the Federal Register, in conjunction with the OSD Federal Register Liaison Officer; and other federal agencies as required. Supervises the implementation of the Right to Financial Privacy Act and any other legislation that impacts directly on individual privacy. Coordinates on all personnel policies that may affect the Department's Privacy Program, and ensures that training programs are established for those whose duties involve design, development, operation, and maintenance of any system of records.

(9) Miscellaneous activities: Providing such services as mess stewards and receptionists in support of the Secretary and Deputy Secretary of Defense and their senior staff.

d. The Defense Programs included in the WHS account consist of the resources assigned to the following recurring and non-recurring functions:

(1) This appropriation provides funding for the Defense Travel System and Project Management Office (PMO) operations. This appropriation also provides contractor investment costs for deployment, system operation and pre-planned product improvements (P3I). The P3I items include future DTS requirements such as Charge Card Vendor Interface, Global Transportation Network Interface, and the Defense Information Infrastructure Compliance.

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
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Budget Activity 4, Administration and Service-Wide Activities

I. Description of Operations Financed (Con't):

(2) The Pentagon Renovation Project provides a proportional payment to the Pentagon Reservation Maintenance Revolving Fund (PRMRF) to fund the multi-year project, based on the combined Office of the Secretary of Defense/Washington Headquarters Services total occupancy percentage of the facility. The FY 1999 costs were transferred by the Congress to the Pentagon Renovation Transfer Fund (PRTF) on a non-recurring basis. WHS funding was restored in FY 2000 as a recurring cost through the end of the project.

(3) The DoD Public Key Infrastructure (PKI) initiative provides funding for the implementation of DoD PKI policy.

(4) Other Defense programs provide non-recurring funding to various activities assigned by the OSD as Executive Agents for the management of key Defense, Government-wide and international programs. Recurring resources are also provided to support the short-term DoD Commissions and Panels, and the Department's reimbursement for the administrative and personnel costs of the regional Federal Executive Boards.

II. Financial Summary (O&M: \$ in Thousands):

A. Activity Groups:

	<u>FY 2001</u>				
	<u>FY 2000</u>	<u>Budget</u>	<u>Current</u>	<u>FY 2001</u>	<u>FY 2002</u>
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
1. <u>Core Operational Support Actv</u>					
a. Compensation and Benefits	46,500	51,436	51,032	50,048	51,334
b. Support Services, Materials & Equipment	44,426	46,883	43,537	42,404	47,495
c. Information Technology	64,536	60,764	56,428	61,678	69,967
d. Contracts/Support Services	18,859	13,010	12,081	12,653	14,022
e. Pentagon Rent	14,440	6,543	6,543	9,343	10,134
f. Pentagon Renovation Project	0	42,524	42,524	42,524	29,471
g. Pentagon Renovation Furniture	2,049	1,680	1,680	1,680	840
h. Building Management Fund	5,305	1,851	1,851	1,851	2,698
i. GSA Rent	18,859	14,976	14,976	19,080	19,354
j. US Mission to NATO	2,820	2,944	2,734	2,671	2,966
k. OSD/WHS Training Program	3,428	3,135	2,912	2,845	3,154
l. Travel	1,031	1,597	1,483	1,435	1,599
Sub-Totals	222,253	247,343	237,781	248,212	253,034

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

2. <u>Defense Programs</u>					
a. Defense Travel System	14,652	37,179	34,526	33,731	56,874
b. Commissions and Panels	11,550	9,799	9,101	8,892	9,235
c. Federal Executive Boards	933	1,013	1,013	1,013	1,029
d. Public Key Infrastructure	729	4,000	3,714	3,629	4,030
e. Emergency Notification Program	147	0	0	0	0
f. Drug Interdiction Program	145	0	0	0	0
Sub-Totals	<u>28,156</u>	<u>51,991</u>	<u>48,354</u>	<u>47,265</u>	<u>71,168</u>
TOTALS	250,409	299,334	286,135	295,477	324,202

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	299,334	295,477
Congressional Adjustments (Distributed)	-10,000	n/a
Congressional Adjustments (Undistributed)	-2,718	n/a
Congressional Adjustments (Earmarks)	-481	n/a
Subtotal Appropriated Amount	286,135	n/a
FY 2001 Government-wide Rescission	-629	n/a
Price Change	0	10,600
Functional Transfer	n/a	0
Program Changes	9,971	18,125
Current Estimate	295,477	324.202

C. Reconciliation of Increases and Decreases:

FY 2001 President's Budget	299,334
1. Congressional Adjustments	
a) Distributed Adjustments	
(1) Low Priority Programs	-10,000

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
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 Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

b) Undistributed Adjustments		
(1) DJAS	-500	
(2) Pentagon Renovation Unobligated Balance	-971	
(3) Headquarters Personnel Reduction	-1,247	
c) Congressional Earmarks		
(1) Congressional Earmarks Billpayer	-481	
 Total Congressional Adjustments		 -13,199
2. FY 2001 Appropriated Amount		286,135
3. FY 2001 Rescission		-629
4. Functional Transfers-Out		
a. Intra-Agency Transfers-Out		
(1) To the Defense Information Systems Agency Resources to support Enhanced Defense Financial Management Training		-13
(2) To the Office of the Secretary of Defense Support costs for the Organization for Security Cooperation in Europe		-130
5. Total Functional Transfers-Out		-143
6. Program Increase		
a. Department resources to support the FIRSTGov.gov. initiative and the Federal Chief Information Officer Council		4,750
b. Increased network security required to enhance and maintain an appropriate security posture across the OSD and WHS Information Technology Infrastructure		1,065

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

c. White House Military Office Information Technology support and related minor construction of their new office space	938	
d. Contracting support for the expanded Records Declassification Project directed by Executive Order	1,275	
e. Start-up costs for Correspondence Control Business Process Reengineering and Scanning/Conversion of Historical Files to The PDF Format. This is a contracting effort to better Support the coordination, transmission, publication, and Storage of OSD Executive correspondence in a digitized, Paperless environment	382	
f. GSA Rent fact-of-life increase	4,104	
g. Contracting support increased due to 23 privatized Civilian Personnel Management and Information Technology positions	1,388	
7. Total Program Increase		13,902
8. Program Decrease		
a. Fact-of-Life adjustment based on programmed requirements completed in the prior fiscal year	-2,400	
b. Compensation and Benefits reduced due to privatized Civilian Personnel Management and Information Technology Positions (-23 FTE)	-1,388	
9. Total Program Decrease		-3,788
10. Revised FY 2001 Estimate		295,477
11. Price Growth		10,600

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

12. Program Increases

a. Program Growth in FY 2002

- | | |
|---|-------|
| (1) Information Technology support services increased for OSD and WHS information systems, as required for the DoD Defense-in-Depth approach to defend the computing Environment. | 996 |
| (2) Information Technology increased for outsourcing support services, including facilities maintenance, cabling and essential help desk positions. | 1,905 |
| (3) Information Technology increased for maintenance of the new U.S. Exports System (USEXPORTS) | 1,100 |
| (4) Information Technology increased for Department's additional support requirement for the FIRSTGov.gov. initiative, and the Federal Chief Information Officer Council | 2,174 |
| (5) Information Technology increased for the support and maintenance of the newly implemented Defense Civilian Personnel Data System (DCPDS) | 361 |
| (6) Information Technology Program increases for contracting support for the White House Military Office, and the unique requirements of the Defense Commissions, Boards, Task Forces and Panels. | 704 |
| (7) Replacement of obsolete White House Communications Equipment | 2,000 |
| (8) Contracting support last financed in FY 2000 is resumed for the Records Declassification Project directed by Executive Order | 1,975 |
| (9) Contracting support for standard Personnel Security Investigations performed by the Defense Security Service is increased to meet their assigned reimbursement rates | 169 |

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

- | | |
|---|--------|
| (10) Contracting Support last financed in FY 2000 is resumed for the Communications and Directives Programs, including SGML Production Support, Plain Language in Government Writing, and the CD-ROM Production Project. | 1,040 |
| (11) The payments to the Buildings Management Fund (BMF) are increased to support additional facility maintenance and construction projects for the OSD. This will finance above standard requirements for the space reopened within the Pentagon upon completion of Wedge II of the Pentagon Renovation Project. | 815 |
| (12) The Defense Travel System (DTS) increases to reflect the revised Common User Interface (CUI) worldwide implementation schedule, including equipment purchases and increased testing requirements necessary to ensure a successful program. | 22,570 |
| (13) The Public Key Infrastructure initiative is increased to fully support the implementation plan. | 339 |
| (14) Support for the DoD Commissions, Boards, Panels and Task Forces is increased to reflect to the level of the projected requirements. | 192 |
| (15) US Mission to NATO operations is increased to support expanded international meeting requirements, and additional Department of State ICAAS reimbursements. | 250 |

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
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II. Financial Summary (O&M: \$ in Thousands) (Con't):

(16) Training is increased to meet the growing needs of the Office of the Secretary of Defense staff based on the modernization and realignment changes employed by the Defense Reform Initiative.	261
(17) Travel is increased to support expanding local travel requirements due to the numerous OSD moves scheduled with the completion of Wedge II of the Pentagon Renovation Project.	140
(18) Contracting support increased to support privatized Civilian Personnel Management functions	698
(19) The Support Services, Material and Equipment Program is increased to support Natural Gas/Utility costs.	259
(20) The Support Services, Material and Equipment Program is increased to support the one-time and additional costs associated with the completion of Wedge II of the Pentagon Renovation Project, including:	
Supplies & Inventory Shortfall	747
Equipment Purchases	979
Contracted Building Services	4,960
13. Total Program Increase	44,634
14. Program Decreases	
a. Program Decreases in FY 2002	
(1) The Pentagon Reservation Maintenance Revolving Fund (PRMRF) Rent Rates are reduced to reflect efficiencies	-63

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

II. Financial Summary (O&M: \$ in Thousands) (Con't):

(2) The annual cost of the Pentagon Renovation Project is reduced consistent with the annual plans changing construction requirements which vary significantly from year to year, and are shared on a pro-rata basis with all the tenants of the Pentagon.	-16,943
(3) The Pentagon Renovation Furniture Program is reduced to support the annual plan, which varies significantly from year-to-year, on a pro-rata basis with all the tenants of the Pentagon.	-993
(4) PRMRF above standard purchases are reduced to reflect a reduction in common-area security requirements	-7,089
(5) Compensation and Benefits reduced due to privatized Civilian Personnel Management Positions (-7 FTE)	-482
(6) Disability Compensation payments reduced based on costs assigned by the Department of Labor	-52
(7) GSA Rent reduced to reflect Office of the Secretary of Defense space realignments.	-117
(8) Contracts are reduced to reflect the completion of the DSS Backlogged Personnel Background Investigations Project, and a reduced rate for payments to DFAS for their reimbursable financial services.	-747
(9) The Support Services, Materials and Equipment Program is reduced to reflect savings in Utilities, Communications and facilities maintenance	-23
15. Total Decreases	-26,509
16. FY 2002 Budget Request	324,202

WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

III. Performance Criteria and Evaluation Summary:

Washington Headquarters Services (WHS) is charged with providing administrative and operational support services to the Office of the Secretary of Defense (OSD) and certain Defense Agencies and joint activities which do not have their own administrative support capability. WHS objectives are to provide accurate and responsive support in correspondence control, mail services, records management, directives management, office services support, civilian and military personnel services, security, financial management, and other miscellaneous activities.

In addition to these traditional services, WHS administers data systems in support of the OSD decision and policy making processes, and provides automated data processing services. It also manages Department of Defense occupied General Services Administration controlled space in common support facilities throughout the National Capital Region, and manages the Federal Voting Assistance Program.

The following identifies some of the more significant indicators of WHS workload:

a. Core Operational Support Activities:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
(1) <u>Budget and Finance</u>				
Program/Budget Coverage:				
Appropriation/Funds	15	15	15	15
Installation Accounting:				
Allotments	17	17	17	17
Transactions	320,000	325,000	330,000	335,000
Direct Program (\$000)	1,100,000	1,121,000	1,120,000	1,120,000
Reimbursable Program (\$000)	521,000	529,000	537,000	545,000
Agency Accounting Reports:	1,730	1,730	1,730	1,730

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4, Administration and Service-Wide Activities

III. Performance Criteria and Evaluation Summary (Con't):

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
(2) <u>Correspondence and Directives</u>				
Classified correspondence processed	78,000	80,000	81,000	82,000
Unclassified correspondence processed	113,000	120,000	122,000	124,000
Mail/Distribution for 43 activities	1,518,000	1,550,000	1,447,000	1,440,000
Cable/Message processing	360,000	360,000	360,000	360,000
(3) <u>Personnel and Security</u>				
NCR Civilian Personnel receiving				
Security services	56,601	55,469	54,193	54,193
Personnel serviced by Regional Center	8,838	8,809	8,748	8,748
Personnel receiving Education/Training	1,352	1,321	1,321	1,321
(4) <u>Real Estate and Facilities</u>				
Space Managed (000 square feet)				
Pentagon Reservation	4,864	4,864	4,864	4,864
Other	12,136	12,136	12,136	12,136
Purchase Card				
Number of Transactions	8,503	8,656	8,812	9,120
Value (\$000)	6,720	7,187	7,555	8,225
Number of Card holders	172	175	179	190
Local travel				
Vouchers processed	1,445	1,474	1,768	1645
Number of personnel serviced	3,659	3,696	3,733	3,733

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4, Administration and Service-Wide Activities

III. Performance Criteria and Evaluation Summary (Con't):

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Communications				
Number of lines	10,977	11,087	11,198	11,240
Number of Instruments	7,318	7,391	7,465	7,520
 (5) <u>Information Technology</u>				
Organizational components supported	17	17	17	17
Number of personnel supported	7,420	7,420	7,420	7,420
 (6) <u>Federal Voting Assistance Program</u>				
Military Recruiters supported	14,000	14,000	14,000	14,000
State Dept. overseas sites supported	264	264	264	264
 (7) <u>Department of Defense Privacy Program</u>				
Components supported	19	19	19	19
Privacy Act System of Records supported	1,186	1,191	1,194	1,194
 (8) <u>Freedom of Information Program</u>				
Number of cases reviewed	10,216	10,728	11,258	11,400

b. Defense Programs:

The Defense Travel System (DTS) is currently in Phase 111(a)1 testing. This is the end to end test of the system, to include the Common User Interface (CUI), Air Force Disbursing and Accounting System (DADS) IPC/GAFS, Archiving, CTO Services, in controlled environment.

WASHINGTON HEADQUARTERS SERVICES
 Operation and Maintenance, Defense-Wide
 FY 2002 Amended Budget Submission
 Budget Activity 4, Administration and Service-Wide Activities

III. Performance Criteria and Evaluation Summary (Con't):

Testing is being performed at the Joint Interoperability Test Command (JITC), Ft. Huachuca, AZ. Operational test is scheduled to commence in October 2000 at Whiteman Air Force Base, MO. Completion of testing and initial IOC for the Air Force is scheduled for December 2000.

<u>Event</u>	<u>Date</u>
Phase IIIa(1) End to End Lab Test	September 2000
Phase IIIa(2) Operational Test at WAFB	October 2000
Air Force IOC	December 2000
Air Force Initial Implementation Sites	2 nd Quarter FY 2001
Begin full Implementation of AF sites using IPC/GAFS DADS	3 rd Quarter FY 2001
Scheduled DTS CUI worldwide implementation	FY 2002 - FY 2003

IV. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY2001/FY2002</u>
<u>Military End Strength (E/S) (Total)</u>				
Officer	59	58	62	4
Enlisted	<u>105</u>	<u>104</u>	<u>106</u>	<u>2</u>
Total	164	162	168	6
 <u>Civilian End Strength (Total)</u>				
U.S. Direct Hire	649	658	658	0
 <u>Active Military Average Strength (A/S) (Total)</u>				
Officer	59	58	62	4
Enlisted	<u>105</u>	<u>104</u>	<u>106</u>	<u>2</u>
Total	164	162	168	66
 <u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	626	625	618	-7

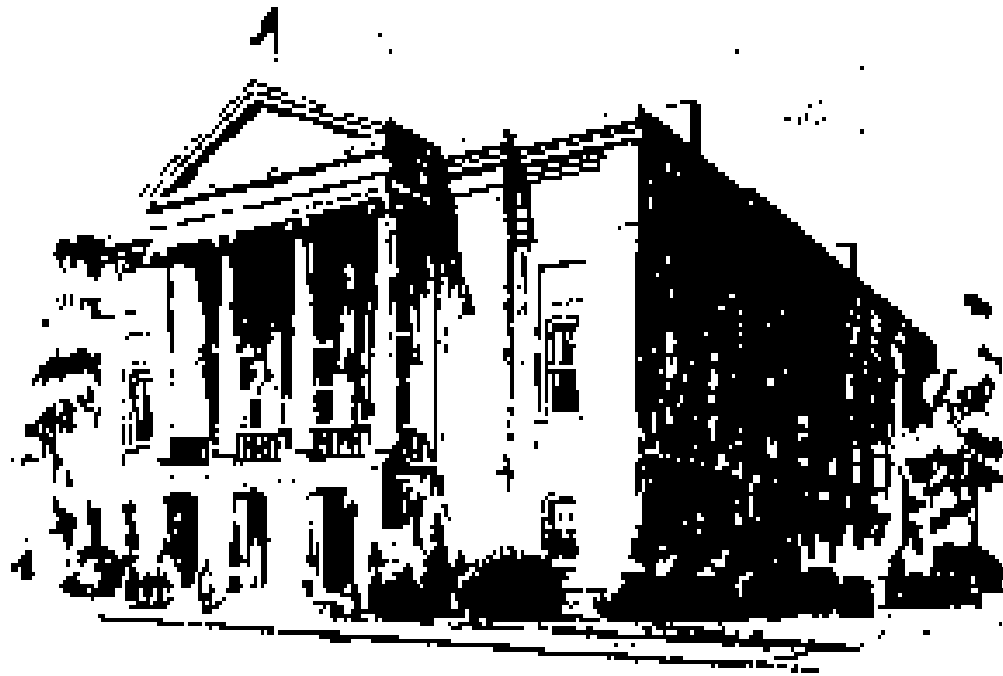
WASHINGTON HEADQUARTERS SERVICES
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity 4, Administration and Service-Wide Activities

V. OP 32 Line Items as Applicable (Dollars in Thousands):

	FY 2000 <u>Actuals</u>	Change from FY2000 to FY2001		FY 2001 <u>Estimate</u>	Change from FY2001 to FY2002		FY 2002 <u>Estimate</u>
		Price <u>Growth</u>	Program <u>Growth</u>		Price <u>Growth</u>	Program <u>Growth</u>	
Exec., Gen. & Spec. Schedules	49,137	1,884	-931	50,190	1,820	-482	51,428
Wage Board	13	1	-14	0	0	0	0
Disability Compensation	252	9	17	278	10	-52	236
Travel of Persons	2,220	35	385	2,640	44	140	2,824
Pentagon Reservation Maint. Revolving Fund	25,329	391	37,072	62,792	5,742	-25,088	43,446
Cost of Reimbursable Purchases	6,187	191	-629	5,749	-102	-747	4,900
Purchases from Bldg Mgmt. Fund	5,305	0	-3,454	1,851	32	815	2,698
Commercial Transportation	64	1	93	158	3	0	161
Rental Payments to GSA (SLUC)	19,356	396	-36	19,716	404	-117	20,003
Purchased Utilities (Non-Fund)	607	10	-2	615	10	-1	624
Pur. Communications (Non-Fund)	8,507	140	-28	8,619	150	-14	8,755
Postal Services (U.S.P.S.)	600	0	8	608	0	9	617
Supplies/Materials (Non-Fund)	11,325	186	146	11,657	203	744	12,604
Printing & Reproduction	3,506	57	-23	3,540	61	14	3,615
Equipment Maint. by Contract	3,602	59	-7	3,654	63	-8	3,709
Facility Maint. by Contract	1,095	18	-52	1,061	18	53	1,132
Equipment Purchases(Non-Fund)	15,799	260	18,456	34,515	604	14,571	49,690
Mgmt/Professional Support Svcs.	501	8	-104	405	7	5	417
Other Intra-Govt. Purchases	24,854	410	-2,093	23,171	405	7,495	31,071
Other Contracts	66,843	1,102	-8,226	59,719	1,045	20,437	81,201
Other Costs	5,307	87	-755	4,639	81	351	5,071
Total	250,409	5,245	39,823	295,477	10,600	18,125	324,202

FY 2002 Amended Budget Submission

U.S. Court of Appeals for the Armed Forces Appropriation



June 2001

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES
U. S. Court of Appeals for the Armed Forces, Defense
FY 2002 AMENDED BUDGET SUBMISSION

I. Description of Operations Financed:

This appropriation provides for the salaries of five civilian judges and a staff of 54 other civilian positions. All customary expenses required to operate a government activity are financed, such as salaries, benefits, travel costs, rent, communications services, supplies and materials, purchase of equipment, maintenance, contractual services, and the expense of printing opinions and decisions of the Court.

The United States Court of Appeals for the Armed Forces is an Article I Court established by the Uniform Code of Military Justice (10 USC 941). The Court serves as the Court of last resort for the vast majority of criminal appeals in the military justice system of the United States and is subject only to certiorari review by the Supreme Court of the United States in a limited number of cases. The Court's jurisdiction extends to the review of questions of law that have been approved by reviewing authorities and affirmed or set aside by a Court of Criminal Appeals. The Court also exercises its extraordinary relief authority pursuant to the All Writs Act.

II. Financial Summary (O&M: \$ in Thousands):

A. <u>Activity Group</u>	FY 2000 <u>Actuals</u>	FY 2001		Current <u>Estimate</u>	FY 2002 <u>Estimate</u>
		Budget <u>Request</u>	<u>Appropriation</u>		
U.S. Court of Appeals for the Armed Forces	7,515	8,574	8,574	8,555	9,096

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES
U. S. Court of Appeals for the Armed Forces, Defense
FY 2002 AMENDED BUDGET SUBMISSION

II. Financial Summary (O&M: \$ in Thousands)(Con't):

B. Reconciliation Summary:

	Change <u>FY2001/FY2001</u>	Change <u>FY2001/FY2002</u>
Baseline Funding	8,574	8,555
Congressional Adjustments	0	0
Subtotal Appropriated Amount	8,574	0
FY 2001 Government-wide Rescission	-19	0
Subtotal Baseline Funding	8,555	8,555
Price Changes	0	294
Program Changes	0	247
Current Estimate	8,555	9,096

C. Reconciliation of Increases and Decreases:

FY 2001 President's Budget Request	8,574
1. Congressional Adjustments:	0
2. Appropriated Amount	8,574
3. FY 2001 Rescission	-19
4. Functional Transfers	0
5. Other Transfers-Out	0
6. Price Change	0
7. Program Increase	0

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES
U. S. Court of Appeals for the Armed Forces, Defense
FY 2002 AMENDED BUDGET SUBMISSION

II. Financial Summary (O&M: \$ in Thousands)(Con't):

8.	Revised FY 2001 Current Estimate	8,555
9.	Price Growth	294
10.	Transfers	0
11.	a. Program Increases in FY 2002	
	(1) Travel of Persons increased to support the higher costs of travel to Europe.	26
	(2) Rental Payments to GSA increased to support higher rent rate.	170
	(3) Expanded costs to support increase in occupied space (which occurred in 2001) include:	
	Purchased Utilities	17
	Printing/Reproduction	1
	Equipment Maintenance	2
	Facility Maintenance	12
	Equipment Purchases	2
	Mgt/Prof Support Services	41
	Other Intra-Government Purchases	49
	Other Contracts	5
	Total Increases	325
	b. Program Decreases in FY 2002	
	(1) Purchased Communications decreased due to management efficiencies.	-31
	(2) Supplies and Materials costs reduced based on prior-year one-time purchases to support increase in occupied space.	-47
	Total Decreases	-78
12.	FY 2002 Budget Request	9,096

**UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES
U. S. Court of Appeals for the Armed Forces, Defense
FY 2002 AMENDED BUDGET SUBMISSION**

III. Performance Criteria and Evaluation Summary:

The Court reviews cases from all of the Armed Forces which, for the most part, are derived from various courts of Criminal Appeals. These cases involve the most serious court-martial felony convictions and sentences that present legal issues of serious constitutional magnitude, such as death penalty cases, search and seizure issues, the interpretation of international treaty and status of forces agreements, and more recently, the sensitive issues of law relating to the prosecution of individuals for drug abuse on the basis of urinalysis test results, and the prosecution of child sex abuse cases. Since 1984, the cases reviewed by the Court on good cause shown by the accused have been subject to direct appellate review by the Supreme Court of the United States. Because of the complexity of the average case, it is difficult to make significant comparisons as to the Court's cost effectiveness. However, according to the caseload per judge statistics available from the National Center for State Courts, the Court's effectiveness continues to compare quite favorably with other courts of last resort such as State Supreme Courts or State Courts of Appeals across the country. The amount of work involved in the average case has been constantly escalating due to the serious constitutional issues that have been encountered by the Court in its most recent cases. It is anticipated that the complexity of the average case will continue to increase, thereby adding additional workload to the Court during FY 2002.

There were a total of 739 cases filed with the Court in FY 2000, and, while case-by-case complexity has increased workloads, it is unlikely that there will be substantial variances in the near future. Actual estimates are not projected, however, as this is totally subject to the military services judicial process.

IV. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Civilian End Strength (Total)</u>				
U.S. Direct Hire	55	59	59	0
<u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	55	59	59	0

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES
U. S. Court of Appeals for the Armed Forces, Defense
FY 2002 AMENDED BUDGET SUBMISSION

V. OP 32 Line Items as Applicable (Dollars in Thousands):

	FY 2000 Actuals	Change from FY2000 to FY2001		FY 2001 Estimate	Change from FY2001 to FY2002		FY 2002 Estimate
		Price Growth	Program Growth		Price Growth	Program Growth	
Exec, Gen & Spec Schedule	5,290	213	371	5,874	246	0	6,120
Travel of Persons	82	1	20	103	2	26	131
Rental Payment to GSA	700	14	100	814	16	170	1000
Purchased Utilities	42	1	19	62	1	17	80
Purchased Communications	92	2	32	126	2	-31	97
Postal Services	1	0	0	1	0	0	1
Supplies & Materials	325	5	74	404	7	-47	364
Printing/Reproduction	8	0	1	9	0	1	10
Equipment Maintenance	6	0	1	7	0	2	9
Facility Maintenance	20	0	17	37	1	12	50
Equipment Purchases	52	1	81	134	2	2	138
Mgmt/Prof Support Services	441	7	-46	402	7	41	450
Other Intra-Government Purchases	373	6	8	387	7	49	443
Other Contracts	80	1	111	192	3	5	200
Other Costs	<u>3</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>3</u>
Total	7,515	251	789	8,555	294	247	9,096

FY 2002 Amended Budget Submission Former Soviet Union Threat Reduction Appropriation

(Cooperative Threat Reduction Program)



June 2001

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

Summary:

(Dollars in Thousands)

FY 2000	<i>Price</i>	<i>Program</i>	FY 2001	<i>Price</i>	<i>Program</i>	FY 2002
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
458,119	+7,329	-23,023	442,425	+7,522	-46,967	403,000

I. Description of Operations Financed:

Congress passed the Soviet Nuclear Threat Reduction Act of 1991 (Nunn Lugar Act) to abate proliferation of nuclear, chemical and biological weapons, and related expertise in the former Soviet Union (FSU). The Cooperative Threat Reduction (CTR) program continues to be an important element of our national security strategy for the 21st century. The CTR program dismantles strategic weapons and weapons delivery systems, improves the security of thousands of WMD and weapons material, prevents proliferation of weapons technology and technical experts, and facilitates defense and military contacts to encourage military reductions and reform. The Department of Defense (DoD) established five CTR program objectives to address high priority security and proliferation concerns in Russia and the Newly Independent States (NIS).

A. Objective One:

Assist Russia in accelerating strategic arms reductions to Strategic Arms Reduction Treaty (START) levels.

The proliferation of nuclear weapons, delivery systems and related technologies is a serious concern to U.S. and international security. Successful implementation of START I and future reductions are key to U.S. national security strategy. Both the U.S. and Russian Federation (RF) have expressed support for significantly lower aggregate levels of strategic warheads. Russia's President declared on 11 August 2000 that the Russian Federation would unilaterally reduce its strategic nuclear forces to 1,500 warheads by 2010. The DoD/CTR program as planned through this period

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

I. Description of Operations Financed (Continued):

facilitates the destruction or dismantlement of the following Russian strategic capabilities: 90 SS-18 ICBM silos and 39 road/256 rail mobile launchers; 366 SS-17/18/19 missiles; 581 submarine launched ballistic missiles (SLBMs); and 612 SLBM launchers and the associated 41 strategic submarines (SSBNs). The Department has contracted with western firms to provide integrating contractor management support to programs such as the Liquid Propellant ICBM and Silo Elimination and to deliver equipment, training and logistical support. Direct contracts with Russian enterprises have been employed to perform work such as the SLBM Launcher Elimination/SSBN Dismantlement and Liquid Propellant SLBM Elimination projects.

B. Objective Two:

Enhance safety, security, control, accounting, and centralization of nuclear weapons and fissile material in the former Soviet Union to prevent their proliferation and encourage their reduction.

CTR Program assistance is central to U.S. and international efforts to prevent the proliferation of FSU nuclear weapons and fissile materials. The DoD Program in Russia encourages nuclear warhead dismantlement; provides enhanced security for nuclear warheads in storage and during transport; provides safe and secure storage for fissile material from dismantled nuclear warheads; and eliminates the proliferation threat posed by the production of weapons grade plutonium. CTR Program assistance is provided under several implementing agreements between the Department and the Russian Federation Ministry of Defense and Ministry of Atomic Energy (MinAtom). DoD assistance is improving the security of both strategic and tactical nuclear weapons facilities (MOD Twelfth Main Directorate, Air Force and Navy structures, and Strategic Rocket Forces). DoD assistance supports Russia in safe, secure transportation of an estimated 600-800 nuclear warheads to secure storage or dismantlement facilities per year. This could increase to 1,000-1,500 warheads per year beginning in FY 2002.

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

I. Description of Operations Financed (Continued):

DoD is providing equipment, training, and services to design and construct to western standards a safe, secure and ecologically sound storage for fissile material from dismantled nuclear weapons at Mayak, Russia. The Fissile Material Storage Facility (FMSF) will have a capacity to store up to 25,000 containers of weapons grade fissile material from approximately 6,250 weapons.

The Elimination of Weapons Grade Plutonium Production supports U.S. non-proliferation objectives described in the 1997 Plutonium Production Reactor Agreement between the U.S. and the Russian Federation. The DoD plan is to assist MinAtom to cease the production of an estimated 1.5 metric tons (MT) of weapons grade plutonium (Pu) annually. To end the production of Pu, the plan is to shut down the two reactors at Seversk and upgrade the existing fossil fuel facilities for needed heat and electricity. DoD has also agreed in principle to build a plant to furnish heat and electricity, and MinAtom will shutdown the Pu production reactor at Zheleznogorsk.

C. Objective Three:

Assist Ukraine and Kazakhstan to eliminate START limited systems and weapons of mass destruction infrastructure.

Dismantlement and elimination of Ukraine's SS-24 ICBMs is a top U.S. Government priority. A broad range of national security, arms control, and nonproliferation objectives are met with this effort. In 1997 Ukraine decided to eliminate the SS-24 weapon system that consisted of 55 SS-24 missiles, 46 silos, five launch control centers, and supporting infrastructure. The Department has contracted with U.S. contractors to provide integrating contractor management support for each project. This activity renovated and constructed temporary storage for missiles removed from silos and for the missile motors after the missiles are disassembled. All missiles will be disassembled awaiting extraction of the solid rocket motor propellant. All silos and launch centers will be eliminated in accordance with START I requirements. An SS-24 solid rocket motor propellant extraction facility will be built to remove the

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

I. Description of Operations Financed (Continued):

propellant, thereby permitting safe elimination of the SS-24 missile motors. DoD has eliminated all Blackjack and Bear bombers in Ukraine. Additionally, up to 40 TU-22M Backfire bombers and approximately 230 KH-22 nuclear air to surface missiles will be eliminated.

A broad range of national security and nonproliferation objectives are also met by programs in Ukraine and Kazakhstan to eliminate weapons of mass destruction infrastructure. These programs prevent proliferation of fissile and radioactive materials and eliminate nuclear weapon storage areas, liquid missile propellant, equipment and infrastructure at liquid propellant storage facilities, and facilities at airbases that supported long-range heavy bomber operations.

D. Objective Four:

Assist the former Soviet Union to eliminate and prevent proliferation of biological and chemical weapons and associated capabilities.

Biological and chemical weapons capabilities in the former Soviet Union pose a significant threat to U.S. national security. The following projects support U.S. objectives to prevent the proliferation of FSU biological weapons (BW) scientific and technology base: enhance security and safety systems for dangerous virus and bacteria pathogen repositories at biological research centers; consolidate and dismantle infrastructure associated with BW production or research at FSU facilities; and collaborative research through DoD's partnership with the International Science and Technology Center (ISTC) to address DoD bio-defense needs in the areas of force protection, medical countermeasures and modeling.

As a State Party to the Chemical Weapons Convention (CWC), Russia has agreed to eliminate its stockpile of chemical weapons and demilitarize its former chemical weapons (CW) production facilities. DoD is assisting Russia in the safe, secure and ecologically sound destruction of its CW stockpile and production infrastructure. CTR assistance will provide a Chemical Weapons Destruction Facility (CWDF) for

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

I. Description of Operations Financed (Continued):

organophosphorus (nerve) agent-filled artillery munitions. The work includes process/facility design and construction; equipment acquisition and installation; and systems integration, training and facility start-up. DoD will construct the CWDF near the Shchuch'ye CW storage facility which contains approximately 40 percent of the Russian nerve agent filled artillery munitions (estimated at 5,400 metric tons in nearly two million rocket and tube artillery warhead/projectiles). CTR assistance supports demilitarization of former nerve agent production facilities at OAO Khimprom, Volgograd and OAO Khimprom, Novocheboksarsk in Russia, and the Nukus Chemical Weapons Research Institute in Uzbekistan. Demilitarization will decontaminate, dismantle and destroy specialized equipment and special features related to the production, transfer and storage of chemical agents/weapons and their precursors as outlined in the CWC. Security enhancements to protect the chemical weapons stockpile at Shchuch'ye and Kizner are also being provided.

E. Objective Five:

Encourage military reductions and reform, while reducing proliferation threats in the former Soviet Union.

This effort supports expanded contacts between defense establishments to promote counter-proliferation, demilitarization and democratic reforms in the FSU. DoD has negotiated a series of implementing agreements between the Department and new independent states (NIS) which govern the Defense and Military Contacts program. The Department has provided support to 32 separate major commands, service headquarters, and subordinate commands for approximately 1,400 events between the U.S. and NIS. Future events will include exchange of visits between the Secretary of Defense and the Chairman; Joint Chiefs of Staff with their NIS counterparts; visits between naval, air and ground units; bilateral exercises and ship visits; and visits of the nation's senior officials. Participating nations currently include: Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Ukraine, and Uzbekistan.

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

I. Description of Operations Financed (Continued):

F. Other Program Support: (Supports all five objectives)

Other Assessments/Administrative Support funds the Audits and Examination (A&E) program as identified in the appropriate umbrella and implementing agreements with CTR Program recipient nations and overall program management and administration costs. The A&E program ensures that DoD provided equipment, services, and training are used for the intended purpose and support CTR Program objectives. The A&E program will continue throughout the FYDP. Additional CTR funding is required to support CTR delegation and technical teams travel expenses translator/interpreter support, and scientific, engineering and technical assistance.

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

II. Force Structure Summary:

A. Strategic Offensive Arms Elimination (SOAE) - Russia: Accelerate implementation of Russian Federation reduction of strategic offensive arms to START levels by facilitating the elimination of strategic weapon systems and infrastructure. The Department is providing equipment and services to assist in the destruction or dismantlement of ICBMs, ICBM silos, and road/rail mobile launchers, SLBMs, SLBM launchers, and associated strategic submarines, strategic bombers, and WMD infrastructure. In addition, the CTR effort supports the transportation, storage, and disposition of liquid/solid rocket motor propellants; the disposition of low level radioactive waste and spent naval reactor fuel from dismantled SSBNs; and the provision of emergency response support equipment.

B. Weapons Storage Security - Russia: CTR assistance provides MOD an enhanced inventory control and management system to track strategic and tactical nuclear weapons; improved security at both strategic and tactical nuclear storage sites; guard force training; and personnel reliability program equipment and training to deter the theft, diversion, or sabotage of both strategic and tactical nuclear weapons.

C. Weapons Transportation Security - Russia: CTR provides MOD assistance to safely and securely transport nuclear warheads from operational sites to secure storage or dismantlement facilities. The Department will certify and maintain MOD nuclear weapons transportation cargo and guard rail cars, manufacture nuclear weapons transportation cargo and guard rail cars, and enhance MOD's nuclear weapons accident response capability.

D. Fissile Material Storage Facility (FMSF)- Russia: DoD construction of a Fissile Material Storage Facility at Mayak, Russia, will provide centralized, safe, secure, and ecologically sound storage, constructed to western standards, for fissile material from dismantled nuclear weapons. The effort supports U.S. non-proliferation objectives through enhanced material control and accounting and transparency measures, which provide confidence, that fissile material is from dismantled nuclear weapons.

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

II. Force Structure Summary (Continued):

E. Elimination of Weapons Grade Plutonium Production - Russia: CTR assistance will cease the production of weapons-grade plutonium at the three remaining plutonium production reactors located at Seversk and Zheleznogorsk. To end the production of Pu, the two reactors at Seversk will be shut down and existing fossil fuel facilities refurbished to provide heat and electrical energy. DoD and the Russian Ministry of Atomic Energy also have agreed in principle to shut down the Pu production reactor core at Zheleznogorsk and build a new plant to produce heat and electricity. The Elimination of Weapons Grade Plutonium Production effort supports U.S. non-proliferation objectives.

F. Strategic Nuclear Arms Elimination (SNAE) - Ukraine: Assists Ukraine implementation of START requirements, facilitates destruction of WMD delivery systems and infrastructure, and prevents the proliferation of nuclear weapons technologies. DoD will eliminate SS-24 missile launch silos and control centers; dismantle the launch control center sites and perform technical site restoration. The DoD effort will provide the assistance to disassemble SS-24 missiles; operate and maintain facilities to temporarily store SS-24 missiles; and eliminate accountable missile components per START protocols. The CTR program will eliminate Tu-95, Tu-160, and Tu-22M bombers and Kh-55 and Kh-22 nuclear air to surface missiles in accordance with applicable Treaty protocols.

G. Weapons of Mass Destruction Infrastructure Elimination (WMDIE) - Ukraine: Eliminates equipment and facilities that were used to support the deployment and operation of weapons of mass destruction. Liquid missile propellant, equipment and infrastructure at liquid missile propellant handling and storage facilities, facilities for storage and maintenance of nuclear weapons, infrastructure at former heavy bomber bases that are critical to sustaining long-range bomber and ALCM operations will be dismantled and eliminated.

H. Weapons of Mass Destruction Infrastructure Elimination (WMDIE) - Kazakhstan: Prevents the proliferation of fissile and radioactive material, and eliminates

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

II. Force Structure Summary (Continued):

equipment and facilities that were used to support the deployment and operation of weapons of mass destruction. Liquid missile propellant, equipment and infrastructure at handling and storage facilities, and infrastructure at former heavy bomber bases that are critical to sustaining long-range bomber and ALCM operations will be dismantled and eliminated.

I. BW Proliferation Prevention: CTR assistance supports U.S. objectives of preventing the proliferation of FSU BW scientific and technology base to rogue states and terrorist groups. DoD is partnering with the International Science and Technology Center (ISTC) in Russia while appropriate international implementing agreements are developed. Implementing agreements are in effect with Kazakhstan, and are being negotiated with Uzbekistan. CTR will support enhanced security at sites with dangerous pathogen repositories. The program includes site security improvements (facility, equipment and operational solutions to minimize the risk of unauthorized access), support to consolidate pathogen collections at fewer sites, and support to eliminate infrastructure associated with BW research at FSU research centers and former BW production facilities. CTR also continues to support collaborative research to address DoD bio-defense needs.

J. Chemical Weapons Destruction - Russia: CTR assistance supports U.S. objectives of preventing the proliferation of the FSU CW capabilities to rogue states and terrorist groups. The Department is providing support for design/construction of a Chemical Weapons Destruction Facility (CWDF) for organophosphorus (nerve) agent filled munitions, enhancing the site security at Russian CW nerve agent storage facilities, and facilitating the demilitarization of former CW production facilities.

K. Nukus Chemical Research Institute Dismantlement - Uzbekistan: Assists Uzbekistan dismantle a former Soviet chemical weapons production and research facility.

L. Defense and Military Contacts: CTR funding expands contacts between defense establishments to promote counter-proliferation, demilitarization and democratic

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

II. Force Structure Summary (Continued):

reform. The Defense and Military Contacts program is intended to: encourage and assist the NIS in downsizing its defense establishment; encourage support for democratic reform; assist the NIS military to better understand Western society, including civil military relations; and to support mutual counter-proliferation objectives.

M. Other Assessments/Administrative Support: CTR funding supports a Congressionally mandated Audits and Examinations (A&E) program and overall program administrative and support costs. Activities include CTR delegation and technical team travel, translator/interpreter support, project requirements development, embassy support costs, and contracted technical and analytical program support.

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2002 Amended Budget Submission
Former Soviet Union Threat Reduction

III. Financial Summary (FSU: \$ in Thousands):

A. <u>Sub-Activity Group</u>	FY 2001				FY 2002 Estimate
	FY 2000 Actuals	Budget Request	Appro- priation	Current Estimate	
1. Strategic Offensive Arms Elimination-Russia	182,300	152,800	177,800	177,800	133,405
2. Weapons Storage Security-Russia	84,000	89,700	89,700	89,700	56,000
3. Weapons Transportation Security-Russia	15,200	14,000	14,000	14,000	9,500
4. Fissile Material Storage Facility-Russia	62,119	57,400	57,400	56,425	0
5. Fissile Material Processing & Packaging-Russia	0	9,300	9,300	0	0
6. Elimination of Weapons Grade Plutonium Production-Russia	37,000	32,100	32,100	32,100	41,700
7. Strategic Nuclear Arms Elimination-Ukraine	36,500	29,100	29,100	35,900	51,500
8. WMD Infrastructure Elimination-Ukraine	0	0	0	0	6,024
9. WMD Infrastructure Elimination-Kazakhstan	0	0	0	0	6,000
10. BW Proliferation Prevention	14,000	12,000	12,000	12,000	17,000
11. Chemical Weapons Destruction-Russia	23,000	35,000	0	0	50,000
12. Nukus Chemical Research Institute Dismantlement-Uzbekistan	0	0	0	2,500	0
13. Defense and Military Contacts	2,000	14,000	9,000	9,000	18,650
14. Other Assessments/Administrative Support	2,000	13,000	13,000	13,000	13,221

DEFENSE THREAT REDUCTION AGENCY
 Fiscal Year (FY) 2002 Amended Budget Submission
 Former Soviet Union Threat Reduction

III. Financial Summary (FSU: \$ in Thousands) (Continued):

Total	460,119	458,400	443,400	442,425	403,000
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B. Reconciliation Summary

	Change	Change
	<u>FY 2001/FY</u>	<u>FY 2001/FY</u>
	<u>2001</u>	<u>2002</u>
1. Baseline Funding	458,400	442,425
a. Congressional Adjustments (Distributed)	-15,000	N/A
b. Congressional Adjustments (Undistributed)	0	0
c. Congressional Adjustments (General Provisions)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmark Billpayers	0	0
2. Appropriated Amount (Subtotal)	443,400	0
Adjustments to meet Congressional Intent	0	0
Across-the-board Reduction (Rescission)	-975	0
Approved Reprogrammings/Transfers	0	0
3. Price Change	0	7,522
4. Program Changes	0	-46,947
5. Current Estimate	442,425	403,000

DEFENSE THREAT REDUCTION AGENCY
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III. Financial Summary (FSU: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases:

D. Reconciliation Summary

	Change <u>FY 2001/FY</u> <u>2001</u>	Change <u>FY 2001/FY</u> <u>2002</u>
1. FY 2001 President's Budget Request		458,400
2. Congressional Adjustment (Distributed)	-	
	15,00	
	0	
Total Congressional Adjustment (Distributed)		-
		15,00
		0
3. Congressional Adjustment (Undistributed)		0
Congressional Adjustment (General Provisions)		0
4. Congressional Earmarks		0
5. FY 2001 Appropriated Amount		443,400
6. Functional Transfers -In		0
7. Other Transfers-In (Non-Functional)		0
8. Functional Transfers -Out		0
9. Other Functional Transfers-Out		0
10. Price Change		0
11. Program Increases:		

DEFENSE THREAT REDUCTION AGENCY
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III. Financial Summary (FSU: \$ in Thousands) (Continued):

a. Strategic Nuclear Arms Elimination-Ukraine (FY 2001 Base: \$29,100)	6,800	
Elimination of a TU-22 bomber in the Ukraine, accountable SS-24 missile components, and assistance to disassemble SS-24 missiles at Pavlograd Mechanical Plant.		
b. Nukus Chemical Research-Uzbekistan (FY 2001 Base: \$0)	2,500	
Assist in the demilitarization of the former Soviet chemical weapons research, development, and testing capabilities within the Nukus Chemical Research Institute (CRI).		
12. Total Program Increases		9,300
13. Program Decreases		
a. Fissile Material Processing and Packaging (FY 2001 Base: \$9,300)	-	
The Russian Federation no longer requires CTR assistance.		
b. Recission - P.L. 106-554 (FY 2001 Base: \$57,400)	-975	
14. Total Program Decreases		-
		10,275

DEFENSE THREAT REDUCTION AGENCY
 Fiscal Year (FY) 2002 Amended Budget Submission
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III. Financial Summary (FSU: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases: (Continued):

E. Reconciliation Summary

	<u>Change</u>	<u>Change</u>
	<u>FY 2001/FY</u>	<u>FY 2001/FY</u>
	<u>2001</u>	<u>2002</u>
15. Revised FY 2001 Estimate		442,425
16. Price Growth		7,522
17. Transfers In		0
18. Transfers Out		0
19. Program Increases:		
a. Elimination of Weapons Grade Plutonium Product - Russia (FY 2001 Base: \$32,100) Begin civil construction at second site.	9,054	
b. Strategic Nuclear Arms Elimination - Ukraine (FY 2001 Base: \$35,900) Complete construction of SS-24 solid propellant disposition facility.	14,990	
c. WMD Infrastructure Elimination - Ukraine (FY 2001 base: \$0) Eliminate liquid missile propellant facilities, national nuclear stockpile site, and former heavy bomber base.	6,024	
d. WMD Infrastructure Elimination - Kazakhstan (FY 2001 base: \$0) Eliminate liquid missile propellant facilities, and former heavy bomber base.	6,000	

DEFENSE THREAT REDUCTION AGENCY
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III. Financial Summary (FSU: \$ in Thousands) (Continued):

e. BW Proliferation Prevention - FSU (FY 2001 Base: 4,796
 \$12,000)
 Expand Security enhancement projects in the FSU.

C. Reconciliation of Increases and Decreases: (Continued):

F. Reconciliation Summary

	Change <u>FY 2001/FY</u> <u>2001</u>	Change <u>FY 2001/FY</u> <u>2002</u>
f. Chemical Weapons Destruction - Russia (FY 2001 Base: \$0) Initiate site preparation, procure long lead items and begin construction procurement for CWDF, and eliminate former nerve agent weapons production facility.	50,00 0	
g. Defense and Military Contacts (FY 2001 Base: \$9,000) Approximately 238 additional defense and military exchanges.	9,497	
 20. Total Increases		 100,361
21. Program Decreases:		
a. Strategic Offensive Arms Elimination - Russia (FY 2001 Base: \$177,800) SLBM Launcher/SSBN requirements reduced and volume reduction of LLRW completed.	- 48,42 0	

DEFENSE THREAT REDUCTION AGENCY
 Fiscal Year (FY) 2002 Amended Budget Submission
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III. Financial Summary (FSU: \$ in Thousands) (Continued):

C. Reconciliation of Increases and Decreases: (Continued):

G. Reconciliation Summary

	Change <u>FY 2001/FY</u> <u>2001</u>	Change <u>FY 2001/FY</u> <u>2002</u>
b. Weapons Storage Security - Russia (FY 2001 Base: \$89,700) AICMS maintenance/life cycle support and Guard Force Training projects completed. Support Equipment requirements reduced.	- 35,22 5	
c. Weapons Transportation Security - Russia (FY 2001 Base: \$14,000 Reduced manufacturing of guard and nuclear railcars.	- 4,738	
d. Fissile Material Storage Facility - Russia (FY 2001 Base \$56,425) Construction of first wing completed.	- 56,42 5	
e. Nukus Chemical Research Institute Dismantlement - Uzbekistan (FY 2001 Base: \$2,500) Demilitarization complete.	- 2,500	
22. Total Decreases		-147,308
23. FY 2002 Budget Request		403,000

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary:

Objective One - Assist Russia in accelerating strategic arms reductions to START levels.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
A. <u>Strategic Offensive Arms Elimination(SOAE)-Russia</u>	182,300	177,800	133,405

FY 2000 funds will:

- Eliminate 44 SLBM launchers and three associated SSBNs;
- Transport, dismantle and eliminate 100 liquid fueled SLBMs;
- Procure additional 79 transport/storage containers for spent naval fuel;
- Store or reprocess spent naval fuel from eight SSBNs;
- Complete facility construction for volume reduction of 6,000 MT of liquid and 150 MT of solid low level radiation waste (LLRW);
- Conduct operations and maintenance of the liquid propellant disposition systems;
- Initiate integration efforts to transport, dismantle and eliminate 62 liquid fueled ICBMs and 30 ICBM silos;
- Continue construction of the solid propellant disposition facility;
- Refurbish/repair infrastructure and equipment for solid fueled ICBM and associated mobile launcher elimination;
- Eliminate ten solid fuel SLBMs by open burn/open detonation; and
- Provide consolidated logistical support to maintain CTR provided equipment.

FY 2001 funds will:

- Eliminate 80 SLBM launchers and five associated SSBNs;
- Transport, dismantle and eliminate 105 liquid fueled SLBMs;
- Procure additional 48 transport/storage containers for spent naval fuel;
- Provide assistance to store or reprocess spent naval fuel from one SSBN;
- Complete construction of the liquid propellant disposition systems;
- Transport, dismantle and eliminate 43 liquid fueled ICBMs;

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Continue construction of the solid propellant disposition facility;

A. Strategic Offensive Arms Elimination(SOAE)-Russia (Continued):

Continue integration efforts for the elimination of solid fueled ICBM and associated mobile launchers;
Transport, dismantle and eliminate nine solid fuel ICBMs;
Eliminate 34 mobile ICBM launchers;
Eliminate ten solid fuel SLBMs by open burn/open detonation; and
Provide consolidated logistical support to maintain CTR provided equipment.

FY 2002 funds will:

Eliminate 16 SLBM launchers and one associated SSBN;
Transport, dismantle, and eliminate 117 liquid fueled SLBMs;
Procure additional 48 transport/storage containers for spent naval fuel;
Conduct operations and maintenance of the liquid propellant disposition systems;
Transport, dismantle and eliminate 16 liquid fueled ICBMs;
Complete construction of the solid propellant disposition facility;
Continue integration efforts for the elimination of solid fueled ICBMs and associated mobile launchers;
Transport, dismantle and eliminate 70 solid fuel ICBMs;
Eliminate 48 mobile ICBM launchers; and
Provide consolidated logistical support to maintain CTR provided equipment.

Objective Two - Enhance the security, control, accounting, and centralization of nuclear weapons and fissile materials in Russia to prevent their proliferation and encourage their reduction.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
B. <u>Weapons Storage Security - Russia:</u>	84,000	89,700	56,000

FY 2000 funds will:

- Begin to conduct maintenance and life cycle support of AICMS, development of facility designs, facility modifications, insert modifications or installation, and network communications at 19 sites;
- Complete test and evaluation of 50-candidate nuclear warhead storage security equipment types at the Security Assessment and Training Center (SATC);
- Procure radon monitoring devices and 22 additional dosimeter systems with training;
- Procure additional portable drug and alcohol testing equipment, and polygraph systems;
- Complete procurement on 12 shooting ranges;
- Complete procurement and installation of equipment on the Center for Technological Diagnostics (CTD);
- Complete procurement, testing, and training on guard force equipment for 123 sites;
- Begin to procure communication, safety, support, and heavy-duty equipment for 68 sites, install perimeter security systems at two MOD nuclear weapons storage sites for 123 sites; and
- Provide consolidated logistical support to maintain CTR-provided equipment.

FY 2001 funds will:

- Continue maintenance and life cycle support of AICMS at 19 sites;
- Complete development of facility designs, facility modifications, insert modifications or installation, and network communications at 19 sites;
- Begin to procure, test, integrate, and train for 12 nuclear warhead storage sites or procure a portion of the equipment for all 123 sites;

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Provide site renovations and installation for three nuclear warhead storage sites;

Continue to procure additional portable drug and alcohol testing equipment;

Complete polygraph systems procurement;

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

B. Weapons Storage Security - Russia (Continued):

Continue to procure communication, safety, support, and heavy-duty equipment for 40 sites, install perimeter security systems at 31 MOD nuclear weapons storage sites; and
Provide consolidated logistical support to maintain CTR-provided equipment.

FY 2002 funds will:

Continue maintenance and life cycle support of AICMS at 19 sites;
Continue to procure additional portable drug and alcohol testing equipment;
Continue to procure, test, integrate, and train for an additional 18 nuclear warhead storage sites, provide site renovations and installation for an additional five nuclear warhead storage sites, procure communication, safety, support, and heavy-duty equipment for 15 sites, install perimeter security systems at 31 MOD nuclear weapons storage sites; and
Provide consolidated logistical support to maintain CTR-provided equipment.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
C. <u>Weapons Transportation Security - Russia</u>	15,200	14,000	9,500

FY 2000 funds will:

Continue procurement of data transfer and communication equipment, survey equipment, and related training to enhance MOD's accident response;
Provide approximately 120,000 kilometers of transportation services for deactivated nuclear warheads from deployed locations to enhanced security storage sites and to dismantlement facilities;
Provide maintenance and Railway Ministry certification for approximately 144 MOD nuclear weapons transportation rail cars; and
Manufacture five of 15 nuclear weapons guard cars and 24 of 100 rail cars to provide enhanced security and environmental control.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

C. Weapons Transportation Security - Russia (Continued):

FY 2001 funds will:

Continue procurement of data transfer and communication equipment, survey equipment, and related training to enhance MOD's accident response;
Provide approximately 120,000 kilometers of transportation services for deactivated nuclear warheads from deployed locations to enhanced security storage sites and to dismantlement facilities;
Provide maintenance and Railway Ministry certification for approximately 144 MOD nuclear weapons transportation rail cars; and
Manufacture ten of 15 nuclear weapons guard cars and 24 of 100 rail cars to provide enhanced security and environmental control.

FY 2002 funds will:

Provide approximately 500,000 kilometers of transportation services for deactivated nuclear warheads from deployed locations to enhanced security storage sites and to dismantlement facilities.

D. Fissile Material Storage Facility - Russia

(\$'s in Thousands)		
<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
62,119	56,425	0

FY 2000 funding will:

Finalize the design, provide heating, and complete construction of Wing I;
Complete the design and begin manufacture of non-standard equipment; and
Start installation of standard equipment.

FY 2001 funding will:

Complete the installation of equipment systems, to include the Material Control & Accounting System, the Integrated Control System, and the Attribute Measurement System with Information Barrier; and

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Complete safety evaluation and start-up operations resulting in an operational Fissile Material Storage Facility.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
E. <u>Elimination of Weapons Grade Plutonium Production- Russia</u>	37,000	32,100	41,700

FY 2000 funds will:

Begin detailed design for modifications at the Seversk site;
Begin site renovation design to support modifications at the Seversk site;
Begin permitting at the Seversk site; and
Begin design at the Zheleznogorsk site.

FY 2001 funds will:

Complete detailed design for modifications at the Seversk site;
Complete permitting at the Seversk site;
Begin procuring, checkout, and integrating equipment at the Seversk site;
Begin civil construction at the Seversk site;
Begin detailed design for modification at the Zheleznogorsk site; and
Begin site renovation design to support modifications at the Zheleznogorsk site.

FY 2002 funds will:

Complete site renovation design to support modifications at the Seversk site;
Continue procuring, checkout, and integrating equipment at the Seversk site;
Continue civil construction at the Seversk site;
Begin installing new equipment at the Seversk site;
Complete detailed design for modification at the Zheleznogorsk site;
Complete permitting at the Zheleznogorsk site;
Begin civil construction at the Zheleznogorsk site; and
Begin procuring, checkout, and integrating equipment at the Zheleznogorsk site.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Objective Three - Assist Ukraine and Kazakhstan to eliminate START-limited systems and weapons of mass destruction infrastructure.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
F. <u>Strategic Nuclear Arms Elimination (SNAE) - Ukraine</u>	36,500	35,900	51,500

FY 2000 funds will:

- Disassemble 24 SS-24 missiles;
- Continue storage of 12 full-up SS-24 missiles until they can be disassembled;
- Provide storage of 139 disassembled missile motors;
- Eliminate 24 sets of START I accountable SS-24 missile components [other than motor cases];
- Provide for the maintenance and operation of facilities and equipment required to disassemble missiles, eliminate missile accountable components, and store motors;
- Initiate design and construction of the SS-24 solid propellant disposition facility;
- Eliminate 6 Tu-22M Backfire bombers; and
- Provide consolidated logistical support of CTR provided equipment;

FY 2001 funds will:

- Disassemble the remaining 8 SS-24 missiles;
- Provide storage of 163 disassembled missile motors;
- Eliminate the remaining 24 sets of START I accountable SS-24 missile components [other than motor cases];
- Provide for the maintenance and operation of facilities and equipment required to disassemble missiles, eliminate missile accountable components, and store motors;
- Procure major equipment and continue construction of the SS-24 solid propellant disposition facility;

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Eliminate 31 Tu-22M Backfire bombers and 230 Kh-22 ALCMs; and
 Provide consolidated logistical support of CTR provided equipment.

FY 2002 funds will:

Provide storage of 163 disassembled missile motors;
 Complete construction of the SS-24 solid propellant disposition facility;
 Remove propellant from and eliminate 66 of the 163 missile motors; and
 Provide consolidated logistical support of CTR provided equipment.

	(\$'s in thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
G. <u>WMD Infrastructure Elimination - Ukraine</u>	0	0	6,024

FY 2002 funds will:

Eliminate equipment and infrastructure at 2 to 3 liquid missile propellant
 handling and storage facilities;
 Complete elimination of the Raduga national nuclear stockpile site; and
 Continue elimination of airbase infrastructure at former heavy bomber bases.

	(\$'s in thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
H. <u>WMD Infrastructure Elimination - Kazakhstan</u>	0	0	6,000

FY 2002 funds will:

Prevent proliferation of fissile and radioactive material;
 Initiate infrastructure elimination at the Chagan airfield; and
 Initiate the elimination of equipment and infrastructure at liquid missile
 propellant handling and storage facilities.

Objective Four - Assist the FSU to eliminate and prevent proliferation of
 biological and chemical weapons and associated capabilities.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
I. <u>BW Proliferation Prevention</u>	14,000	12,000	17,000

FY 2000 funds will:

- Initiate seven collaborative research projects on biotechnology issues between U.S. and FSU BW scientists in the areas of force protection, medical countermeasures, counter-terrorism and modeling;
- Upgrade four former BW institute's vivaria;
- Purchase equipment and animals for four former BW institutes;

I. BW Proliferation Prevention (Continued)

- Provide training for 60 FSU BW scientists from eight former BW institutes in proper animal care and use issues;
- Provide biosafety training for 20 Russian scientists representing five former BW institutes; and
- Enhance security of pathogen repositories at two-four former BW institutes.

FY 2001 funds will:

- Initiate 12 collaborative research projects on biotechnology issues between U.S. and FSU BW scientists in the areas of force protection, medical countermeasures, counter-terrorism and modeling;
- Upgrade four former BW institute's vivaria;
- Purchase equipment and animals for six former BW institutes;
- Provide training for 40 FSU BW scientists from eight former BW institutes in proper animal care and use issues;
- Provide biosafety training for 20 FSU scientists representing five former BW institutes;
- Enhance security of pathogen repositories at two-four former BW institutes; and
- Begin consolidation/dismantlement of BW production/research facilities.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

FY 2002 funds will:

- Initiate 12 collaborative research projects on biotechnology issues between U.S. and FSU BW scientists in the areas of force protection, medical countermeasures, counter-terrorism and modeling;
- Upgrade four former BW institute's vivaria;
- Purchase equipment and animals for six former BW institutes;
- Provide training for 40 FSU BW scientists from 8 former BW institutes in proper animal care and use issues;
- Provide biosafety training for 20 FSU scientists representing five former BW institutes;
- Enhance security of pathogen repositories at four-six former BW institutes; and
- Continue consolidation/dismantlement of BW production/research facilities.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
J. <u>Chemical Weapons Destruction - Russia</u>	23,000	0	50,000

FY 2000 funds will:

- Initiate project to identify and implement security system improvements to enhance security for the Russian chemical weapons storage at Shchuch'ye and Kizner; and
- Continue demilitarization of former CW Production facilities at Volgograd.

FY 2002 funds will:

- Initiate underground utility system construction;
- Initiate industrial support safety and services building construction;
- Initiate site preparation and limited site utilities;
- Initiate procurement of long lead equipment items;
- Initiate planning for the construction procurements for the CWDF;
- Complete demilitarization of former CW production facilities at Volgograd; and
- Initiate demilitarization of former CW production facilities at Novocheboksarsk.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
K. <u>Nukus Chemical Research Institute Dismantlement - Uzbekistan</u>	0	2,500	0

FY 2001 funds will:

Complete project to demilitarize the former Soviet chemical weapons research, development and testing capabilities within the Nukus Chemical Research Institute.

DEFENSE THREAT REDUCTION AGENCY
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IV. Performance Criteria and Evaluation Summary (Continued):

Objective Five - Encourage military reductions and reforms and reduce proliferation threats in the FSU.

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
L. <u>Defense and Military Contacts</u>	2,000	9,000	18,650

FY 2000 will fund approximately 50 defense and military exchanges.

FY 2001 will fund approximately 225 defense and military exchanges.

FY 2002 will fund approximately 500 defense and military exchanges.

Other Program Support - (Supports all five objectives)

	(\$'s in Thousands)		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
M. <u>Other Assessments/Administrative Support</u>	2,000	13,000	13,221

FY 2000 funds will conduct 22 A&Es and fund contracts for technical and program support. The level of effort in other assessments will be sustained through prior year funds.

FY 2001 through FY 2002 funds will conduct 22 A&Es per year and fund contracts for technical and program support.

H. Personnel Summary: N/A

DEFENSE THREAT REDUCTION AGENCY
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I. Summary of Price and Program Changes (\$ in Thousands):

<u>Line</u> <u>Item</u>	<u>Description</u>	FY 2000 <u>Program</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2001 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2002 <u>Estimate</u>
0308	Travel of Persons	3,086	49	-98	3,037	52	-117	2,972
0399	TOTAL TRAVEL	3,086	49	-98	3,037	52	-117	2,972
0915	Rents (Non-GSA)	88	1	4	93	2	3	98
0920	Supplies and Materials	100	2	-12	90	2	-12	80
0925	Equipment Purchases	26,151	418	-13,987	12,582	214	22,056	34,852
0933	Studies, Analysis & Evaluations	478	8	114	600	10	-10	600
0987	Other Intra-Governmental Purchases	113,273	1,812	-16,893	98,192	1,669	-36,579	63,282
0989	Other Contracts	593	9	-64	538	9	-63	484
0998	Other Costs	314,350	5,030	7,913	327,293	5,564	-32,225	300,632
0999	TOTAL OTHER PURCHASES	454,033	7,280	-22,925	439,388	7,470	-46,830	400,028
9999	Total	458,119	7,329	-23,023	442,425	7,522	-46,947	403,000

FY 2002 Amended Budget Submission

Office of the Inspector General (OIG)

Appropriation



June 2001

**OFFICE OF THE INSPECTOR GENERAL
Fiscal Year (FY) 2002 Amended Budget Submission**

Summary:

(Dollars in Thousands)

FY 2000 <u>Actual</u>	<i>Price <u>Change</u></i>	<i>Program <u>Change</u></i>	FY 2001 <u>Estimate</u>	<i>Price <u>Change</u></i>	<i>Program <u>Change</u></i>	FY 2002 <u>Estimate</u>
136,478	+5,333	+5,620	147,431	+5,265	-675	152,021

I. Description of Operations Financed:

The Office of the Inspector General (OIG) is statutorily responsible for the conduct of audits and investigations for the Department of Defense (DoD). Section 1117 of the FY 1983 Department of Defense Authorization Act (Public Law 97-252) established an Inspector General for the Department of Defense by amending Public Law 95-454, the Inspector General Act of 1978.

The Inspectors General for the Federal Government are independent offices which: (1) audit and investigate programs and operations; (2) recommend policies for, and coordinate activities to, promote economy, efficiency and effectiveness in programs and operations by preventing and detecting fraud and abuse; and (3) keep the heads of agencies and the Congress fully informed about problems and deficiencies in programs and operations and the necessity for, and progress of, corrective action.

This budget request will enable reasonably adequate coverage of the Department's major functions and high risk areas, although there will be shortfalls of coverage in some areas. The funding change is a net increase of \$4.6 million. This increase is due to price growth (\$5.3 million) and additional funding for support costs related to operations and maintenance of the law enforcement database at the Computer Network Defense/Law Enforcement/Counterintelligence Center (\$1 million) and incremental implementation of process improvements by converting paper-based processing to electronic processing (\$400 thousand) offset by reduction in funding in very critical

OFFICE OF THE INSPECTOR GENERAL
Fiscal Year (FY) 2002 Amended Budget Submission

areas such as the public key infrastructure initiative and replacement of information technology and investigative equipment.

II. Force Structure Summary:

Audit

The Office of the Assistant Inspector General for Auditing conducts audits and evaluations on all facets of DoD operations. The work results in recommendations for reducing costs, improving performance, strengthening internal controls and achieving compliance with laws and regulations. Audit and evaluation topics are determined by law, requests from the Secretary of Defense and other managers, Hotline allegations, congressional requests and analyses of risk in DoD programs. There is particular emphasis on information assurance, acquisition, logistics and financial management. The IG auditors and evaluators also assist in investigations and litigation, lead DoD-wide audits, and participate as advisors, at DoD management request, in many task forces, process actions teams and studies. In addition, the office provides the oversight and policy for activities of the Service Audit organizations, Defense Contract Audit Agency and public accounting firms under the Single Audit Act. It is also the focal point for General Accounting Office activity in the DoD, and performs follow up on General Accounting Office and Office of Inspector General reports.

Criminal Investigations

The Office of the Assistant Inspector General for Investigations (OAIG-INV) consists of its headquarters office and operating field locations. The operating field elements, as the criminal investigation arm of the IG, initiate and conduct investigations of suspected criminal violations, primarily contract and procurement fraud, computer fraud, antitrust violations, cost-mischarging violations, bribery, corruption, large-scale thefts of Government property from the Defense Reutilization Management Office, and health care provider fraud. The OAIG-INV also develops information related to criminal investigations, detects fraud where it currently exists, and promotes awareness in all elements of the DoD regarding the impact of

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fraud on resources and programs. The headquarters provides administrative support, oversight and operational guidance to the operating field elements. The Computer Crimes Program has expanded the investigative capability in detecting and investigating computer fraud, and is an active participant in both the Joint Task Force - Computer Network Defense, Law Enforcement/Counter Intelligence Center and the National Infrastructure Protection Center. Under the DoD Computer Network Defense directive, the OAIG-INV is responsible for the establishment and operation of the law enforcement portion of the LECIC data bases. The DoD Hotline receives reports from DoD personnel and the public of allegations of fraud, waste and mismanagement. The DoD Hotline conducts inquiries, as well as tracks cases referred to other DoD investigative, audit and operational organizations resulting from DoD Hotline contacts. The DoD Hotline provides oversight with respect to hotlines operated by inspectors general of other DoD components. The Office of Criminal Investigative Policy and Oversight (CIPO) provides and develops criminal investigative policy for the DoD law enforcement community. The CIPO also manages the DoD Voluntary Disclosure Program and the IG Subpoena Program for the military criminal investigative organizations.

Other Components, Office of the Inspector General

The Inspector General and Deputy Inspector General provide general management and supervision of the activities of the Inspector General organization. They participate in all major policy, planning and operational decisions. The Deputy Inspector General assumes the duties of the Inspector General in the absence of the latter.

The Office of Congressional Liaison is a staff element of the immediate Office of the Inspector General. It reviews and analyzes pending and proposed legislation affecting the Department and the Inspector General, provides support for Inspector General witnesses who testify at congressional hearings, processes responses to congressional correspondence and coordinates meetings with congressional staff.

The Office of Departmental Inquiries reports to the Deputy Inspector General. This office conducts non-criminal investigations into allegations of waste,

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mismanagement, whistleblower reprisal and senior official misconduct, and performs oversight on similar types of investigations conducted by the DoD components.

The Office of Intelligence Review reports to the Deputy Inspector General. This office evaluates, monitors, and reviews the programs, policies, procedures, and functions of the Intelligence Community within the DoD, ensuring intelligence resources are properly managed. This office coordinates and oversees the functions of the Interagency Intelligence Community Inspector General Forum, serves as issue coordinator for the DoD Joint Intelligence Oversight Coordination Group, is the DoD coordinator on all classified Whistleblower Protection cases and monitors service and agency reviews of security and counterintelligence within all DoD test and laboratory facilities.

The Office of Administration and Information Management reports on administrative support matters to the Deputy Inspector General. The Director for Administration and Information Management oversees four directorates: the Financial Management Directorate, the Personnel and Security Directorate, the Information Systems Directorate and the

Administration and Logistics Services Directorate. Each supervise and carry out administrative and logistical functions in support of the day-to-day operations of the OIG.

III. Financial Summary (\$ in thousands)

A. Activity Group

		FY 2001			
	FY 2000	BUDGET		CURRENT	FY 2002
	<u>ACTUAL</u>	<u>REQUEST</u>	<u>APPROPRIATION</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>
AUDIT	62,570	68,533	68,533	65,959	68,674
Civ Pay	46,771	51,973	51,973	48,864	51,084

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Travel	3,144	2,950	2,950	3,234	3,290
Other	12,655	13,610	13,610	13,861	14,300
INVESTIGATIONS	56,276	58,073	58,073	59,720	62,652
Civ Pay	43,590	45,712	45,712	46,115	48,070
Travel	2,792	2,815	2,815	2,837	2,882
Other	9,894	9,546	9,546	10,768	11,700
OTHER OIG	16,500	17,639	17,639	18,249	18,895
Civ Pay	12,932	13,919	13,919	14,196	14,736
Travel	241	285	285	269	276
Other	3,327	3,435	3,435	3,784	3,883
			<u>FY 2001</u>		
	<u>FY 2000</u>	<u>BUDGET</u>		<u>CURRENT</u>	<u>FY 2002</u>
	<u>ACTUAL</u>	<u>REQUEST</u>	<u>APPROPRIATION</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>
OPERATIONS TOTAL	135,346	144,245	144,245	143,928	150,221
Civ Pay	103,293	111,604	111,604	109,175	113,890
Travel	6,177	6,050	6,050	6,340	6,448
Other	25,715	26,591	26,591	28,203	29,883
PROCUREMENT	1,293	3,300	3,300	3,293	1,800
TOTAL	136,478	147,545	147,545	147,431	152,021

III. Financial Summary (\$ in thousands)

B. Reconciliation Summary:

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	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
1. Baseline Funding	147,755	147,431
a. Congressional Adjustments (Distributed)	0	0
b. Congressional Adjustments (Undistributed)	0	0
c. Congressional Adjustments (General Provision)	0	0
d. Congressional Earmarks	0	0
e. Congressional Earmark Billpayers	0	0
	<u>Change FY 2001/2001</u>	<u>Change FY 2001/2002</u>
2. Appropriated Amount (Subtotal)	147,755	
a. Adjustments to Meet Congressional Intent	0	
b. Across-the-board Reduction (Recission)	-324	
3. Functional Transfer	0	-200
4. Price Change	0	5,265
5. Program Changes		-475
6. Current Estimate	147,431	152,021

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases:</u>	<u>Amount</u>	<u>Total</u>
1. FY 2001 President's Budget Request		147,755
2. Congressional Adjustments (Distributed)		0
3. Congressional Adjustments (Undistributed)		0
4. Congressional Earmarks		0
5. FY 2001 Appropriated Amount		147,755
6. FY 2001 Recission		-324
7. Transfers In		0

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases:</u>	<u>Amount</u>	<u>Total</u>
8. Transfers Out		0
9. Price Growth		0
10. Program Increases		0
11. Total Increases		0

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12. Program Decreases	0
13. Total Decreases	0
14. Revised FY 2001 Budget	147,431
15. Price Growth	5,265
16. Transfers In	-
17. Transfers Out	-200

Requested transfer of \$200 thousand to the Office of the Under Secretary of Defense (Personnel and Readiness) account holder for the Military Retirement Trust Fund. The transfer realigns the funding for the contracted financial statement audit to the account holder. The OIG will retain oversight responsibility for the audit

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases:</u>	<u>Amount</u>	<u>Total</u>
18. Program Increases		
a. Increase for support costs related to the operations and maintenance of the DoD Computer Network Defense law enforcement database. The increase funds contracted administrative, database and analytical support, maintenance of the system hardware and software and implementation of	1,000	

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phased dedicated line connectivity for OIG
investigative field locations.

b. Increase for phased implementation of electronic workflow initiative to automate the storage, flow, management, retrieval and final disposition of documents within the OIG. The increase funds additional software and contracted support for system indexing and digitizing records.	400
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c. Increase for 1 additional paid day (261 days)	385
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19. Total Increases		1,785
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20. Program Decreases

a. The OIG funding had been increased by \$900 thousand in FY 2001 for public key infrastructure requirements. Funding for maintenance requirements not provided in outyears.	-900
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b. Reduction of 1 full-time equivalent staff	-86
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c. Decrease in workers compensation bill from	-83
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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases:</u>	<u>Amount</u>	<u>Total</u>
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d. Decrease in funding for miscellaneous contracted support for administrative and other support	-120
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e. Anticipated reductions in payments to Defense	-40
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Working Capital Fund (DSS) based on
workload and efficiencies

f. Decrease in funding for furniture and copier replacement	-410	
g. Decrease in permanent change of station moves/funding	-40	
h. Decrease in alteration funding for space changes	-50	
i. Reduction in replacement for investigative and information technology equipment.	-437	
j. Civilian workforce restructuring decrease: streamline organization and reduce high level managerial personnel costs through replacement with career development hiring.	-94	
21. Total Decreases		-2,260
22. FY 2002 Budget Request		152,021

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IV. Performance Criteria and Evaluation:

Audit performance should be assessed in terms of impact on DoD programs. In FY 2000, the Office of the Assistant Inspector General for Auditing produced 194 reports, which identified potential monetary benefits of \$931.1 million. Several hundred recommendations were made and over 96 percent were implemented to improve the Department's operational effectiveness and protect assets from misuse. The Congress and senior DoD officials requested and used IG audit and evaluation reports on such significant matters as Year 2000 computer conversion, other information system projects, chemical and biological defense, contract pricing, maintenance, supply management, special acquisition programs, outsourcing decisions, communications, financial management, health care, environmental compliance, special operations, and construction.

The Department of Defense is confronting a period of higher than normal risks throughout its operations. Those risks are elevated by the disruptions caused by continued restructuring; ever-increasing reliance on automated information systems and a history of developmental problems; security vulnerabilities and the introduction of numerous new processes, many of which are untried in DoD settings and not well understood by the workforce. Given those risks, virtually all of the audit effort is focused on the high risk areas like weapon and information systems acquisition, contract management, and inventory management. This is becoming increasingly difficult. The Chief Financial Officer Act of 1990, as amended by the Federal Financial Management Act of 1994, necessitates the largest recurring commitment of auditors ever to a single purpose. In addition, the IG has been called on increasingly to participate in joint efforts like acquisition reform studies, logistics reform studies and process action teams to revamp DoD travel, transportation and bill paying processes. The auditors are currently supporting 48 such efforts, which are very beneficial, but do not result in reports that can be reflected in IG productivity statistics. Also, supporting those efforts reduces the number of operational audits and evaluations. The budget request funds the mandatory

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IV. Performance Criteria and Evaluation (Continued)

financial statement auditing requirements, but the level of effort in other high risk areas will be increasingly limited.

The OIG also conducts reviews to ensure the quality of the performance of other DoD audit agencies and outside public accounting firms. In FY 2000, the OIG issued 10 reports that contained recommendations for overall improvements and efficiencies in the audit process.

The basic criteria for evaluating the investigative operations of the Office of the Inspector General are indictments, convictions, fines, the amount of recoveries and restitutions; Hotline activities; policy and oversight reports issued; voluntary disclosures processed; and subpoenas processed. In FY 2000, fines, penalties, restitutions, and recoveries totaled \$816 million; indictments or charges against individuals or firms totaled 353 and convictions of persons or firms totaled 314. In FY 2000, the DoD Hotline handled an average of 1,250 calls and letters per month. There were 4 evaluation reports issued, 10 voluntary disclosures admitted and 25 closed, and 139 subpoenas issued.

It is difficult to quantify the results of criminal investigative operations. For example, in bribery and kickback cases, the dollar impact on the cost of a major contract is not readily identifiable, yet it is recognized that bribes and kickbacks undermine the integrity and efficiency of departmental programs and operations. The OIG also identifies areas of criminal vulnerability regarding Department of Defense activities and ensures that corrective actions are taken when deficiencies are detected. Another valuable by-product of criminal investigative activities is the deterrent effect which results from an awareness that violations of the law are being vigorously pursued. The Office of the Inspector General, Department of Defense, attempts to ensure that appropriate administrative action is taken by the Department regardless of whether or not prosecutions

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are obtained. The IG seeks to have disreputable contractors suspended or debarred and to recover totally whatever monies are due the Department.

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IV. Performance Criteria and Evaluation (Continued)

The basic criteria for evaluating the operations of the Office of Departmental Inquiries are the number of investigations conducted or oversights. In FY 2000, the office completed 148 investigations and performed oversight on 582 investigations by DoD components. Whistleblower protection for DoD service members remains a major focus of the organization, as well as the investigation of allegations against senior officials within the Department. The October 1998 revision to the Defense Authorization Act made significant changes to Title 10, U.S. Code, Section 1034, "Military Whistleblower Protection Act," which has increased the number of oversight reviews of investigations conducted by DoD components. To further the oversight role, the office continues to host training workshops on the conduct of military whistleblower reprisal investigations for representatives of the Military Services, the Joint Chiefs of Staff, and other defense agencies. Recent examples in the area of senior official inquiries include substantiated allegations of failing to properly investigate allegations of sexual harassment, conducting Government travel for primarily personal purposes, using Government property for personal benefit, and reprisal against a Service member for making a protected communication. As part of its responsibility to fully inform the President and Senate of adverse information concerning senior officials being nominated for promotion, reassignment, or other action, the office conducted 2,500 name checks on DoD senior officials in the past year. At the request of Members of Congress, the office also investigated allegations that senior DoD officials made false and deceptive statements during a congressional hearing.

The Office of Intelligence Review reports directly to the Deputy Inspector General ensuring enhanced visibility of intelligence review activities of the OIG. The oversight and review functions are focused on assessing the efficient, effective and appropriate use of intelligence personnel and resources with emphasis on support to the warfighter. Reports are provided to DoD management and Congress on such critical issues as intelligence support to joint counterproliferation operations, Year 2000 conversion programs in DoD intelligence community agencies, National Intelligence

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Estimates of Prisoner of War/Missing in Action issues, measures to protect against the illicit transfer of sensitive technology, and unofficial cover practices with DoD. In FY 2000, 13 reports were issued.

	<u>FY 2000</u> <u>Actual</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
<u>AUDIT</u>			
Reports issued	194	192	196
Potential monetary benefits (\$ Millions)	\$931.1	*	*
GAO surveys and reviews processed	226	225	240
GAO draft and final reports processed	296	300	340
Audit oversight reports	10	10	10
<u>CRIMINAL INVESTIGATIONS</u>			
Indictments and convictions	667	620	600
Fines/penalties/restitutions, etc. (\$ Millions)	\$816	\$450	\$400
Hotline calls/letters received	15,000	15,000	15,000
Substantive cases generated	2,000	2,000	2,000
Policy and Oversight Reports Issued	4	5	5
Voluntary disclosures admitted	10	8	8
Voluntary disclosures closed	25	20	20
Annual monetary benefits from disclosures (\$ Millions)	\$11	\$8	\$8
Subpoenas issued	139	225	225
<u>DEPARTMENTAL INQUIRIES</u>			
Special inquiries opened	150	160	170
Special inquiries closed	82	95	100
Special inquiries oversight	246	250	260
Program integrity opened	74	70	70
Program integrity closed	66	70	70
Program integrity oversight	336	350	350
<u>INTELLIGENCE REVIEW</u>			
Reports issued	11	12	12
Potential monetary benefits (\$ Millions)		*	*

*In some cases, the outputs cannot be reliably estimated.

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V. Personnel Summary:

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/2002</u>
<u>Active Military End Strength (Total)</u>	30	29	29	0
Officer	30	29	29	0
<u>Civilian End Strength (Total)</u>	1,201	1,245	1,206	-39
U.S Direct Hire	1,200	1,244	1,205	-39
Foreign National Indirect Hire	1	1	1	0
(Reimbursable Civilians Included Above (Memo))	(3)	(4)	(4)	0
<u>Active Military Average Strength (Total)</u>	30	29	29	0
Officer	30	29	29	0
<u>Civilian Workyears (Total)</u>	1,193	1,213	1,212	-1
U.S. Direct Hire	1,192	1,212	1,211	-1
Foreign National Indirect Hire	1	1	1	0
(Reimbursable Civilians Included Above (Memo))	(3)	(4)	(4)	0

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

	Change <u>FY 2000/FY 2001</u>			Change <u>FY 2001/FY 2002</u>			<u>FY 2002 ESTIMATE</u>
	<u>FY 2000 ACTUAL</u>	<u>PRICE GROWTH</u>	<u>PROGRAM GROWTH</u>	<u>FY 2001 ESTIMATE</u>	<u>PRICE GROWTH</u>	<u>PROGRAM GROWTH</u>	
Exec, General and Spec	102,896	4,395	1,361	108,652	4,591	205	113,448
Wage Board	22	1	22	45	2	0	47
Benefits to Former Employees	0	0	0	0	0	0	0
Voluntary Separation Inc Pay	0	0	0	0	0	0	0
Disability Compensation	375	0	103	478	0	-83	395
TOTAL CIVILIAN PERSONNEL	103,293	4,396	1,486	109,175	4,593	122	113,890
Travel	6,177	99	64	6,340	108	0	6,448
GSA Managed Equipment	242	4	4	250	4	-127	127
Other Fund Purchases							
Defense Public & Printing	115	13	-11	117	-2	4	119
DISA Info Services	128	-8	-44	76	-12	12	76
Communications Svcs (DISA)	73	0	1	74	10	111	195
DFAS	597	29	19	645	-30	5	620
Defense Security Service	536	9	-97	448	8	-40	416
TOTAL OTHER FUND	1,449	43	-132	1,360	-26	92	1,426
Transport - Commercial Land	328	5	85	418	7	-14	411
Other Purchases							
Foreign National Indirect	73	2	0	75	3	0	78
Rent Payments to GSA	9,122	530	190	9,842	240	43	10,125
Purchased Communications	1,799	29	53	1,881	32	-2	1,911
Rents (non-GSA)	98	2	0	100	2	0	102
Postal Services (U.S.P.S)	67	0	0	67	0	0	67
Supplies & Materials	1,893	30	31	1,954	33	-2	1,985
Printing & Reproduction	95	2	-1	96	2	-1	97

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	<u>Change</u> <u>FY 2000/FY 2001</u>			<u>Change</u> <u>FY 2001/FY 2002</u>			<u>FY 2002</u> <u>ESTIMATE</u>
	<u>FY 2000</u> <u>ACTUAL</u>	<u>PRICE</u> <u>GROWTH</u>	<u>PROGRAM</u> <u>GROWTH</u>	<u>FY 2001</u> <u>ESTIMATE</u>	<u>PRICE</u> <u>GROWTH</u>	<u>PROGRAM</u> <u>GROWTH</u>	
Equipment Maintenance	397	6	0	403	7	160	570
Facility Maintenance	397	6	99	502	9	-58	453
Equipment Purch (Non-Fund)	4,778	76	2,329	7,183	122	-194	7,111
Mgt and Prof Spt Svcs	242	4	-116	130	2	0	132
Other Intra-qovt Purchases	1,438	23	64	1,525	26	0	1,551
Other Contracts	4,590	76	1,044	5,710	101	-274	5,537
TOTAL OTHER PURCHASES	25,150	786	3,742	29,678	579	-538	29,719
TOTAL	136,478	5,333	5,620	147,431	5,265	-675	152,021

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Overseas Humanitarian, Disaster, and Civic Aid



June 2001

**Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
Overseas Humanitarian, Disaster and Civic Aid
FY 2002 President's Budget
Budget Activity 4: Administration and Servicewide Activities**

I. Narrative Description:

The Overseas Humanitarian, Disaster and Civic Aid (OHDACA) program includes three segments: **the Humanitarian Demining Program, the Humanitarian Assistance Program, and the Foreign Disaster Relief Assistance.**

In broad terms, all OHDACA programs support U.S. military forces in meeting two key requirements. The first is to maintain a robust overseas presence aimed at shaping the international security environment in a manner that deters would-be aggressors, strengthens friends and allies, and promotes peace and stability in regions of tension. The second requirement is for U.S. forces to respond effectively when called upon to assist the victims of storms, earthquakes and other natural or manmade disasters.

The OHDACA programs meet these needs by providing regional Unified Commanders-in-Chief's (CINC's) with an unobtrusive, low cost, but highly efficacious means to carry out their peacetime engagement missions, and by augmenting the CINC's capabilities to respond rapidly and effectively to humanitarian crises. In providing relief to areas of need, the U.S. military obtains substantial training and access benefits through OHDACA activities. The OHDACA programs enhance readiness across a number of operational areas including: Command, Control, Communications and Intelligence (C3I), civil affairs and logistical support.

The programs conducted under OHDACA are coordinated with the Department of State, and approved by the Office of the Secretary of Defense, to ensure U.S. Government (USG) unity of effort and compliance with national security and foreign policy interests. In the process of carrying out these activities, a small amount of funding efficiently fosters multiple USG goals.

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The Humanitarian Demining Program is a major component of DoD's peacetime engagement efforts. Landmines have been targeted against civilians on virtually every continent to deny their livelihoods, uproot them from their lands, and promote political instability. The Humanitarian Demining Program, executed by the Geographic CINCs, permits DoD to contribute to alleviating a highly visible, worldwide problem, while at the same time accruing significant training and readiness-enhancing benefits to U.S. forces. The program aids in the development of host nation leadership and organizational skills to sustain the demining programs after United States military trainers have redeployed. The U.S .military personnel do not enter active minefields or remove emplaced landmines. The DoD program provides access to geographical areas otherwise not easily available to U.S. forces and contributes to unit and individual readiness by providing unique in-country training opportunities that cannot be duplicated in the United States. For example, U.S. military forces hone critical wartime, civil-military, language, cultural, and foreign internal defense skills. Additionally, DoD health services professionals are conducting training missions overseas which increases their knowledge and ability to deal with blast/trauma wounds, while providing advice and assistance to host nations on immediate and short-term victims assistance issues.

This CINC-executed program helps governments educate civilian populations on the dangers of landmines and how to identify and report them. The program trains local demining cadres to find and destroy landmines and return mined areas to productive use. It also provides, to a limited degree, supplies, services, and equipment to host country personnel trained to clear mined areas that impede the repatriation of refugees and obstruct the means to lead productive lives. Additionally, DoD health service professionals conduct programs to assist victims of landmines. These Victim Assistance programs include epidemiological studies of landmine injuries, first responder training, educational material development, surgical care and training, and enhancement of consultative services using telemedicine technology. Victim Assistance programs provide direct humanitarian assistance and benefit DoD by providing excellent training

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opportunities and by expanding U.S. military medical contacts with foreign medical providers. The Humanitarian Demining Program improves U.S. Government's and CINC's relations with host nations, enhances the deployment and warfighting skills of our military forces, and is instrumental in promoting regional stability.

The Humanitarian Assistance and Foreign Disaster Relief Program was established in 1986. This program is designed to shape the military environment and enable crisis response. It seeks to avert political and humanitarian crises, promote democratic development and regional stability, and enable countries to recover from conflict. The program, by providing early assistance, minimizes the potential for crises to develop or grow further. In this way, regional stability is fostered, minimizing the risk of large-scale deployments of United States military forces.

Humanitarian assistance and foreign disaster relief programs accomplish these objectives in several ways. They support the donation of excess non-lethal Department of Defense (DoD) property (including the refurbishment, storage, inspection, packaging, transportation, and spare parts support to countries in need). In addition, these programs provide on-the-ground activities carried out by U.S. military personnel, which are aimed at relieving suffering and improving CINC presence in countries. Such activities include assessment, training, and modest construction as well as medical, technical and logistical assistance. In non-crisis peacetime settings, DoD humanitarian assistance supports the CINCs' regional engagement strategy by providing access to selected countries, and fostering goodwill for the U.S. military in these countries.

The Disaster Relief Assistance/Emergency Response supports CINCs' readiness by enabling rapid responses to sudden emergencies without having to fund the incremental costs of such activities from constrained Operation and Maintenance (O&M) accounts. The CINCs have a unique capability to respond to major disasters. On short notice, they can make available transportation to deliver urgent relief. The amounts expended for any

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particular disaster are often too small to merit the major institutional effort of requesting a supplemental appropriation or requesting Presidential Drawdown authority under the Foreign Assistance Act of 1961, as amended. Yet, for the individual CINC, the expense could mean that, without reimbursement from the OHDACA appropriation, readiness of his command would be affected.

In times of severe natural disaster, the U.S. military has long been, and will continue to be, called upon to provide disaster relief and assistance. The OHDACA funding allows the CINCs to provide life-saving immediate assistance to countries in their region. These funds have helped the Services and the CINCs defray the costs of operations, including responses to natural disasters in India, El Salvador, and Mozambique, as well as costs of transportation in support of U.S. government response to humanitarian crises in East Timor. The OHDACA funding is available to support the DoD response to small-scale contingencies and to provide seed money aimed at leveraging larger assistance packages from national and international donors responding to complex emergencies.

In coordination with the Department of State or the Agency for International Development (AID), DoD plays a key role in humanitarian crises when it can offer unique assets for effective response. The U.S. military offers exceptional operational reach and can be immediately deployed as a stopgap measure. The DoD's unique rapid response capabilities assist in the containment of crises and limit threats to regional stability by transporting and providing relief aid within hours or a few days of a disaster. The U.S. military has unmatched capabilities with regard to rapid response time; logistics; transportation; command, control, and communications; and in the scale of cargo transportable by available air assets. These capabilities would be extremely expensive to develop and maintain in any other government agency.

**Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
Overseas Humanitarian, Disaster and Civic Aid
FY 2002 President's Budget
Budget Activity 4: Administration and Servicewide Activities**

II. Description of Operations Financed:

The FY 2002 OHDACA budget request is \$49.7 million. The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million of FY 2001 funding will finance the actual FY 2002 program requirement of \$57.2 million. The FY 2002 decrease in program requirements from the estimated program requirement in FY 2001 (\$76.5 million) and actual program executed in FY 2000 (\$75.6 million) reflects the decline of disaster response requirements after wrap-up of high intensity relief efforts associated with Hurricane Mitch in Central America.

The Humanitarian Demining Program has an FY 2002 funding requirement of **\$25.8 million** that will support the geographical CINC's planned humanitarian demining activities. These CINC plans include: assessments of newly designated countries; ongoing worldwide training operations; incremental funding of high priority, emerging operations; and evaluations of current programs to determine if projected "end states" have been met. Travel and transportation requirements for deploying forces are a major expense of the program. Deployments utilize highly skilled Special Operations Forces (SOF), medical personnel, and Explosive Ordnance Disposal (EOD) personnel to establish indigenous demining programs and to train and advise host nation cadre in managing sustainment operations. Countries that will receive humanitarian demining assistance or are under consideration for such assistance include: Argentina, Armenia, Azerbaijan, Chad, Cambodia, Djibouti, Ecuador, Estonia, Egypt, Georgia, Guatemala, Honduras, Jordan, Mauritania, Mozambique, Nicaragua, Laos, Lebanon, Nicaragua, Oman, Peru, Thailand, Vietnam and Zambia.

The Humanitarian Assistance Program has an FY 2002 funding requirement of **\$21.4 million** (*\$7.5 million financed with prior year available funds*) that includes: transportation; excess property; and other targeted assistance for disaster preparedness and mitigation

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in countries where the CINC's have few other programs. Current plans call for the CINCs to conduct humanitarian assistance activities as part of their peacetime theater engagement plan in their regions, and to enhance readiness for crisis response to humanitarian emergencies in their regions. The DoD, in coordination with the Department of State, transports excess defense non-lethal property in support of U.S. national security and foreign policy objectives. Funding also provides for distribution of relief supplies; acquisition and shipment of transportation assets to assist in distribution; acquisition and provision of relief supplies; refurbishment and restoration of excess DoD equipment; storage of excess property; and inspection, packaging and intermediary warehouse storage until excess items can be delivered. The costs of providing DoD assistance include other smaller scale CINC activities conducted by U.S. military personnel targeted at relieving suffering and improving CINC presence in countries, including: training; modest construction; medical assistance; technical assistance; engineering assistance; and logistical assistance. Among the functions of such activities is survey and assessment to ensure the DoD excess property is appropriate, and to install equipment and train personnel in its operation.

CINC humanitarian assistance activities reflect the priorities of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff. It also provides support programs that ensure proper administration of CINC program activities and allows DoD to anticipate future requirements and understand key issues related to the humanitarian assistance program. Programs include technical and administrative assistance and studies, including programs to support CINC initiatives to improve civilian-military cooperation and coordination in humanitarian programs and operations. The humanitarian assistance program also allows response in the course of the fiscal year to the priorities defined by U.S. Government principals as important to the bilateral military relations of the United States which further the national security and foreign policy objectives of the United States.

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The Foreign Disaster Relief Assistance/Emergency Response estimate for FY 2002 is \$10 million. This funding supports the capacity of the Department, through the CINCs, to respond to natural and manmade disasters and to the humanitarian aspects of security crises. Among the activities covered by this item are transportation of emergency assistance during foreign disasters and programs to prepare for such activities. Emergency response includes transportation, logistical support, search and rescue, medical evacuation, and refugee assistance, in the form of both supplies and services. Projects also include those that assist Non-Government Organizations (NGO) and recipient countries to build capabilities to respond to emergency response, reducing the potential need for U.S. military involvement in crisis response.

III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group</u>	FY 2000 <u>Actuals</u>	FY 2001			FY 2002 <u>Estimate</u>
		<u>Request</u>	Budget <u>Appropriation</u>	Current <u>Estimate</u>	
Budget Authority	55,511	64,900	55,900	55,777	49,700
Unobligated Balance					
Carried Forward:					
Start of Year	+48,351			+28,211	+7,500
End of Year	-28,211			-7,500	
Total Program	75,651	64,900	55,900	76,508	57,200*

* **The FY 2002 OHDACA budget request is \$49.7 million.** The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million of FY 2001 unobligated balances will finance the actual FY 2002 program requirement of \$57.2 million

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<u>B. Reconciliation Summary:</u>	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	64,900	76,508
Congressional Adjustments (Distributed)	-9,000	
Congressional Adjustments (Undistributed)	-123	
Subtotal Appropriated Amount	55,777	
Unobligated Balance Carried Forward		
Start of Year	+28,211	+7,500
End of Year	-7,500	
Price Change	0	+773
Program Changes	0	-27,581
Current Estimate (Planned Obligations)	76,508*	57,200*

* *The FY 2002 OHDACA budget request is \$49.7 million. The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million of FY 2001 unobligated balances will finance the actual FY 2002 program requirement of \$57.2 million.*

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request	64,900
2. Congressional Adjustments (Distributed)	
Humanitarian Assistance/Disaster Relief	-9,000
3. Congressional Adjustments (Undistributed)	
FY 2001 Government-Wide Rescission (P.L. 106-554)	-123
4. Subtotal Appropriated Amount	55,777

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5. Program Increases		+20,731
a. Increase in Humanitarian Assistance Projects to be financed using unobligated FY 2000 Disaster Relief Funding.	+6,200	
b. Prior Year Humanitarian Assistance projects to be executed in FY 2001.	+6,480	
c. Prior Year Demining program to be executed in FY 2001.	+8,051	
6. Revised FY 2001 Estimate (Planned Obligations)		76,508
7. Price Change		+472
8. Program Decreases		-19,780
a. Decrease in Humanitarian Assistance Projects resulting from the decline of disaster response requirements after wrap-up of high intensity relief efforts associated with Hurricane Mitch in Central America.		
9. FY 2002 Current Estimate (Planned Obligations)		57,200*

* *The FY 2002 OHDACA budget request is \$49.7 million. The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million of FY 2001 unobligated balances will finance the actual FY 2002 program requirement of \$57.2 million.*

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IV. Performance Criteria and Evaluation Summary:

As is the case with humanitarian/disaster crises, additional requirements emerge during the execution year. Accordingly, performance criteria are difficult to summarize. Useful measures are the amount of actual obligations reported and planned obligations.

	<u>(Dollars in Thousands)</u>		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Humanitarian Demining Programs</u>	<u>28,870</u>	<u>25,133</u>	<u>25,800</u>
Prior Year Projects Carried Forward	15,973	6,480	0
New Projects/Requirements	12,897	18,653	25,800
<u>Humanitarian Assistance Programs</u>	<u>42,777</u>	<u>41,375</u>	<u>21,400</u>
Prior Year Projects Carried Forward	32,190	19,115	7,500
New Projects/Requirements	10,587	22,260	13,900
<u>Disaster Relief Assistance/Emergency</u>			
<u>Response</u>	<u>4,004</u>	<u>10,000</u>	<u>10,000</u>
Prior Year Projects Carried Forward	188	2,616	0
New Projects/Requirements	3,816	7,384	10,000
<u>Total Program</u>	<u>75,651</u>	<u>76,508</u>	<u>57,200*</u>
Prior Year Projects Carried Forward	48,351	28,211	7,500
New Projects/Requirements	27,300	48,297	49,700

* *The FY 2002 OHDACA budget request is \$49.7 million. The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million of FY 2001 unobligated balances will finance the actual FY 2002 program requirement of \$57.2 million.*

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V. OP 32 Line Items (Dollars in Thousands):

	<u>FY 2000</u> ^{1/}	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2001</u> ^{2/}	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2002</u> ^{3/}
TRAVEL							
Travel of Persons	11,649	186	1,123	12,958	220	0	13,178
Total Travel	11,649	186	1,123	12,958	220	0	13,178
DEFENSE WORKING CAPITAL FUND							
Army Managed Supplies & Materials	30	0	0	30	0	0	30
DLA Managed Supplies & Materials	3,500	158	-2,658	1,000	0	0	1,000
GSA Managed Supplies & Materials	4,619	74	0	4,693	80	0	4,773
Total Fund Supplies & Materials Purchases	8,149	232	-2,658	5,723	80	0	5,803
OTHER FUND PURCHASES							
DLA Distribution Depot	1,054	39	1,139	2,232	-169	250	2,270
Military Sealift Command	700	0	1,389	2,089	0	0	2,089
Total Purchases	1,754	9	2,528	4,321	-169	250	4,359
TRANSPORTATION							
MAC SAAM	2,639	0	783	3,422	0	0	3,422
MSC Cargo	1,257	205	1,355	2,817	-124	124	2,817
MTMC (Other)	270	0	1,634	1,904	0	0	1,904
Commercial Transportation	1,846	30	1,197	3,073	52	0	3,125
Total Transportation	6,012	235	4,969	11,216	-72	124	11,268

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V. OP-32 Line Items (Dollars in Thousands) (Continued):

	<u>FY 2000</u> ^{1/}	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2001</u> ^{2/}	<u>Price</u> <u>Change</u>	<u>Program</u> <u>Change</u>	<u>FY 2002</u> ^{3/}
OTHER PURCHASES							
Purchased Utilities	52	1	0	53	1	0	54
Purchased Communications	0	0	0	0	0	0	0
Rents (Non-GSA)	632	10	0	642	11	0	653
Supplies & Materials	4,056	65	613	4,734	81	0	4,815
Equipment Purchases (Non-Fund)	5,028	80	125	5,233	89	-23	5,299
Management & Professional Spt Svcs	724	12	543	1,279	22	0	1,301
Other Contracts	16,060	257	-10,014	6,303	107	645	7,055
Other Costs	1,395	22	1,898	3,315	57	0	3,415
Total Other Purchases	27,941	447	-6,835	21,559	368	622	22,592
Total	55,511	1,139	-873	55,777	472	996	57,200

1. The actual FY 2000 obligations are \$75.7 million. This requirement is financed with unobligated prior year balance of \$48.4 million and \$27.3 million of the FY 2000 appropriation.
2. The estimated FY 2001 program requirements are \$76.5 million. This requirement is financed with an FY 2000 unobligated balance of \$28.2 million carried forward into FY 2001 and \$48.3 million of the FY 2001 appropriation.
3. The FY 2002 OHDACA budget request is \$49.7 million. The combination of the budget request of \$49.7 million and projected "carry-over" of \$7.5 million from the FY 2001 appropriation will finance the FY 2002 program requirement of \$57.2 million.

FY 2002 Amended Budget Submission Support For International Sporting Competitions



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I. Narrative Description:

The Support for International Sporting Competitions, Defense appropriation is a no-year appropriation that provides for continuing DoD support to future international sporting events.

These funds are available to fund security support for several sporting events without the need for additional appropriations. Efforts in FY 2001 and FY 2002 include specialized event security planning. Under the authority of 10 U.S.C., section 2564, the DoD has the authority to assist Federal, State or local agencies in support of civilian sporting events, if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs. Near-term events to be supported include the 2002 Winter Olympics and 2002 Paralympics.

The DoD provides this support only as a supplier of last resort while ensuring that no degradation to readiness results from this effort. Such support is essential to the national responsibility to ensure competitors and visitors are secure.

II. Description of Operations Financed:

The FY 2002 request of \$15.8 million is based on estimates to resource requirements anticipated for DoD support to the 2002 Winter Olympic Games. DoD plans to execute \$26.1 million in support of the 2002 Winter Olympics and 2002 Paralympics between FY 2001 and FY 2002. Basic categories of support include physical security, aviation, communications, explosive ordnance, disposal, temporary facilities and related equipment, and the manpower costs associated with these requirements. Funding is based on known requests for DoD support to events scheduled through 2002.

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III. Financial Summary (O&M: \$ in Thousands):

A. <u>Subactivity Group</u>	FY 2000 <u>Actuals</u>	FY 2001		Current <u>Estimate</u>	FY 2002 <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Appropriation</u>		
Budget Authority	8,000	0	0	0	15,800
Transfer-In	+1,439				
Unobligated Balance Carried Forward:					
Start of Year	+14,068			22,398	0
End of Year	-22,398			0	0
Total Program	1,109	0	0	22,398	15,800

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B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	0	22,398
Congressional Adjustments (Distributed)	0	
Congressional Adjustments (Undistributed)	0	
Subtotal Appropriated Amount	0	
Unobligated Balance Carried Forward		
Start of Year	+22,398	0
End of Year	0	
Price Change	0	+381
Program Changes	0	-6,979
Current Estimate (Planned Obligations)	22,398	15,800

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request	0
2. Congressional Adjustments (Distributed)	
Humanitarian Assistance/Disaster Relief	0
3. Congressional Adjustments (Undistributed)	
FY 2001 Government-Wide Rescission (P.L. 106-554)	0
4. Subtotal Appropriated Amount	0

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5. Program Increases		22,398
a. Carry-in of one-time Congressional increase for 2002 Winter Olympic Communications Equipment. (FY 2000 Defense Supplemental Appropriations Act; P.L. 104-208)	+8,000	
b. Prior Year unobligated funds available to finance FY 2001 requirements.	+14,398	
6. Revised FY 2001 Estimate (Planned Obligations)		22,398
7. Price Change		+381
8. Program Growth		-6,979
a. Increase		
1. Increase in support of FY 2002 Olympics.	+7,526	
b. Decreases	-14,505	
1. Decrease in one-time requirement for 2002 Winter Olympic Communications Equipment.	(-8,000)	
2. Decrease based on completion of support to various Events, funding only known DoD requirements in Support for International Sporting Competitions through FY 2002.	(-6,505)	
9. FY 2002 Current Estimate (Planned Obligations)		15,800

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IV. Performance Criteria and Evaluation Summary:

The information below reflects the estimate for all known event requirements through FY 2002. The budget does not address possible requests for additional DoD assistance for the 2002 Winter Olympic and Paralympic Games, nor for potential requests for DoD assistance for events beyond 2002. Useful measures are the amount of actual obligations reported and planned obligations.

(Dollars in Thousands)

	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
Special Olympics (2001)	107	3,387	0
Winter Olympics (2002)	294	8,274	15,800
Paralympic Games (2002)	100	2,000	0
Winter Olympic Comm Equip		8,000	0
South Pacific Games	26	0	0
Summer Olympic Trials	85	0	0
General Support Operations	<u>497</u>	<u>737</u>	<u>0</u>
Total Program Estimate	1,109	22,398	15,800

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V. OP 32 Line Items (Dollars in Thousands):

	<u>FY 2000 1/</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2001 2/</u>	<u>Price Change</u>	<u>Program Change 3/</u>	<u>FY 2002</u>
SUPPLIES/MATERIALS (NON-DBOF)	9,439	151	-151	0	0	15,800	15,800

Notes:

1. The \$9,439 thousand only reflects new obligation authority. (\$8,000 thousand appropriated for 2002 Olympics Communications Equipment and \$1,439 thousand transferred from various events/games accounts from prior years that were consolidated under SISC). FY 2000 obligations were 1,109 thousand.
2. The FY 2000 unobligated balance of \$22,398 thousand was carried forward to FY 2001 to finance FY 2001 events/games requirements.
3. The program change based on funding available for obligation in FY 2001 (\$22,398 thousand) is reduced by \$6,979 thousand.