

# **Fiscal Year (FY) 2020 President's Budget**

## **Operation and Maintenance, Defense-Wide Defense Security Service**



**March 2019**

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

	FY 2018 <u>Actuals</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2019 <u>Enacted</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2020 <u>Estimate</u>
DSS	679,932	10,678	81,702	772,312	12,905	113,667	898,884

**I. Description of Operations Financed:**

On behalf of the Secretary of Defense, the Defense Security Service (DSS) serves as the Cognizant Security Office providing oversight to approximately 10,000 cleared U.S. companies under the National Industrial Security Program (NISP). The DSS ensures the sensitive and classified U.S. Government and foreign government information, technologies, and material entrusted to cleared industry is properly protected. DSS is headquartered in Quantico, Virginia, with 46 field locations across the United States, and executes NISP oversight on behalf of the DoD and 32 other Federal agencies. DSS is composed of five integrated mission directorates: Industrial Security Field Operations (ISFO), Industrial Security Integration and Application (ISIA), Counterintelligence (CI), Defense Vetting, and the Center for Development of Security Excellence (CDSE). As the Industrial Security functional manager for the DoD, DSS provides security education, training, certification, and professional development for DoD and other U.S. Government personnel contractor employees, and U.S. foreign government partners. The FY 2018 National Defense Authorization Act (NDAA), Section 925, directed the transfer of the Background Investigations mission to DSS to provide a single capability for the centralized funding, submission and processing of all DoD background investigations. The DSS will implement a three phased approach over 36 months. As part of the implementation plan, DSS estimates 6,500 fulltime government and contract personnel will transfer from the Office of Personnel Management (OPM) to DSS. DSS will carry out the implementation plan beginning 1 October 2019. In April 2018, the Administration signaled its intent

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

that one agency should handle all government background investigations, vice a split between DoD and non-DoD agencies. An Executive Order is pending that directs movement of the entire background investigation from National Background Investigations Bureau (NBIB) to DSS. In addition, the FY 2018 NDAA also directed the transfer of the DoD Consolidated Adjudication Facility (CAF) functions, personnel, and associated resources from the Washington Headquarters Services to DSS.

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

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

- Providing background investigations and adjudication for all DoD personnel, starting in FY 2020, all government personnel pursuant to the signed Executive Order.

**Operational Elements:**

**a. Industrial Operations:**

<u>Dollars in Thousands</u>		
FY 2018	FY 2019	FY 2020
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$141,806	\$124,012	\$128,150

The **Industrial Security Field Operations (ISFO) Directorate** supports the agency's overarching mission by clearing industrial facilities, personnel, and associated information systems (approximately 10,000 cleared companies and 12,100 contractor facilities). ISFO serves as the primary interface between the Federal Government and industry, providing daily oversight, advice, and assistance to cleared companies and ultimately determining the ability of those companies to protect classified information. ISFO also plays a significant role in identifying potential threats and intrusions by adversaries on industry information technology systems and working with industry to develop solutions. Critical technologies is protected by applying an asset-focused, threat-driven risk management approach to industrial security. The risk management approach begins with adjudicating defense contractors' trustworthiness to become a member of the National Industrial Security Program (NISP).

The **Industrial Security Integration and Application (ISIA) Directorate** provides headquarters support to field operations and cleared industry on industrial and personnel security policy, mitigation of foreign ownership, control or influence (FOCI), implementation of FOCI countermeasures, and administration of international programs. ISIA conducts holistic business intelligence analysis, leveraging all

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

sources, and applies risk-informed analysis for mitigating FOCI. FOCI professionals work with experts in security, finance, business structures, and governance to record, and analyze FOCI in U.S. companies performing classified work. They also provide input to the DoD lead for the Committee on Foreign Investment in the United States (CFIUS) on all covered transactions that involve cleared companies under FOCI mitigation requirements. CFIUS is an interagency committee chaired by the Secretary of the Treasury to conduct reviews of proposed mergers, acquisitions or takeovers of U.S. entities by foreign interests under section 721 of the Defense Production Act. CFIUS is a voluntary process that allows foreign persons and U.S. persons entering into a covered transaction to submit the transaction for CFIUS review to assess the impact of the transaction on national security. CFIUS and FOCI reviews are carried out in two parallel but separate processes. ISIA also coordinates with senior members of foreign, civilian and military organizations, who represent more than 65 foreign governments that are signatories of bilateral security agreements, for the timely and secure international movement of both U.S. and foreign classified information.

**b. Counterintelligence Program (CI):**

<u>Dollars in Thousands</u>		
<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
<b>\$30,537</b>	<b>\$39,161</b>	<b>\$41,738</b>

The **Counterintelligence Directorate** detects and deters attempts by our nation's adversaries to steal sensitive national security information and technologies from cleared industry and keeps U.S. Government leaders informed of the threat. DSS CI Special Agents work extensively with companies and other U.S. government agencies in order to quickly and efficiently identify, share and refer actionable threat information. The CI Directorate's premier publication, "Targeting U.S. Technologies: A Trend Analysis of Cleared Industry Reporting" analyzes suspicious contact reports from

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

across the cleared national industrial base, describing suspicious foreign activity targeting U.S. personnel, technologies, and export-controlled products. The CI Directorate also oversees the Cybersecurity Operations Division, which employs technology tools and processes to aggressively address threats to cleared contractors in the cyber domain. The Cyber team's proficiencies in cyber and CI analysis, technical analysis, network engineering and management, proactive CI and cyber operations, and law enforcement/CI investigative, operational and management experiences unite to create a work center capable of implementing innovative solutions to counter the cyber threat from foreign intelligence entities.

**c. Defense Vetting Directorate: (DVD)**

<u>Dollars in Thousands</u>		
<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$12,800	\$40,800	\$156,880

The **Defense Vetting Directorate (DVD)** formerly known as the Personnel Security Suitability Directorate is a newly established directorate in DSS. The DVD will integrate the National Background Investigations Bureau (NBIB) and the DoD Consolidated Adjudications Facility (CAF) into DSS as directed by legislative and presidential directives. The DoD CAF mission is to determine security clearance eligibility of non-Intelligence Agency government personnel occupying sensitive positions and/or requiring access to classified material including Sensitive Compartmented Information (SCI). These determinations involve all military service members, civilian employees, and consultants affiliated with the Department of Defense, to include government personnel at the White House and contractor personnel under the National Industrial Security Program (NISP). The DVD will establish a holistic end-to-end personnel vetting enterprise by realigning and consolidating DSS vetting functions (the newly established Vetting Risk Operations Center (VROC), Continuous Evaluation (CE), Insider Threat-

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

Industry and DITMAC) to include the transfer of NBIB and the DoD CAF. The DVD provides support for robust analytic to streamline adjudicative functions and consolidate analytical and administrative activities. Direct linkage to the Defense Insider Threat Management and Analytical Center for expeditious information sharing to the Department's Insider Threat programs. The DVD's responsibilities will include administering the functional requirements governance for vetting systems and platforms to partner with the Information Technology Systems Developer.

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

**Dollars in Thousands**

<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b><u>Actual</u></b>	<b><u>Enacted</u></b>	<b><u>Estimate</u></b>
<b>\$26,395</b>	<b>\$31,741</b>	<b>\$34,202</b>

The **Center for Development of Security Excellence (CDSE)** delivers security education, training, and certification products and services to the DoD and other federal agencies and industry under the NISP. CDSE provides in-person, instructor-led courses, as well as online courses that can be accessed anytime and anywhere. In addition to the eLearning and instructor-led courses, CDSE provides products such as webinars, video presentations, toolkits, and job aids. CDSE develops and manages the Security Professional Education Development Certification Program, which provides a series of American Council of Education (ACE) accredited professional certifications across multiple security disciplines designed to professionalize the security workforce via a common set of competencies that promote interoperability and facilitate professional development and training.



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I. Description of Operations Financed (cont.)

e. Insider Threat:

<u>Dollars in Thousands</u>		
<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$45,637	\$55,310	\$69,406

The **Insider Threat Program** provides an integrated capability to monitor and audit information for insider threat detection and mitigation. The program gathers, integrates, reviews, assesses, and responds to information derived from Counter Intelligence (CI), security, cybersecurity, civilian and military personnel management, workplace violence, anti-terrorism risk management, law enforcement, the user activity monitoring on DoD information networks, and other sources as necessary and appropriate to identify, mitigate, and counter insider threats. Funds key insider threat initiatives including CE, Unauthorized Disclosure, the DITMAC, and associated activities. CE systems and analysis provide automated record checks of trusted data sources on cleared personnel to supplement periodic reinvestigations for security clearances. The Insider Threat enables information sharing, collaboration, analysis, and risk mitigation to address current and emerging threats to DoD personnel, assets and information.

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I. Description of Operations Financed (cont.)

f. Personnel Security Investigations for Industry (PSI-I):

Dollars in Thousands

FY 2018	FY 2019	FY 2020
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$333,400	\$396,007	\$381,115

The DSS facilitates security clearance for cleared contractor personnel in support of all DoD components and 32 other federal agencies participating in the National Industrial Security Program (NISIP). The PSI-I budget is managed centrally for economy of scale. Budgetary requirements are based on industry forecasted investigations survey requirements by case type, and the corresponding Office of Personnel Management (OPM) Federal Investigation Notice (FIN) rate, and adjusted to include costs on a case by case basis for Triggered Enhanced Subject Interviews (TESI) and Reimbursable Security Investigations (RSI). DSS administers requests for initial and periodic reinvestigations for contractor personnel. PSI-I requirements are impacted by changes in security policy, investigation pricing, and demand for research, development, and acquisition programs supporting DoD components and Federal agencies participating in the NISIP.

Operational Support Activities

a. Management HQ Activities:

Dollars in Thousands

FY 2018	FY 2019	FY 2020
<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
\$34,200	\$29,949	\$29,208

The **DSS Headquarters** enables mission execution through centralized management of enterprise strategic priorities to provide direct service support to field operations.

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

These functions provide critical common support services devoted to maintaining the alignment of daily operations with the agency's tag line "Partnering with Industry to Protect National Security". The support consists of financial management, acquisitions, human capital management, legal advice and assistance through the general counsel and inspector general, public affairs, security, maintenance of facilities, strategic management, logistical, property management, and equal employment opportunity.

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

**Dollars in Thousands**

<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b><u>Actual</u></b>	<b><u>Enacted</u></b>	<b><u>Estimate</u></b>
<b>\$55,157</b>	<b>\$55,332</b>	<b>\$58,185</b>

The **DSS OCIO** defines the enterprise information strategy through a shared vision of agency policy, standards, and infrastructure that supports the national industrial security oversight, security education missions, and Defense Vetting programs. The OCIO team delivers IT services as part of enterprise applications, mobile IT solutions, secure communications, and a full range of support and troubleshooting services to the DSS community. The OCIO's vision includes partnering with agency and industry leaders to strategically integrate data driven solutions to ensure mission success.

**II. Force Structure Summary:**

**N/A**

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III. Financial Summary (\$ in thousands)

	FY 2019						
	FY 2018 <u>Actuals</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Enacted</u>	FY 2020 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
<b>A. BA Subactivities</b>							
Center for Development of Security Excellence	26,395	33,105	-1,364	-4.1	31,741	31,741	34,202
Counterintelligence Program	30,537	39,885	-724	-1.8	39,161	39,161	41,738
Defense Vetting Directorate *	12,800	44,400	-3,600	-8.1	40,800	40,800	156,880
Industrial Operations and Policy	141,806	135,735	-11,723	-8.6	124,012	124,012	128,150
Insider Threat	45,637	55,310	0	0.0	55,310	55,310	69,406
Management HQ Activities	34,200	29,949	0	0.0	29,949	29,949	29,208
Office of Chief Information Officer	55,157	52,784	2,548	4.8	55,332	55,332	58,185
PSI for Industry	333,400	398,007	-2,000	-0.5	396,007	396,007	381,115
<b>Total</b>	<b>679,932</b>	<b>789,175</b>	<b>-16,863</b>	<b>-2.1</b>	<b>772,312</b>	<b>772,312</b>	<b>898,884</b>

\* Formerly known as Personnel Security Suitability Directorate

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III. Financial Summary (\$ in thousands)

<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2019/FY 2019</u>	<u>Change</u> <u>FY 2019/FY 2020</u>
<b>Baseline Funding</b>	<b>789,175</b>	<b>772,312</b>
Congressional Adjustments (Distributed)	-14,808	
Congressional Adjustments (Undistributed)	-2,055	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
<b>Subtotal Appropriated Amount</b>	<b>772,312</b>	
Fact-of-Life Changes (2019 to 2019 Only)		
<b>Subtotal Baseline Funding</b>	<b>772,312</b>	
Supplemental		
Reprogrammings		
Price Changes		12,905
Functional Transfers		84,520
Program Changes		29,147
<b>Current Estimate</b>	<b>772,312</b>	<b>898,884</b>
Less: Wartime Supplemental		
<b>Normalized Current Estimate</b>	<b>772,312</b>	

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

<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
<b>FY 2019 President's Budget Request (Amended, if applicable)</b>		<b>789,175</b>
1. Congressional Adjustments		-16,863
a. Distributed Adjustments		
1) Civilian FTE Pricing	-4,472	
2) Microelectronics Program Decrease	-4,000	
3) Personnel Excess Growth	-3,179	
4) Program excess Growth	-2,000	
5) Travel Unjustified Growth	-1,157	
b. Undistributed Adjustments		
1) Historical Underexecution	-2,055	
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
<b>FY 2019 Appropriated Amount</b>		<b>772,312</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
<b>FY 2019 Baseline Funding</b>		<b>772,312</b>
4. Reprogrammings (Requiring 1415 Actions)		
<b>Revised FY 2019 Estimate</b>		<b>772,312</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
<b>FY 2019 Normalized Current Estimate</b>		<b>772,312</b>
6. Price Change		12,905
7. Functional Transfers		84,520
a. Transfers In		
1) Transfer the functions, personnel and associated resources of the DoD Consolidated Adjudications Facility (DoD CAF) from the Washington Headquarters Service (+650 FTEs)	84,520	
8. Program Increases		51,942

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

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
a. Annualization of New FY 2019 Program		
b. One-Time FY 2020 Increases		
c. Program Growth in FY 2020		
1) Defense Vetting Directorate (DVD) Increase funding allows to continue efforts to establish capability to include personnel, training, information technology, facilities, and administrative and operations cost in support of the transfer of the investigative functions from the Office of Personnel Management - National Background Investigation Bureau to the DSS. In addition, the increase provides additional manning for the DoD CAF to ensure background investigations are complete and adjudicated in a timely manner. (FY 2019 Baseline FTEs: 0) (FY 2019 Baseline: \$44,400 thousand; +144 FTEs)	30,883	
2) Insider Threat - CE Increase provides contractor support and manpower to expand the CE population from 1.1 million DoD personnel to the entire DoD cleared population of 3.6 million. (FY 2019 FTE Baseline: 24) (FY 2019 Baseline: \$41,912 thousand; +37 FTEs)	11,000	
3) Insider Threat - DITMAC Increase funding for analytic support to cover reporting of cleared population under the Systems of Record Notices (SORN) and provides DITMAC System of Systems (DSoS) IT support and licenses. (FY 2019 Baseline: \$13,398 thousand)	2,178	
4) Center for Development of Security Excellence (CDSE)	1,934	

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

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
- Courseware		
As DoD functional manager for security training provides management professional support services to develop DoD Insider Threat and CE security related training courseware and maintenance of courseware inventory. (FY 2019 Baseline: \$31,741 thousand)		
5) Counter Intelligence (CI) - Support	1,934	
Provides analytical support and additional civilian full time equivalents for CI field agent collection and exploitation of foreign exfiltration of critical U.S. defense technology, data, and intellectual property to identify adversary threats working against the Defense Industrial Base developing the technology used to produce U.S. military capability to actively respond to evolving threats and mitigate potential losses to the Major Defense Acquisition Programs and critical technologies. (FY 2019 FTE Baseline: 136) (FY 2019 Baseline: \$39,161 thousand; +10 FTEs)		
6) Office of the Chief Information Officer (OCIO)	1,934	
Provides equipment maintenance support to host, and maintain mission and enterprise applications for the DSS customers to provide integrated services that will facilitate effective execution of the DSS core mission by enhancing decision-making, timelier synthesis of information data across functional areas. (FY 2019 Baseline: \$55,332 thousand)		
7) Industrial Operations	1,533	
Provides civilian full time equivalents and		



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<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
management professional support services to embed specialized personnel at DSS field locations to advance DoD Trusted and Assured Microelectronics strategy to advise and mitigate vulnerabilities, enhance security and the protection of microelectronics and related technologies substantiated by research and analysis of foreign intelligence threats. (FY 2019 FTE Baseline: 494) (FY 2019 Baseline: \$124,012 thousand; +4 FTEs)		
8) One Additional Compensable Workday Increase attributed to one additional compensable workday in FY 2020 (262 days) as compared to FY 2019 (261 days). (FY 2019 Baseline: \$0 thousand)	546	
9. Program Decreases		-22,795
a. Annualization of FY 2019 Program Decreases		
b. One-Time FY 2019 Increases		
c. Program Decreases in FY 2020		
1) Personnel Security Investigation - Industry Decrease in funding for the administration of requests for initial and periodic investigations for contractor personnel based on the total number of anticipated investigations identified through surveys of Industry and investigative types. (FY 2019 Baseline: \$396,007 thousand)	-21,551	
2) Management Headquarters - Acquisition Strategy Initiatives Funding decrease is attributed to cost savings and avoidance through contract consolidation, innovative acquisition strategies and leveraging economy of	-1,244	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
scale. (FY 2019 Baseline: \$29,949 thousand)		
<b>FY 2020 Budget Request</b>		<b>898,884</b>

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

**National Industrial Security Program (NISP)**

**A. NISP Performance Measure:** Protection of Classified Information.

**Comments:** The 12,500 cleared facilities for which DSS provides oversight are geographically dispersed across the United States and range from small consulting firms with part-time, inexperienced security managers to large manufacturing and research and development plants with professional security staffs. Some of the larger facilities possess large amounts of highly classified information and have very complex security requirements. There are a range of engagement actions with industry that contribute to DSS' oversight of the NISP and the protection of classified information in cleared industry. At the front-end of the process, DSS makes an administrative and risk-based determination as to the worthiness of a company to become a member of the NISP. Once the facility is in the NISP, there are a range of actions that the IO directorate conducts to determine the security posture of a facility and its appropriateness to remain in the NISP. The most in depth actions are Comprehensive Security Reviews (CSR) that result in Tailored Security Plans. A condensed version of the CSR is the enhanced security vulnerability assessment. These security reviews do result in an assessment of the security posture, but do not result in a tailored security plan and are more of a compliance-based assessment vice risk-based assessment. DSS uses an intelligence-led, asset-focused, and threat-driven approach to determine the appropriate level of engagement a facility requires. The following table and additional metrics track IO's engagement with industry across a variety of activities for FY18.

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

<b>FY18 Actions</b>	
Substantive Counterintelligence and Security Engagements	25,000+
Security Reviews	2,100+
Comprehensive Security Reviews	58
Command Cyber Readiness Inspections	25
Tailored Security Plans Finalized	18
Facility Clearances Issued	790
Information Systems Authorized to Process Classified Information	6,615
<b>FY18 Findings</b>	
Vulnerabilities Identified	3,028
Security Violations Processed	1,149
Cases Involving Loss/Compromise of Classified Information	790

**1. Center for Development of Security Excellence (CDSE)**

**A. CDSE Performance Measure #1: Requested Seats in CDSE FY 2018 Scheduled Courses**

**Comments:** This performance measure is used to compare the number of "student seats" (throughput capacity) available for Instructor-led classroom and Instructor-led Virtual courses vs. "student seats" requested by the security community in FY 2018.

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

<b>FY2018 Seats Available in Courses Scheduled</b>	<b>Oct 2017</b>	<b>Nov 2017</b>	<b>Dec 2017</b>	<b>Jan 2018</b>	<b>Feb 2018</b>	<b>Mar 2018</b>	<b>Apr 2018</b>	<b>May 2018</b>	<b>Jun 2018</b>	<b>Jul 2018</b>	<b>Aug 2018</b>	<b>Sep 2018</b>	<b>Total</b>
<b>Monthly Available Seats As Scheduled</b>	98	50	130	50	182	126	148	30	164	20	178	128	1,304
<b>Requested Total Seats for FY2018</b>	196	178	228	98	182	224	178	128	214	68	228	128	2,050
<b>% of Seat Requests Filled</b>	50%	28%	57%	51%	100%	56%	83%	23%	77%	29%	78%	100%	67%

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

**B. Comments:** This output performance measure provides the actual number of Training active products (Virtual and Instructor Led Courses, eLearning Courses and Short Format Learning Courses, job aids, webinars, toolkits, videos and case studies) in inventory compared with the total number of CDSE products in maintenance due to new/updated policy, updated Defense Security Skill Standards, changing security landscape, new mission areas and/or security community requests. The goal is to make sure all products continue to be current, accurate and relevant with the current security environment which requires continuous maintenance and

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

sustainment of products. An emphasis is being put on online learning products vs. classroom today, where possible, to meet the exponential growth in the demand for CDSE products. CDSE is developing new Insider Threat learning products that contributes to the increase in inventory.

<b>Required FY2018 Active Product Inventory</b>	<b>Oct 201</b>	<b>Nov 2017</b>	<b>Dec 2017</b>	<b>Jan 2018</b>	<b>Feb 2018</b>	<b>Mar 2018</b>	<b>Apr 2018</b>	<b>May 2018</b>	<b>Jun 2018</b>	<b>Jul 2018</b>	<b>Aug 2018</b>	<b>Sep 2018</b>
<b>Active Products</b>	408	424	436	441	444	451	460	462	464	467	467	467
<b>Products in Maintenance or Development</b>	59	55	48	46	50	53	46	46	47	46	47	48
<b>Total Inventory</b>	467	479	484	487	494	504	506	508	511	513	514	515
<b>% of Total Inventory in Maintenance or Development</b>	21%	11%	10%	9%	10%	11%	9%	9%	9%	9%	9%	9%

**2. Counterintelligence (CI):**

**A. Performance Measures:** Annual Production of intelligence information reports (IIRs) and relevance of analytic products (output and impact). DSS CI Identifies threats to

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

classified information and technology resident in the cleared U.S. industrial base and articulates that threat to stakeholders. Based on data accumulated over the past five (5) fiscal years, DSS estimates approximately 3000+ foreign entities or others attempt to exfiltrate classified information and technology per year. DSS identifies such attempt and disseminates information; analytic products and assessments; and refer actionable information for investigative, operational, or exploitative action to U.S. law enforcement and intelligence agencies. As such, DSS has updated its measures of success to better align with the community's priorities. Annual IIR production targets and a focus on producing analytic reports and assessments that address NIPF CI tier 1-3 countries and non-state actors' attempts to measure DSS' ability to ensure the sufficient collection and sharing of relevant and actionable intelligence about threats to the U.S.' most critical classified information, technology, research and development with our IC, LE and industry partners.

**4. Defense Vetting Directorate (DVD):**

**A. DoD Consolidated Adjudications Facility (DoD-CAF) Performance Measures:**

Public Law 115-91 - National Defense Authorization Act Section 925(c)(1)(A) for Fiscal Year 2018 directs the transfer of the Department of Defense Consolidated Adjudication Facility (DoD-CAF) operational command and functions, along with the direct and indirect personnel necessary to carry out the DoD-CAF mission to the Defense Security Service. The consolidation is intended to create efficiencies in security clearances and adjudications, and provide economies of scale for the Department of Defense and other customers. Determines security clearance eligibility of non-intelligence agency personnel affiliated with DoD including SCI; equivalent to ~96% of all DoD and ~84% of Federal Government clearance eligibility including Congress, Congressional Budget Office, the U.S. Capitol Police, and the staff of the Supreme Court of the United

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

States. Determines Common Access Card credentialing and suitability decisions for DoD civilians and fitness eligibility of non-cleared DoD contractors.

Key performance indicators DoD-CAF uses to evaluate, adjust, and improve business processes include:

The DoD-CAF has developed metrics to evaluate the number of personnel serviced by their multiple lines of business. They also measure the number of adjudication determinations to ensure that they are operating efficiently.

	FY 2018	FY2019	FY 2020
Number of Personnel Serviced	3,550,682	3,520,000	3,520,000
Number of Adjudication Determinations	965,659	1,000,514	1,074,579



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<b>V. <u>Personnel Summary</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b>Change <u>FY 2018/ FY 2019</u></b>	<b>Change <u>FY 2019/ FY 2020</u></b>
<u>Civilian End Strength (Total)</u>	<u>856</u>	<u>963</u>	<u>1,806</u>	<u>107</u>	<u>843</u>
U.S. Direct Hire	856	963	1,806	107	843
Total Direct Hire	856	963	1,806	107	843
<u>Civilian FTEs (Total)</u>	<u>824</u>	<u>904</u>	<u>1,730</u>	<u>80</u>	<u>826</u>
U.S. Direct Hire	824	904	1,730	80	826
Total Direct Hire	824	904	1,730	80	826
Average Annual Civilian Salary (\$ in thousands)	150.8	139.4	133.6	-11.4	-5.8
 <u>Contractor FTEs (Total)</u>	 <u>172</u>	 <u>172</u>	 <u>200</u>	 <u>0</u>	 <u>28</u>

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

<u>OP 32 Line</u>	<u>FY 2018</u> <u>Actuals</u>	<u>Change</u> <u>FY 2018/FY 2019</u>		<u>FY 2019</u> <u>Enacted</u>	<u>Change</u> <u>FY 2019/FY 2020</u>		<u>FY 2020</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	123,991	632	712	125,335	0	105,103	230,438
121 PCS Benefits	303	0	357	660	0	14	674
<b>199 Total Civ Compensation</b>	<b>124,294</b>	<b>632</b>	<b>1,069</b>	<b>125,995</b>	<b>0</b>	<b>105,117</b>	<b>231,112</b>
308 Travel of Persons	5,261	95	1,370	6,726	135	387	7,248
<b>399 Total Travel</b>	<b>5,261</b>	<b>95</b>	<b>1,370</b>	<b>6,726</b>	<b>135</b>	<b>387</b>	<b>7,248</b>
696 DFAS Financial Operation (Other Defense Agencies)	1,275	66	-39	1,302	3	197	1,502
<b>699 Total DWCF Purchases</b>	<b>1,275</b>	<b>66</b>	<b>-39</b>	<b>1,302</b>	<b>3</b>	<b>197</b>	<b>1,502</b>
771 Commercial Transport	100	2	435	537	11	-1	547
<b>799 Total Transportation</b>	<b>100</b>	<b>2</b>	<b>435</b>	<b>537</b>	<b>11</b>	<b>-1</b>	<b>547</b>
912 Rental Payments to GSA (SLUC)	5	0	1,289	1,294	26	0	1,320
913 Purchased Utilities (Non-Fund)	28	1	-18	11	0	0	11
914 Purchased Communications (Non-Fund)	7,157	129	805	8,091	162	0	8,253
915 Rents (Non-GSA)	0	0	4,250	4,250	85	0	4,335
917 Postal Services (U.S.P.S)	15	0	16	31	1	0	32
920 Supplies & Materials (Non-Fund)	4,253	77	52	4,382	88	300	4,770
921 Printing & Reproduction	509	9	-238	280	6	0	286
922 Equipment Maintenance By Contract	56,207	1,012	-21,470	35,749	715	0	36,464
923 Facilities Sust, Rest, & Mod by Contract	1,557	28	721	2,306	46	0	2,352
925 Equipment Purchases (Non-Fund)	5,922	107	6,827	12,856	257	-2,555	10,558
932 Mgt Prof Support Svcs	68,715	1,237	49,430	119,382	2,388	61,954	183,724
934 Engineering & Tech Svcs	0	0	879	879	18	0	897
957 Other Costs (Land and Structures)	3	0	741	744	15	0	759
987 Other Intra-Govt Purch	401,233	7,222	31,919	440,374	8,807	-51,732	397,449
989 Other Services	3,398	61	3,664	7,123	142	0	7,265
<b>999 Total Other Purchases</b>	<b>549,002</b>	<b>9,883</b>	<b>78,867</b>	<b>637,752</b>	<b>12,756</b>	<b>7,967</b>	<b>658,475</b>

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<u>OP 32 Line</u>	FY 2018	Change		FY 2019	Change		FY 2020
	<u>Actuals</u>	<u>FY 2018/FY 2019</u>		<u>Enacted</u>	<u>FY 2019/FY 2020</u>		<u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Total	679,932	10,678	81,702	772,312	12,905	113,667	898,884