

Fiscal Year (FY) 2007 Budget Estimates

Defense Security Service (DSS)



February 2006

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DEFENSE SECURITY SERVICE
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2007 President's Budget

Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) 4

	FY 2005*	Price	Program	FY 2006**	Price	Program	FY 2007
	<u>Actuals</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
DSS	226,806	2,616	33,616	263,038	5,557	18,464	287,059

* The FY 2005 actuals column includes \$1,521 Title IX obligations.

** The FY 2006 estimate column excludes supplemental funds.

I. Description of Operations Financed:

The Defense Security Service (DSS) plays a crucial role in safeguarding our Nation's security. The mission of DSS is to oversee and ensure the protection of national security assets in industry and provide integrated security services to the Department of Defense (DoD). The DSS vision is to be recognized and respected as a unique contributor to national security.

Four primary business areas comprise the DSS mission in FY 2006 and FY 2007:

- Personnel Security Investigations for Industry
- National Industrial Security Program (NISIP)
- Collaborative Adjudication Services (CAS)
- Security Training and Education Program (SETA)

The increase of \$24,021 from FY 2006 to FY 2007 is the result of standard price growth (\$5,557) and an increase of \$18,464K due to increases in Personnel Security Investigations associated with the National Industrial Security Program.

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I. Description of Operations Financed, continued:

(1) Personnel Security Investigations (PSI) for Industry

As part of its role as executive agent for the National Industrial Security Program (NISIP), DSS centrally programs and manages the costs of PSIs for all industry personnel in support of agencies within the Department of Defense and multiple other federal agencies. Since contractor personnel are often employed on projects in support of many agencies, this centralized financing program provides an economy of scale for federal requirements and dramatically reduces the overhead management requirements in the federal sector. The funding will be provided to the Office of Personnel Management that will accomplish the personnel security investigations. As a result of the global war on terrorism (GWOT) and the outsourcing of federal workload, the number of clearances required has increased annually since September 11, 2001. In addition, the mix of clearances has changed since 2001 with more comprehensive clearances required at a greater cost per clearance. In FY 2006 and FY 2007 funded contractor PSI requirements will grow to 195,655 and 186,463 respectively. The continued growth in the number of contractor clearances is required to support continued government wide requirements in support of the GWOT. The number of investigations is increasing due to the post-9/11 increase in DoD and Federal Agency outsourcing, increasing numbers of contractors handling classified information, contractors performing tasks previously limited to military or government personnel. Greater dissemination of intelligence and other highly classified information results in requirements for greater numbers of more costly Single Scope Background Investigations.

Activities within DoD have completed the development of requirements and architecture to support the implementation of an integrated solution for the Defense Information System for Security (DISS). The goal of this effort was to ensure that the development of DISS is compliant with the Clinger-Cohen Act as well as the personnel, facilities and information management segments of the DoD architecture embodied in the Business Management Modernization Program (BMMP). DISS will provide a secure software

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I. Description of Operations Financed, continued:

solution for all aspects of the Industrial Security, Personnel Security, Counterintelligence and Security Education Training and Awareness Programs. This system will provide improved support to the Insider Threat and Personal Identity programs and receive connectivity support via the Non-secure Internet Protocol Router Network (NIPRNET), the Secret Internet Protocol Router Network (SIPRNET) and Joint Worldwide Intelligence Communications System (JWICS). The system will also integrate the Joint Personnel Adjudication System (JPAS), Automated Continuing Evaluation System (ACES), e-Questionnaire for Investigation Processing (e-QIP), and the Industrial Security Facility Database (ISFD) creating a robust and real-time capability for all Department of Defense participants in the Military Departments, DoD Agencies and DoD Industrial base. The implementation of improved management controls will provide opportunities for customized business process re-engineering and enhancements that will eliminate barriers, duplication, and redundancy within the DoD.

(2) National Industrial Security Program (NISP)

The primary focus of the DSS industrial security efforts is to support the DoD implementation of the NISP. In this regard, the 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 secures and safeguards the related classified and sensitive information in its possession and controls employee access to the information. Industrial security is the integration of information, personnel and physical security disciplines as well as counterintelligence to protect classified information entrusted to industry.

The DSS administers the NISP on behalf of the DoD and 23 other non-DoD Government departments and agencies, to include the Departments of Homeland Security, State and Justice. The DSS works in partnership with industry to establish and maintain threat appropriate security countermeasures. Through oversight, advice and consultation, the DSS ensures that contractors establish and maintain effective security systems that:

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I. Description of Operations Financed, continued:

(1) protect classified information and technologies; (2) deter and detect acts of espionage and (3) counter the threat posed by traditional and non-traditional adversaries that target the classified information in the hands of industry. DSS provides proactive, industrial security countermeasure support to more than 11,000 cleared contractor facilities.

The DSS determines the eligibility of contractor business entities for access to classified information by evaluating factors such as business structure, past performance and foreign ownership, control or influence factors. Once cleared, the DSS provides ongoing security oversight, consultation and assistance throughout the cleared facility's life cycle to include recurring security reviews, briefings, security education, approvals, and other advice and assistance. The DSS is the Designated Approving Authority (DAA) for cleared industry, certifying and accrediting industry information systems used to process classified information, some of which are networked to Department of Defense systems. In this role, the DSS educates cleared government contractors and develops countermeasures to prevent unauthorized access to information systems that process classified information. The DSS also processes international visit requests, maintains oversight for certain Special Access Programs in industry and provides support to the Defense Threat Reduction Agency in connection with Arms Control Treaties.

DSS Industrial Security Representatives (ISRs) work with their government contractors to (1) provide threat information for the early detection and referral of cases of potential espionage and (2) assist industry in the recognition and reporting of foreign intelligence collection attempts. DSS ISRs and the DSS Counterintelligence Office work closely with other federal agencies to protect classified information.

In addition to the NISP, the DSS also has responsibility for some aspects of the Arms, Ammunition and Explosives (AA&E) Program which provides protection of sensitive conventional AA&E in the custody of, or produced by, contractors associated with the DoD.

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I. Description of Operations Financed, continued:

The Critical Infrastructure Protection Program assesses, evaluates, monitors and promotes the security of facilities that provide critical defense industrial production and services, thereby enabling the National Military Strategy and ensuring emergency mobilization preparedness capability.

(3) Collaborative Adjudication Services (CAS) and Counterintelligence Support

The CAS program consists of:

- the *Defense Investigative Service Clearance Office (DISCO)*
- the *DoD Clearance Liaison Office (CLO)*
- the *Automated Clearance Evaluation System (ACES) Buffer Cell*
- the *Field Polygraph Office (FPO)*
- the *Counterintelligence (CI) Office*

Each of these activities directly supports portions of the National Military Strategy. In further support of the strategy, the CAS will work to maintain and foster a consolidated approach to all Department of Defense adjudications performed by the Central Adjudication Facilities (CAF), and will work to align the organizations and processes to ensure service collaboration on key joint concepts and capabilities to accelerate adjudication transformation. The CAS will implement a capability focused, effects-based approach by focusing on resource optimization and balance the planning and resourcing activities to create a better business structure, to include ensuring life cycle supportability.

The CAS program develops policy and process recommendations prescribing and implementing adjudication standards, consistent with DoD Directive 5200.2-R and DoD Directive 5220.6 that applies throughout the DoD. This includes achieving and maintaining decision superiority by developing, acquiring, procuring, maintaining and leveraging capabilities and resources.

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I. Description of Operations Financed, continued:

- The Defense Investigative Service Clearance Office focuses on processing and adjudication of personnel security investigations for the DoD and the 23 other federal agencies in the National Industrial Security Program (NISIP).

- The Clearance Liaison Office is the sole DoD focal point for interfacing between the DoD and the Office of Personnel Management on personnel security investigation issues including timeliness, quality control and the sourcing of the overseas portion of these investigations.

- The Automated Continuing Evaluation System (ACES) Buffer Cell, working in coordination with and among the DoD Central Adjudication Facilities (CAFs), is responsible for developing processes that review and verify consistent quality and coordinate standards compliance. Specific tools that have been targeted for development include expansion of the adjudicator's desk reference guide into a tool set, implementation of automatic adjudication capabilities, where feasible, and expansion of ACES for periodic re-evaluations. The primary objective of ACES is to conduct automated database records checks across multiple systems, analyze the information to identify cases of interest to adjudicators, and create candidate clearance re-evaluations via the Joint Personnel Adjudication System (JPAS). Creation of a comprehensive adjudication developmental program will be based on criteria that will include a combination of education and experience requirements. This program will be utilized to recruit, prepare, certify, and continuously educate and challenge a highly capable and diverse cadre by identifying a career progression program. Key performance indicators will be implemented to evaluate performance and the ability to support the National Military Strategy.

- The Field Polygraph Office provides a source of trained polygraphers to conduct evaluations in support of the DoD personnel security program and the Counterintelligence program, aimed at resolving specific significant issues impacting an individual's eligibility to gain or maintain access to classified information.

- As executed through the DSS Counterintelligence (CI) Office, DSS Counterintelligence Support Programs provide for the early detection and referral of

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I. Description of Operations Financed, continued:

cases of potential espionage, and assist the defense industry in the recognition and reporting for foreign collection attempts, particularly against critical military technologies. These programs also support the application of security countermeasures in a threat-appropriate manner. Additionally, DSS provides the intelligence community with analytical referrals indicative of foreign collection interests and methods of operation against cleared defense contractors. These programs also provide DSS with tools to assist cleared defense industry in countering threats to research/technology undertakings and critical infrastructures that the Department of Defense has determined to be among its highest priority concerns. The focus is on CI and security efforts to protect classified or export controlled highly technical information, expertise, weaponry, and manufacturing processes associated with DoD-funded Research, Development, Test and Evaluation (RDT&E). Analytical capability is provided to detect collection trends, increase threat awareness, and identify vulnerabilities before compromise occurs. DSS also links the National Industrial Security Program and the Service CI Research and Technology Protection (RTP) programs by facilitating horizontal information sharing, integration, and coordination across the DoD CI and Security Communities.

All facets of the DSS Collaborative Adjudication Services program interface and support the other DoD CI Programs, as well as the Federal Bureau of Investigation. DSS Collaborative Adjudication Services funding also supports essential DSS activities involving the transition to a new business environment, countering the Insider Threat, support to the Global War on Terrorism, and support to the implementation of the Defense Counterintelligence Information System (DCIIS).

Throughout the process of implementing and maintaining the CAS, there is coordination with stakeholders and feedback opportunities provided in the process. These actions serve the Department of Defense (DoD) and the national interest by improving the quality, timeliness and relevancy of investigations and adjudications and standardizing processes and procedures.

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I. Description of Operations Financed, continued:

(4) Security Education Training and Awareness Program (SETA)

The DSS operates under the auspices of the Under Secretary of Defense (Intelligence) (USD(I)). As recognized by the Joint Security Commission (JSC), the SETA program is at the heart of the government's security mission. Responsibility for the DoD SETA program has been delegated to the DSS where it is executed through the DSS SETA Directorate. This directorate oversees the operations of the DSS Academy (DSSA) and the Outreach and Awareness (O&A) organizations.

The DSSA offers worldwide security education and training to DoD civilian and contractor personnel and select groups of security professionals from non-DoD federal agencies and foreign governments. The target audience for DSSA instruction includes U.S. Government military personnel, DoD civilian employees and designated representatives of U.S. industry. These security professionals are responsible for safeguarding national security assets which may include protecting the critical infrastructure, deploying anti-terrorism efforts and/or developing and implementing security countermeasures. The DSSA creates and conducts standardized resident, mobile, as well as customized security training in the varied and interdependent security disciplines to support a sound national security protection program. DSSA training provides a common unifying means to prepare individuals for their security program roles and facilitates the development of effective security programs. The DSSA offers training products in a variety of formats to include resident or mobile instructor-led courses and distance-delivered eLearning such as Computer Based Training (CBT), Web Based Training, Video Tele-Conferencing (VTC) and performance improvement tools. In FY 2005, nearly 6,000 students completed one of DSSA's 24 instructor-led courses and over 20,000 students completed one of its 35 distance-delivered products.

As the primary resource for DoD security education and training program, the DSSA designs and delivers its training to support DoD security professionals. However, it is

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I. Description of Operations Financed, continued:

also the sole training source for several security program areas within the federal government and is an integral provider of mandatory training required for security professionals in many agencies. The DSS Academy's training programs support the security responsibilities of professionals performing multi-disciplinary security functions or operating within specific security programs such as security management, risk management, information security, special programs security, personnel security management and adjudication, industrial security management and contractor security, security awareness, anti-terrorism and force protection, critical infrastructure protection and automated information systems security.

The DSSA is committed to maintaining a standard of quality in the professional development of personnel within the DoD security and intelligence communities. It has taken on an expanded role in developing quality assurance metrics for its courseware and products. In addition to measuring the relevancy of its instruction and evaluating the effects of its training on customer performance, the DSSA has earned national accreditation with the Council on Occupational Education.

The Outreach and Awareness (O&A) Organization provides professional development, outreach opportunities, awareness products and resources to the DoD security and intelligence communities. Through its Professional Development Office, O&A provides linkage between DSSA curriculum and career mapping for DoD and DoD-related security professionals. This initiative, the DoD Professional Education and Development Program (SPED)/Certification Program, is an emergent professional development and certification program for DoD security professionals. This program will serve as the primary source to professionalize the DoD security workforce.

O&A chairs the Security Awareness Education Working Group (SAEWG), a forum that develops, coordinates, recommends, disseminates and leverages security awareness and education resources and products throughout the DoD security and intelligence

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I. Description of Operations Financed, continued:

communities. Its goal is to consider the economy of resources and strive to eliminate the duplication of security awareness products and resources within the DoD. O&A also participates in many other DoD and federal agency working groups to promote security awareness.

O&A maintains the Customer Resource and Requirements Gateway, a means to support customers' requests for products and services, whether electronically or through physical access to the Security Education Training and Awareness (SETA) Program Resource Center. This information sharing gateway enables O&A to collect and distribute security awareness materials for the DoD security and intelligence communities.

In addition to conducting outreach and performing marketing efforts on behalf of SETA and the DSS Academy at security events, exhibitions and seminars, the O&A maintains the DoD Security Speakers Bureau and hosts the Department of Defense Security Managers Conference. The Speakers Bureau is a resource available to U.S. Government-affiliated customers seeking subject matter experts to meet their security education, training and awareness needs to include requests for Defensive Information to Counter Espionage (DICE) awareness presentations and videos. The DoD Security Managers Conference provides an opportunity for approximately 800 Government and Industry attendees to keep abreast of DoD security policies and practices.

Operational Support Activities

DSS Operational Support Activities include the Office of the Director, the Office of the Chief Information Officer, the Office of Support Services, the Office of Communication, and the Inspector General. These functions provide agency wide direction and support.

The Office of Chief Information Officer supports Automated Information Systems and telecommunications for the Defense Security Service National Industrial Security Program,

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I. Description of Operations Financed, continued:

Counterintelligence activities, Security Education and Awareness Training, and other administrative functions.

The Office of Support Services is the principal advisor to the agency Director and senior management on all aspects of human resources, financial management, agency acquisition, internal security, and support services. Each area is staffed by a division sized to ensure that DSS is compliant with all legal and statutory requirements in the financial, human resources, acquisition and security areas.

The Defense Security Service Inspector General's Office is located within the Office of the Director, DSS. The role of the Inspector General's office is to promote independent and objective evaluations of agency programs and processes, evaluate management controls and compliance with DoD Directives, and develop a systematic program for identifying fraud, waste, abuse, mismanagement, and security incidents within DSS and other DoD programs.

The DSS Office of Communication (OC) serves as a public information service by delivering accurate and timely information about DSS, its mission, goals and activities to our customers, the general public and Congress. The OC also facilitates communication within DSS and ensures information relating to the agency's mission, strategies and activities is shared throughout the DSS community.

II. Force Structure Summary: Not applicable

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III. Financial Summary (\$ in thousands):

	FY 2006						
	FY 2005 <u>Actuals</u>	Budget <u>Request</u>	<u>Congressional Action</u>		<u>Appropriated</u>	Current <u>Estimate</u>	FY 2007 <u>Estimate</u>
<u>Amount</u>			<u>Percent</u>				
A. Budget Activity (BA) 4							
<u>Admin and Service-Wide Activities</u>							
Personnel Security Investigations for Industry	102,232	177,516	-14,995	-8.5	162,521	162,521	186,046
National Industrial Security Program	38,443	41,546	-4,435	-10.7	37,111	37,111	40,590
Collaborative Adjudication Services	25,130	22,153	-23	-.1	22,130	22,130	18,503
Defense Information System for Security	15,000	15,200	0	0	15,200	15,200	20,500
Security Education Training Awareness	7,964	7,543	0	0	7,543	7,543	7,392
Operational Support Activities	38,037	18,510	23	.1	18,533	18,533	14,028
Total BA 4	226,806	282,468	-19,430	-6.9	263,038	263,038	287,059

* The FY 2005 actuals column includes no \$1,521K Title IX obligations.

** The FY 2006 estimate column excludes supplemental funds.

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III. Financial Summary (\$ in thousands):

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2006/FY 2006</u>	<u>FY 2006/FY 2007</u>
Baseline Funding	282,468	263,038
Congressional Adjustments (Distributed)	-15,000	
Congressional Adjustments (Undistributed)	-504	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)	-3,782	
Congressional Earmarks - Indian Lands Environmental Impact	-144	
Subtotal Appropriated Amount	263,038	263,038
Fact-of-Life Changes (CY to CY Only)		
Subtotal Baseline Funding	263,038	263,038
Anticipated Supplemental		
Reprogrammings		
Price Changes		5,557
Functional Transfers		
Program Changes		18,464
Current Estimate	263,038	287,059
Less: Wartime Supplemental		
Normalized Current Estimate	263,038	287,059

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III. Financial Summary (\$ in thousands):

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2006 President's Budget Request (Amended, if applicable)		282,468
1. Congressional Adjustments		-19,430
a. Distributed Adjustments - PSI for Industry Unjustified Growth	-15,000	
b. Undistributed Adjustments - Unobligated Balances	-504	
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8087 - Advisory and Assistance Services	-504	
2) Sec 8125 - Economic Assumptions	-421	
3) Sec 8109 - Excessive Growth in Travel and Transportation	-198	
4) 1 percent Rescission	-2,659	
e. Congressional Earmarks - Indian Lands Environmental Impact	-144	
FY 2006 Appropriated Amount		263,038
2. War-Related and Disaster Supplemental Appropriations		
3. Fact of Life Changes		
FY 2006 Baseline Funding		263,038
4. Reprogrammings (requiring 1415 Actions)		
Revised FY 2006 Estimate		263,038
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		
FY 2006 Normalized Current Estimate		263,038
6. Price Change		5,557
7. Functional Transfers		

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III. Financial Summary (\$ in thousands):

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
8. Program Increases		27,793
a. Annualization of New FY 2006 Program		
b. One-Time FY 2006 Increases		
c. Program Growth in FY 2007		
1) Personnel Security Investigations for Industry	20,112	
Increases as a result of: 1) Increased USG outsourcing; 2) Greater dissemination of intelligence; and, 3) an increase in Single Scope Background Investigations. (FY 2006 Baseline: \$162,521)		
2) National Industrial Security Program	2,700	
Increase due to high turnover rate in Industry, especially in technical sectors and associated requests for investigations. (FY 2006 Baseline: \$37,111)		
3) Defense Information System for Security (DISS)	4,981	
Increase is a result of enhancements required for electronic acceptance of SF85/85P by DISS/JPAS. This increase will also support the initial phases of the Automated Continuing Evaluation System (ACES) module of DISS. (FY 2006 Baseline: \$15,200)		
9. Program Decreases		-9,329
a. Annualization of FY 2006 Program Decreases		
b. One-Time FY 2006 Decreases		
c. Program Decreases in FY 2007		
1) Operational Support Activities	-4,913	
Decrease due to: anticipated benefit payments to former employees; anticipated Voluntary Separation Incentive Pay; transfer of circuits and land-based phone lines to OPM; and associated reduced travel, supplies and materials (FY 2006 Baseline: \$18,510)		
2) Collaborative Adjudication Services (CAS)	-4,092	
Decrease due to anticipated efficiencies with expansion of the adjudicator's desk reference guide and implementation of automatic adjudication capabilities. (FY 2006 Baseline: \$19,608)		
3) Security Education Training Awareness (SETA)	-324	

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III. Financial Summary (\$ in thousands):

C. Reconciliation of Increases and Decreases

Decrease in costs anticipated as a result of the increase in the number of distance learning versus classroom training. (FY 2006 Baseline: \$7,543)

Amount **Totals**

FY 2007 Budget Request

287,059

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IV. Performance Criteria and Evaluation Summary:

The Defense Security Service (DSS) underwent an agency transformation during FY 2004 and FY 2005. DSS is developing a new performance management system to reflect the changes of the transformed agency and provide more meaningful measures of performance. The DSS Balanced Score Card for the Transformed Agency is approximately 75% complete and is presently undergoing a validation of agency wide and performance/outcome measures/metrics. Initial deployment of the DSS Balanced Score Card for the Transformed Agency will begin in late FY 2006. Metrics are expected to improve as DSS meets its authorized end strength. In the interim, DSS is using the following Performance criteria:

A. National Industrial Security Program (NISP) Personnel Security Investigations (PSI)

In February 2005, the DSS PSI mission was functionally transferred to the Office of Personnel Management (OPM). DSS no longer performs this mission and therefore no longer collects and tracks this information. This metric has been removed. DSS does retain budget authority to finance PSIs for Industry performed by OPM.

B. Industrial Security Program (ISP) Metrics:

	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Goal</u>	<u>Goal</u>
Facility Clearances Maintained (in thousands)	11.7	12.3	12.4
Initial Facility Clearances (in thousands)	2.3	2.2	2.4
Facility Reviews			
Possessing classified	86%	85%	85%
Non-possessing classified	77%	80%	80%
Special Access Program	92%	85%	85%
Interim Secret/Confidential			
Facility Security Clearances	*Not available	95% / 60 days	95% / 60 days
Final timeliness goals			
TS Facility Clearances	*Not available	90% / 150 days	90% / 150 days
Secret & Confidential Facility Clearances	*Not available	90% / 135 days	90% / 135 days

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IV. Performance Criteria and Evaluation Summary:

*Industrial Security Program Metrics Note: The transformation of DSS associated with the functional transfer of the Personnel Security Investigation Program to the Office of Personnel Management was concluding during FY 2005. Due to an increase in Industrial Security workload and a reduction in manpower, the Industrial Security Program (ISP) is not presently tracking or measuring these performance metrics. As more relevant outcome measures are developed for ISP's industrial security and missions, newer performance measures will be developed for the National Industrial Security Program (NISIP). The collection of performance data will be streamlined and will become automated through the Industrial Security Facilities Database (ISDF) and the deployment of the Defense Information System for Security (DISS).

C. Collaborative Adjudication Services (CAS):

	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Goal</u>	<u>Goal</u>
Industrial PSI Adjudications			
Timeliness	*Not available	80%/30 days	80%/30 days
Total Adjudications	141,460	*Not available	*Not available

*CAS Metrics Note: DSS presently has a limited ability to obtain statistical information on adjudications. A change to the Joint Personnel Adjudication System (JPAS) and the deployment of the Defense Information System for Security (DISS) will correct this.

DSS and CAS are required by the Intelligence Reform and Terrorism Prevention Act of 2004 to conduct adjudications within the timeframes shown in the metrics above. DSS has no external requirement to produce a minimum number of adjudications per year. The numbers of adjudications are being provided for information only. As of yet, DSS does not have the means to determine an appropriate level of adjudicative output per year. This should be remedied with the further development and deployment of DISS.

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IV. Performance Criteria and Evaluation Summary:

D. Security Education Training Awareness (SETA) Performance Metrics and Workload*:

	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Goal</u>	<u>Goal</u>
1) Courses (Instructor led)	29	17	20
2) Student Output (Course Completions)	5,249	5,017	5,017
3) Courses/Products (Distance Learning)	29	45	48
4) Student Output (Registrations)	24,806	28,526	32,804
5) Cost per student training day (Actual \$)	298	304	310
6) Cost per student (Distance Learning \$)	35	35	40

*SETA Metrics Note: SETA is increasing the number of online course offerings while maintaining the overall annual number of students reached in instructor led training. Because the instructor led student course completion goal does not go down with the addition of distance learning courses, the cost per student training day will increase with inflation as instructor salaries and facilities costs increase with inflation. SETA is in the process of developing additional metrics that reflect average training cost for all students (classroom training and internet based training) which will show a decreasing cost trend as the number of distance learning opportunities continues to increase.

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V. Personnel Summary:

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>*Change FY 2005/ FY 2006</u>	<u>Change FY 2006/ FY 2007</u>
<u>Civilian End Strength (Total)</u>					
U.S. Direct Hire	521	582	582	61	0
<u>Civilian FTEs (Total)</u>					
U.S. Direct Hire	506	582	582	76	0
Average Annual Civilian Salary	\$98,208	\$99,866	\$99,351	\$1,658	(\$515)

*Changes between FY 2005 and FY 2006: The authorized end strength for the Defense Security Service (DSS) for FY 2005 was 568. This level was not achieved due to higher than anticipated retirements and requests for transfer due to the Personnel Security Investigation workload being transferred to the Office of Personnel Management (OPM) during FY 2005. The agency will return to its authorized end strength level by the end of FY 2006. An additional increase in end strength from 568 to 582 was authorized at the start of FY 2006 to support additional adjudication workload associated with increased National Industrial Security Program Investigations.

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V. Personnel Summary:

<u>OP 32 Line</u>	<u>Change from</u> <u>FY 2005 to FY 2006</u>			<u>FY 2006</u> <u>Estimate**</u>	<u>Change from</u> <u>FY 2006 to FY 2007</u>		
	<u>FY 2005</u>	<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	<u>FY 2007</u>
	<u>Actuals*</u>	<u>Growth</u>	<u>Growth</u>		<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Civilian Personnel Compensation							
101 Exec, General, Special Schedules	49,300	1,134	4,892	55,326	1,272	1,224	57,822
106 Benefits to Former Employees	43	0	1,807	1,850	0	-1,850	0
107 Voluntary Separation Incentive Pay	350	0	1,525	1,875	0	-1,875	0
199 Total Civilian Personnel Compensation	49,693	1,134	8,224	59,051	1,272	-2,501	57,822
Travel							
308 Travel of Persons	1,661	31	-141	1,551	33	-41	1,543
399 Total Travel of Persons	1,661	31	-141	1,551	33	-41	1,543
Other Fund Purchases							
673 Defense Finance and Accounting Service	129	3	-132	0	0	367	367
699 Total Other Fund Purchases	129	3	-132	0	0	367	367
Transportation							
771 Commercial Transportation	286	0	-286	0	0	0	0
799 Total Commercial Transportation	286	0	-286	0	0	0	0
Other Purchases							
912 Rental Payments to GSA	2,064	40	-849	1,255	26	336	1,617
913 Purchased Utilities	9	0	16	25	1	-9	17
914 Purchased Communications	2,203	45	306	2,554	54	-1,786	822
915 Rents (Non-GSA)	2,364	46	138	2,548	54	844	3,446
917 Postal Services (U.S.P.S.)	279	5	-54	230	5	127	362
920 Supplies and Materials	1,676	35	-902	809	17	-389	437
921 Printing and Reproduction	264	5	31	300	6	-89	217
922 Equipment Maintenance by Contract	6,180	124	-6,199	105	2	165	272
923 Facility Sustainment, Restoration	605	13	-543	75	2	-72	5
925 Equipment Purchases	0	0	344	344	7	31	382
931 Contract Consultants	682	14	-76	620	13	649	1,282

DEFENSE SECURITY SERVICE
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V. Personnel Summary:

<u>OP 32 Line</u>	<u>Change from</u> <u>FY 2005 to FY 2006</u>			<u>FY 2006</u> <u>Estimate**</u>	<u>Change from</u> <u>FY 2006 to FY 2007</u>		
	<u>FY 2005</u> <u>Actuals*</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>		<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2007</u> <u>Estimate</u>
932 Management, Professional Support Svcs	2,554	50	-689	1,915	40	1,365	3,320
933 Studies, Analyses and Evaluations	4,375	88	-4,463	0	0	1,124	1,124
934 Engineering and Technical Services	38,727	777	-15,469	24,035	505	990	25,530
937 Locally Purchased Fuel	0	0	26	26	1	37	64
987 Other Intra-Government Purchases	102,306	0	60,215	162,521	3,413	20,112	186,046
989 Other Contracts	10,325	205	-8,141	2,299	48	12	2,359
998 Other Costs	514	1	2,260	2,775	58	-2,808	25
999 Total Other Purchases	175,038	1,448	25,951	202,436	4,252	20,639	227,327
9999 Total Operations and Maintenance	226,806	2,616	33,616	263,038	5,557	18,464	287,059

* The FY 2005 actuals column includes \$1,521K Title IX obligations.

** The FY 2006 estimate column excludes supplemental funds.