Fiscal Year 2023 Budget Estimates

Defense Counterintelligence and Security Agency

April 2022

Defense Counterintelligence and Security Agency
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2023 Budget Estimates

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

	FY 2021 Actuals	Price Change	Program Change	FY 2022 Enacted	Price Change	Program Change	FY 2023 Request
DCSA	919,282	16,959	5,247	941,488	18,742	22,903	983,133

I. Description of Operations Financed:

Operational Activities

A. Critical Technology Protection Center:

Dollars in Thousands		
FY 2021 Actual	FY 2022 Enacted	FY 2023 Estimate
$97,688	$108,008	$122,271

The **Critical Technology Protection (CTP) Directorate** contributes to national security by serving as the primary interface between the federal government and cleared industry under DoD cognizance. Pursuant to DoD Instruction 5220.22 and Executive Order 12829, DCSA administers and implements the defense portion of the National Industrial Security Program (NISP) on behalf of the Department of Defense and 34 other federal executive branch agencies. CTP vets and provides oversight, direction, and assistance to cleared contractors, their security programs, and associated classified information systems, and the analysis and mitigation of foreign ownership, control or influence (FOCI) at over 10,000 cleared companies with ~12,500 contractor facilities and ~6,500 classified systems. CTP serves in a key role overseeing cleared industry in mitigating potential insider threats and intrusions by adversaries attempting to gain access to classified information. Additionally, CTP is assigned responsibility pursuant to DoD Instruction 5100.76 in assessing security measures for the physical security of sensitive conventional Arms, Ammunition and Explosives (AA&E) at contractor facilities.

The **CTP Directorate** additionally provides operational and administrative support to field operations which includes guidance, policy interpretation regarding industrial and personnel security policy, and international programs. Assesses and mitigates foreign interest risk, conducts holistic business intelligence analysis, and works with experts in security, finance, business structures, and governance to analyze FOCI in U.S. companies performing classified work. Conducts analysis on covered transactions involving cleared industry under FOCI mitigations to OUSD(A&S) in support of Committee on Foreign Investment in the United States (CFIUS). 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 related to international security requirements.

The CTP Directorate has been assigned three new mission areas. This includes responsibility for the Department's efforts to manage the Controlled Unclassified Information (CUI) program, which assigns the CTP Directorate responsibility for supporting the agency's role in executing responsibilities outlined in DoD Instruction 5200.48. In support of the Department's acquisition programs, DCSA was assigned responsibility in the FY20 NDAA Section 847 to conduct FOCI analysis, mitigation, and management of beneficial ownerships for certain DoD contracts over $5M. The mission supports USD (I&S), USD (A&S), and USD(R&E) in enabling the protection of DoD supply chains to further reduce Defense Industrial Base FOCI risks. Lastly, in 2021 the USD (I&S) directed the mission transfer of centralized accreditation and re-accreditation of sensitive compartmented information facilities (SCIFs) for the Military Departments, 4th Estate, and their cleared contractors from DIA to DCSA which was further assigned to the CTP Directorate.

Critical Technology Protection Integration Cell (CTPIC) is a whole-of-government engagement effort to deter, detect, and disrupt the unauthorized technology transfer activities of our adversaries. CTPIC serves as the DoD focal point for assessments, coordination, integration, and operational information sharing related to critical technology protection across all phases of research, development, and sustainment. CTPIC also encompasses Blue Advantage, which provides assessments on DoD and interagency efforts to safeguard critical and emerging technology with defense and defense intelligence applications.

The **Applied Research Laboratory for Intelligence and Security (ARLIS)** program management office oversees the University Affiliated Research Center (UARC) to provide strategic research and development to solve intelligence and security problems. ARLIS overlays human behavior and social science and culture and language expertise with expertise, research, and development in emerging and advanced technologies to solve increasingly technical, but human-centered intelligence and security challenges.

B. Personnel Vetting:

1. Defense Vetting Directorate (DVD)

	Dollars in Thousands	
FY 2021	**FY 2022**	**FY 2023**
Actual	**Enacted**	**Estimate**
$1,484	$0	$0

Due to the disestablishment of the Defense Vetting Directorate (DVD), in FY 2022, the DCSA in accordance with agency priorities, realigned requirements and resources to the Management Headquarters and the Program Executive Office to transform mission performance, reduce risk, improve operational outcomes and use technology to modernize operations and drive innovation.

2. Adjudications

	Dollars in Thousands	
FY 2021	**FY 2022**	**FY 2023**
Actual	**Enacted**	**Estimate**
$89,424	$105,788	$115,117

Funds support the DoD Personnel Security, Suitability/Fitness, and Credentialing (SSC) Adjudications Program used for overall incoming adjudication requirements and Continuous Evaluation (CE) alerts as part of the Continuous Vetting (CV) mission. The DoD Adjudications program delivers informed and timely adjudicative decisions supporting a Trusted Workforce to enable operational readiness and risk management. Adjudication is the foundation to supporting personnel readiness and warfighter lethality. The program protects national security information by clearing appropriate personnel, supporting the hiring of trusted personnel into the federal workforce and vetting personnel for logical and physical access to DoD facilities. The DoD Adjudications program activities proactively identify risks to protect national security information and further enable the DoD to apply innovative technologies to detect, deter, and mitigate insider threats critical to DoD mission readiness.

The DCSA ADJ forecasts CE and CV mission areas will stabilize in FY22 and remain so into FY23. The CAF remains committed to maintain compliance with Intelligence Reform and Terrorism Prevention Act (IRTPA) timeliness standards.

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3. Vetting Risk Operations (VRO):

	Dollars in Thousands	
FY 2021	**FY 2022**	**FY 2023**
Actual	**Enacted**	**Estimate**
$89,375	$116,552	$105,806

Funds sufficient Continuous Vetting (CV) capacity to enroll the full DoD cleared population into automated record checks of government and commercial databases to reduce reliance on investigative service providers and mitigate risk. Continuous Vetting is one of the five Trusted Workforce (TW) 2.0 vetting scenarios. The enterprise has implemented background investigation reforms that are expected to result in significant cost avoidance for both government and industry clearances while alleviating investigative and adjudicative backlog. These reforms rely upon successful enrollment in CV for risk mitigation. CV was first implemented to reduce risk between investigations and inform insider threat; it has evolved to be the centerpiece in personnel vetting reform by leveraging automated records checks and business rules to help determine continued eligibility for security clearances.

Provides personnel security support and oversight of National Industrial Security Program (NISP) contractor personnel by executing the PSI-I funding, granting interim determinations for national security clearances. Provides personnel security oversight of industry personnel having access to U.S. and foreign classified information. Manages ~840K cleared contractors during the lifecycle of their time in access to classified information.

Funds VRO to incorporate a Publicly Available Electronic Information (PAEI) program to include social media monitoring as a national- level requirement under Trusted Workforce 2.0 and fulfills the Secretary of Defense's imperative to leverage PAEI to identify domestic extremism, prior to and during an individual's DoD affiliation. Leveraging PAEI also fulfills the Secretary's requirements to improve the vetting of International Military Students who intend to or are currently receiving training within the continental U.S. Further, DoD studies have identified PAEI as a unique data source to identify key behaviors that are potentially derogatory under the Allegiance, Foreign Influence, Foreign Preference, and Personal Conduct guidelines of the National Security Adjudication Guidelines. Data received from PAEI is often not found anywhere else in the course of the personnel vetting cycle or insider threat detection. The investment funds collecting, collating and assessing PAEI, such as social media, in support of national security eligibility determinations.

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4. <u>**International Military Student Screening (IMS)**</u>

<u>Dollars in Thousands</u>

FY 2021 <u>Actual</u>	FY 2022 <u>Enacted</u>	FY 2023 <u>Estimate</u>
$0	$0	$7,500

The **International Military Student Screening (IMS)** provides centralized screening and vetting of International Military Student training in the United States as a result of the December 2019 Pensacola Naval Air Station Shooting. This capability optimizes intelligence data sources, other classified and unclassified U.S. government data systems and human analytics to provide multi-point identity detection of potential foreign risks.

C. <u>**DoD Insider Threat Management and Analysis Center (DITMAC):**</u>

<u>Dollars in Thousands</u>

FY 2021 <u>Actual</u>	FY 2022 <u>Enacted</u>	FY 2023 <u>Estimate</u>
$15,509	$24,258	$64,823

Provides an integrated capability to collect and analyze information for insider threat detection and mitigation. The program gathers, integrates, reviews, assesses, and responds to information derived from DoD Insider Threat hubs, Counterintelligence (CI), security, cybersecurity, civilian and military personnel management, workplace violence, anti-terrorism risk management, law enforcement, user activity monitoring on DoD information networks, and other sources as necessary and appropriate to identify, mitigate, and counter insider threats to address current and emerging threats to DoD personnel, assets and information. Continuing in FY 2023, the DITMAC will provide program management for a NIPRnet UAM program. The DITMAC will centrally fund and manage decentralized operations in coordination with DoD Components. The DITMAC will allocate resources (financial support, technical capabilities, and analytical support personnel) via a needs-based approach to the Services and components in order to conduct NIPR UAM on personnel under their respective purview. The NIPR UAM capability provides the Department an ability to detect and monitor "left of boom" indicators of concern on the unclassified IT system In FY 2023, the DITMAC will continue to build upon its case management system, DSoS to allow for automated ingest of information and to enhance capabilities in support of DoD component Insider Threat hub system requirements. The DITMAC will provide DoD an enterprise-level management and operational capability to improve identification, reporting, tracking and mitigation of unauthorized disclosures. Additionally, the DITMAC will continue recurring independent assessments of the DoD component InT programs and validation that components maintain

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their Full Operating Capability as required by Executive Order 13587 and Trusted Workforce 1.5 as part of Continuous Vetting. It will also include initiatives to ensure the continued maturity of InT programs beyond mere compliance with minimum standards but eventually meeting performance measures for effectiveness and maturity that would be developed and assessed by this capability. Beginning in FY 2023, the DITMAC will support the DoD counter extremist activity efforts by implementing a centralized Prevention, Assistance, and Response (PAR) capability beginning with the Joint Bases and Installations; establishing an enhanced Behavioral Threat Analysis Capability (BTAC) to provide behavioral health, threat assessment and management, cyber, counterintelligence and law enforcement subject matter expertise to insider threat hubs and leaders across the Department; conducting oversight of Department insider threat programs for operational efficiency; and establish an insider threat reporting hotline to increase reporting capabilities across the Department.

D. **Training Directorate:**

Dollars in Thousands

FY 2021	FY 2022	FY 2023
Actual	**Enacted**	**Estimate**
$33,263	$35,425	$34,714

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

Deliver security education, training, and certification products and services to the DoD, other federal agencies and industry under the NISP. CDSE utilizes an agile delivery platform to maximize accessibility from in-person, instructor-led courses, online courses, webinars, video presentations, toolkits, and job aids. Develop and manage the Security Professional Education Development Certification Program which provides a series of National Commission for Certifying Agencies (NCCA) 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. During FY 2021, all CDSE instructor-led training ceased due to COVID-19 Pandemic. Alternative delivery methods were produced and courses redesigned to continue delivery of traditional classroom courses in a virtual format for continuity of mission. Overall access/completions of CDSE online courses/products continues to significantly increase from previous pre-pandemic years.

2. **National Center for Credibility Assessments (NCCA):**

Dollars in Thousands		
FY 2021	FY 2022	FY 2023
Actual	Enacted	Estimate
$0.00	$7,000	$ 7,239

The **National Center for Credibility Assessment (NCCA)** is the sole provider of credibility assessment education and training; audits of agencies' quality assurance programs against federal standards; and research, development, testing and evaluation of credibility assessment equipment and protocols within the federal government. NCCA provides services to 30 federal partner agencies, conducting three 13-week initial polygraph examiner training courses per year and multiple continuing education courses. NCCA provides initial and continuing Preliminary Credibility Assessment Screening System training to more than 100 students per year, supporting operations worldwide. NCCA has oversight authority over all credibility assessment programs within the federal government. Over 1,000 federally trained examiners conduct more than 16,000 screening, operational, and criminal specific examinations per year.

E. **Counterintelligence (CI) Analysis:**

Dollars in Thousands		
FY 2021	FY 2022	FY 2023
Actual	Enacted	Estimate
$62,365	$48,703	$53,197

 Detect and deter attempts by the nation's adversaries to steal sensitive national security information and technologies from cleared industry and keeps U.S. Government leaders informed of the threat. CI Special Agents work extensively with companies and other U.S. government agencies to quickly and efficiently identify, share and refer actionable threat information. The CI Analysis Division authors the premier publication, "Targeting U.S. Technologies: An Assessment of Threats to Cleared Industry", a culmination of suspicious contact reports from across the cleared national industrial

base, describing suspicious foreign activity targeting U.S. personnel, technologies, and export-controlled products. The Cyber Operations Division 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 and 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.

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

	Dollars in Thousands	
FY 2021	**FY 2022**	**FY 2023**
Actual	**Enacted**	**Estimate**
$352,054	$337,077	$322,185

The centrally managed **PSI-I** Program budget executes requests for initial and periodic reinvestigations for contractor personnel security clearance in support of all DoD components and 34 other federal agencies participating in the National Industrial Security Program (NISP). Budgetary requirements are based on anticipated industry investigations by case type, in accordance with DCSA Working Capital Fund published rates, and adjusted to include costs on a case by case basis for Triggered Enhanced Subject Interviews (TESI) and Reimbursable Security Investigations (RSI). DCSA manages requests for initial and periodic reinvestigations for contractor personnel. PSI-I requirements and budgets 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 NISP.

Operational Support Activities

A.   **Management Headquarters:**

	Dollars in Thousands	
FY 2021	**FY 2022**	**FY 2023**
Actual	**Enacted**	**Estimate**
$38,704	$40,600	$53,660

The **DCSA Headquarters** enables mission execution through centralized management of enterprise strategic priorities to provide direct service support to DCSA

field operations. These functions provide critical common services support devoted to the daily operations by enabling industry's delivery of uncompromised capabilities and leveraging advanced technologies and innovation. 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.

The **Chief Strategy Office (CSO)** is the primary source for the development of DCSA agency strategy and transformation efforts, and provides specialized advice to the Director, DCSA, on these matters. The CSO is responsible for strategy development, for enabling and overseeing strategy implementation and monitoring, measuring achievement of DCSA strategic objectives through key performance indicators, and aligning strategy to mission and staff support functions, to include finance, talent, technology, and acquisition. The CSO leads the DCSA's enterprise data management, analytics, operational performance metrics management, and knowledge management. The CSO drives enterprise transformation efforts that enable maturation and optimization of the Agency's business processes and leverages enterprise data and infrastructure to increase mission performance, as well as leading the execution of Research & Innovation and process improvement initiatives in coordination with relevant stakeholders. The CSO develops and executes DCSA governance, including transformation governance and corporate governance.

B. **Office of the Chief Information Officer (OCIO):**

Dollars in Thousands

FY 2021 Actual	FY 2022 Enacted	FY 2023 Estimate
$56,382	$52,376	$58,430

The **OCIO** drives the IT modernization and innovation of DCSA through the implementation of strategy and architecture to support the evolving critical mission. The OCIO provides comprehensive IT support services to the agency and proactively secures and protects its networks and systems through cybersecurity, cloud strategy, Zero Trust, and emerging technology. The organization continues to sustain reliable access for the growing agency of 12,000 people while minimizing costs through IT capability centralization. OCIO's mission is to secure access from any location on any approved device with one email, one network, and one environment within DCSA as the agency matures and meets its national and global security mission.

C. **National Background Investigations Service (NBIS):**

Dollars in Thousands

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FY 2021 Actual	FY 2022 Enacted	FY 2023 Estimate
$53,390	$31,254	$ 8,502

National Background Investigations Service (NBIS) is being developed as an enterprise Information Technology (IT) architecture and data strategy for modernizing vetting capabilities supporting background investigations (BI) replacing Office of Personnel Management (OPM's) legacy IT systems. NBIS utilizes web and cloud-based capabilities with robust cybersecurity to provide a new, secure infrastructure and investigative support system for vetting DoD and Federal Agencies personnel. NBIS leverages DoD's cybersecurity technologies, processes, and capabilities to protect personal data and investigative information for government civilians, military personnel, and contractors. It supports the distributed adjudication processes with built-in security, active governance structure, and a new national security culture based on process improvements, artificial intelligence, machine learning and change management.

Defense Information System for Security (DISS) has improved information sharing capabilities, accelerated clearance-processing timelines, mitigated security vulnerabilities, and increased Department of Defense (DoD) security mission readiness. The DISS mission is to consolidate the DoD security mission into an Enterprise System that will automate the implementation of improved national investigative and adjudicative standards to eliminate costly and inefficient work processes and increase information collaboration.

D. **Program Executive Office (PEO):**

	Dollars in Thousands	
FY 2021 Actual	FY 2022 Enacted	FY 2023 Estimate
$29,644	$34,447	$29,688

National Industrial Security System (NISS) is the next generation functional replacement for the Industrial Security Facility Database system (ISFD) and supports end to end facility identification and registration processing, Foreign Ownership Control or Influence (FOCI) mitigation, and supports Personnel Vetting business processes. NISS provides a centralized web-based platform for National Industrial Security Program (NISP) personnel to manage the industrial security facility clearance process; from request initiation to approval (or rejection) storage of all associated data, and provides a centralized process for users to submit, update, search, and view facility verification requests. In FY23, NISS has been realigned to the RDTE Budget Activity (BA) 08 Software Pilot Program.

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Department of Defense Human Resources Activity (DHRA), Defense Manpower Data Center (DMDC) and National Background Investigation System (NBIS) programs have been realigned to the NBIS portfolio.

Fiscal Year (FY) 2023 Overseas Operations Costs funding accounted for in the Base budget include:

- Operation INHERENT RESOLVE (OIR) [$0 thousand].
- European Deterrence Initiative (EDI) [$0 thousand].
- Other theater requirements and related missions [$0 thousand

II. Force Structure Summary:
N/A

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III. **Financial Summary ($ in Thousands):**

A. BA Subactivities	FY 2021 Actuals	Budget Request	FY 2022 Congressional Action Amount	Percent	Appropriated	Current Enacted	FY 2023 Request
	$0	$0	$0	0.00%	$0	$0	$0
Counterintelligence Program	$62,365	$48,703	$0	0.00%	$48,703	$48,703	$53,197
Critical Technology Protection	$97,688	$98,008	$10,000	10.20%	$108,008	$108,008	$122,271
Insider Threat - DITMAC	$15,509	$24,258	$0	0.00%	$24,258	$24,258	$64,823
Management HQ Activities	$38,704	$40,600	$0	0.00%	$40,600	$40,600	$53,661
National Background Investigative Service (NBIS)	$53,390	$31,254	$0	0.00%	$31,254	$31,254	$8,502
Office of Chief Information Officer	$56,382	$52,376	$0	0.00%	$52,376	$52,376	$58,430
Personnel Vetting	$180,283	$222,340	$0	0.00%	$222,340	$222,340	$228,423
Program Executive Office (PEO)	$29,644	$34,447	$0	0.00%	$34,447	$34,447	$29,688
PSI for Industry	$352,054	$347,077	$-10,000	-2.88%	$337,077	$337,077	$322,185
Training	$33,263	$42,425	$0	0.00%	$42,425	$42,425	$41,953
Total	**$919,282**	**$941,488**	**$0**	**0.00%**	**$941,488**	**$941,488**	**$983,133**

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III. Financial Summary ($ in Thousands): (Cont.)

B. Reconciliation Summary	Change FY 2022/FY 2022	Change FY 2022/FY 2023
BASELINE FUNDING	**$941,488**	**$941,488**
Congressional Adjustments (Distributed)	0	
Congressional Adjustments (Undistributed)	0	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	0	
SUBTOTAL APPROPRIATED AMOUNT	**941,488**	
Fact-of-Life Changes (2022 to 2022 Only)	0	
SUBTOTAL BASELINE FUNDING	**941,488**	
Supplemental	0	
Reprogrammings	0	
Price Changes		18,742
Functional Transfers		-5,328
Program Changes		28,231
CURRENT ESTIMATE	**941,488**	**983,133**
Less: Supplemental	0	
NORMALIZED CURRENT ESTIMATE	**$941,488**	**$983,133**

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III. Financial Summary ($ in Thousands): (Cont.)

FY 2022 President's Budget Request (Amended, if applicable)..**$941,488**

1. Congressional Adjustments $0

    a) Distributed Adjustments..$0

        1) Commercial FOCI Analytic Tools $10,000

        2) Program Decrease Unaccounted For.. $-10,000

    b) Undistributed Adjustments $0

    c) Adjustments to Meet Congressional Intent...$0

    d) General Provisions $0

FY 2022 Appropriated Amount **$941,488**

2. Supplemental Appropriations $0

    a) Supplemental Funding..$0

3. Fact-of-Life Changes.. $0

    a) Functional Transfers...$0

    b) Technical Adjustments $0

    c) Emergent Requirements...$0

III. Financial Summary ($ in Thousands): (Cont.)

FY 2022 Baseline Funding...**$941,488**

4. Reprogrammings (Requiring 1415 Actions).. $0

    a) Increases $0

    b) Decreases $0

Revised FY 2022 Estimate...**$941,488**

5. Less: Item 2, Supplemental Appropriation and Item 4, Reprogrammings $0

    a) Less: Supplemental Funding $0

FY 2022 Normalized Current Estimate...**$941,488**

6. Price Change $18,742

7. Functional Transfers ....$-5,328

    a) Transfers In $0

    b) Transfers Out..$-5,328

        1) Personnel Vetting - CAF.. $-379
        Transfer from the Adjudication Facility to the Department of Air Force for the Presidential Support and
        Activities Programs (PSP/PSA)
        (FY 2022 Baseline: $105,788 thousand; 696 FTEs; -3 FTEs)

        2) Program Executive Office (PEO).. $-4,949
        Decrease realigns funding to the RDT&E Line Item 022, Software and Digital Technology Pilot Program to
        manage all industrial security current capabilities to include the system of record for facilities clearance
        information and industrial security oversight, the official system that allows DCSA to improve assessment

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III. Financial Summary ($ in Thousands): (Cont.)

       and mitigation of risks related to contractors under Foreign Ownership, Control, or Influence (FOCI), and the newly developed system repository for DD-254 forms

8. Program Increases $82,880

    a) Annualization of New FY 2022 Program $0

    b) One-Time FY 2023 Increases $0

    c) Program Growth in FY 2023 ....$82,880

        1) Counterintelligence Program... $3,033

        Increase provides additional contractor support to produce and disseminate raw reporting requirements for sensitive technologies in relation to enhancements to DCSA's National Industrial Security Protection (NISP) oversight program and Foreign Ownership, Control, and Influence (FOCI) risk mitigation program
        (FY 2022 Baseline: $48,703 thousand; 231 FTEs)

        2) Critical Technology Protection.. $11,023

        Provides additional capability to identify and mitigate vulnerabilities in the National Industrial Security Program (NISP), to include enhancements for corporate-wide security reviews/assessments and risk mitigation activities in support of the NISP Foreign Ownership, Control, and Influence (FOCI) program. Transitions the financial oversight and control of the Applied Research Center for Intelligence and Security (ARLIS) and the Critical Technology Protection Integration Center (CTPIC) from the Office of the Undersecretary of Defense for Intelligence and Security (OUSD (I&S)) that are two investments directed in the FY21 NDAA to address foreign intelligence and insider threats to emerging technology
        (FY 2022 Baseline: $108,008 thousand; 406 FTEs; +23 FTEs)

        3) Insider Threat $39,837
        DITMAC will continue to build upon its case management system, DSoS to allow for automated ingest of information and to enhance capabilities in support of DoD component Insider Threat hub system requirements. The DITMAC will support the DoD \counter extremist activity efforts by implementing a centralized Prevention, Assistance, and Response (PAR) capability beginning with the Joint Bases and Installations; establishing an enhanced Behavioral Threat Analysis Capability (BTAC) to provide behavioral

III. Financial Summary ($ in Thousands): (Cont.)

health, threat assessment and management, cyber, counterintelligence and law enforcement subject matter expertise to insider threat hubs and leaders across the Department
(FY 2022 Baseline: $24,258 thousand; 30 FTEs; +39 FTEs)

4) Management Headquarters.. $11,842
Increase provides resources to implement, measure performance, and assess outcomes associated with transformation management activities that will optimize core mission activities, improving field integration and processes, implementing an enterprise service delivery platform
(FY 2022 Baseline: $40,600 thousand; 148 FTEs)

5) Office of Chief Information Officer $4,483
Provides an integrated management infrastructure to establish an operational environment to facilitate full lifecycle delivery of ServiceNow capabilities for DCSA stakeholders
 (FY 2022 Baseline: $52,376 thousand; 55 FTEs; +2 FTEs)

6) Personal Vetting - Adjudications $5,162
Provides additional resources to strengthen the adjudication skillset and capabilities to meet the demand of the suitability and credential adjudication mission as the DoD and National Industrial Security Program transition to the Trusted Workforce 2.0 policies and procedures
(FY 2022 Baseline: $105,788 thousand; 100 FTEs)

7) Personal Vetting - International Military Student Screening.. $7,500
Provides additional funding to perform the screening of the international military students in response to the December 6, 2019, Pensacola Naval Air Station shooting.

9. Program Decreases ....$-54,649

    a) Annualization of FY 2022 Program Decreases $0

    b) One-Time FY 2022 Increases .... $-10,000

        1) One time Congressional FOCI increase... $-10,000
        One-time Congressional increase for FOCI Analytic Tools

    c) Program Decreases in FY 2023 .... $-44,649

III. Financial Summary ($ in Thousands): (Cont.)

1) National Background Investigation Service.. $-7,290
Decrease is the reduced level of support to maintain the National Background Investigation System (NBIS)
(FY 2022 Baseline: $65,701 thousand; 52 FTEs)

2) National Background Investigation Service (NBIS)... $-6,400
Decrease in funding of legacy data and train personnel in support of the National Background Investigation
System (NBIS)

3) One Less Compensable Workday... $-564
Decrease attributed to one less compensable workday in FY 2023 (260 days) as compared to FY 2022
(261 days).

4) Personnel Security Investigation - Industry .... $-14,584
Decrease in funding for initial and periodic reinvestigations for contractor personnel requiring access to
classified information to include initial Top Secret, Top Secret Reinvestigations, Secret and Secret
Reinvestigations, and Confidential clearances to perform on classified contracts due to anticipated efficiencies
from implementation of the Trusted Workforce 2
(FY 2022 Baseline: $337,077 thousand)

5) Personnel Vetting- VRO .... $-13,223
Decrease in funding is due to the transition of the Expedited Screening Protocol service (does not include
International Military Student Screening) from the Operations and Maintenance, Defense-wide appropriation
to the DCSA Defense Working Capital Fund
(FY 2022 Baseline: $222,340 thousand; 196 FTEs; -39 FTEs)

6) Program Executive Office .... $-843
Decrease is attributed to cost savings and avoidance through acquisition strategy and leveraging economy of
scale to efficiency savings in contractor support cost
(FY 2022 Baseline: $34,447 thousand; 104 FTEs; -42 FTEs)

7) Training.. $-1,745
Decrease in courseware delivery through use of technology such as video teleconference , and other cost-
efficient course options
(FY 2022 Baseline: $42,425 thousand; 100 FTEs)

FY 2023 Budget Request **$983,133**

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IV. <u>Performance Criteria and Evaluation Summary:</u>

1 <u>Critical Technology Protection Center</u>

A. NISP Performance Measure: Protection of Classified Information

Comments: The 12,500 cleared facilities for which the Defense Counterintelligence and Security Agency (DCSA) 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 vast amounts of classified information and have very complex security requirements.

There are a range of engagement actions with industry that contribute to DCSA's oversight of the National Industrial Security Program (NISP) and the protection of classified information in cleared industry. At the front-end of the process, Critical Technology Protection Directorate makes a risk-based determination as to the trustworthiness of a facility to become a member of the NISP and hold a facility clearance. Once the facility is in the NISP, there are numerous activities CTP conducts to determine the security posture of a facility and its appropriateness to remain in the NISP. DCSA uses sound risk management principles to prioritize the appropriate level of engagement with a facility.

The core of our National Industrial Security program is the Security Review; DCSA is the only agency providing security review oversight on classified contracts. The security review evaluates and rates cleared facilities' security programs to check for compliance with 32 CFR Part 117 requirements and uses a risk-based approach to determine if the facility is applying the mitigation measures appropriately to minimize the potential compromise, loss, or damage of classified information. Due to the COVID-19 pandemic, DCSA had to significantly curtail its on-site activities in industry resulting in only a few security reviews being conducted in FY21. Another means of engagement CTP performs with facilities is a Continuous Monitoring Engagement (CME). CMEs have been utilized under COVID operations to enable the field to provide remote oversight to cleared facilities in lieu of on-site security reviews. CTP has since identified that these activities provide a unique remote capability to the limited field resources and should continue to be used to supplement on-site security reviews. Though generally not all areas of a security review can be evaluated via a CME, these actions can identify the necessity for on-site DCSA oversight, and allow those reviews to focus specifically on areas that couldn't be assessed remotely.

IV. <u>Performance Criteria and Evaluation Summary: (Cont.)</u>

The following metrics track engagement with industry across a variety of activities and report on various meaningful outcomes of the activities.

FY 21 Actions	
Security Reviews (i.e. Enhanced Security Vulnerability Assessments)	47
Continuous Monitoring Engagements (CMEs)	5,768
Facility Clearances Issued	1,151
Information Systems Authorized to Process Classified Information	4,669
FY 21 Findings	
Total Vulnerabilities Identified	4,022
Security Violations Processed	1,170
Cases Involving Loss/Compromise of Classified Information	789
Number of Invalidations / Revocations	19 / 0

Number of Security Reviews Significantly Reduced due to Covid-19 Pandemic

1. **<u>Enterprise Training</u>**

   A. **<u>Center for Development of Security Excellence (CDSE)</u>**

   CDSE Performance Measure #1: Requested Seats in CDSE FY2021 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 FY2021

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IV. <u>Performance Criteria and Evaluation Summary: (Cont.)</u>

FY 21 seats Available in Courses Scheduled	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Total
Monthly Available Seats as Scheduled	0	152	0	92	101	102	92	135	108	50	127	116	**1,075**
Requested total seats	0	391	0	196	185	175	174	254	199	80	299	136	**2,089**
% of Seat Requests	0%	39%	0%	47%	55%	58%	53%	53%	54%	63%	42%	85%	**51%**

CDSE Performance Measure #2: Required Active Course Inventory. **Comments:** This output performance measure provides the actual number of active training courses (Virtual and Instructor Led Courses, eLearning Courses and Short Format Learning Courses) in the inventory compared with the total number of CDSE courses 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 courses continue to be current, accurate and relevant with the current security environment which requires continuous maintenance and sustainment of courses. 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..

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

Required FY 2021 Active	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Active Products	486	487	488	489	489	489	489	487	486	477	479	483
Products in Maintenance or Development	25	26	27	32	40	54	54	54	48	48	45	26
% of Total Inventory in Maintenance	5.1%	5.3%	5.5%	6.5%	8.2%	11.0%	11.0%	11.1%	9.9%	10.1%	9.4%	5.4%

2. Counterintelligence (CI)

A. CI Performance Measures: Annual processing of intelligence information reports (IIRs) and relevance of analytic products (output and impact) to the community. CI identifies threats to personnel, facilities, information, and technology resident in the cleared U.S. industrial base and is charged to identify threats targeting the federal government's trusted workforce. In both instances, CI articulates those threats to stakeholders and action agencies for potential investigative or operational consideration. DCSA continually updates and aligns activities to detect, deter, and disrupt National Intelligence Priorities Framework (NIPF) actors targeting critical defense technologies and the federal government's trusted workforce. Production targets are: (1) release ≥ 90% of the annual IIR production target and (2) ≥ 95% of all analytic products produced will address NIPF CI Tier 1-3 countries and non-state actors – Foreign intelligence Entities (FIE) (output/impact).

3. Personnel Vetting

A. **DCSA Adjudications (ADJ)**
DCSA ADJ Performance Measure: To determine security clearance eligibility of non-Intelligence Agency DoD personnel occupying sensitive positions and/or requiring access to classified material including Sensitive Compartmented Information (SCI). These determinations involve all military service members, applicants, civilian employees, and consultants affiliated with the Department of Defense, to include DoD personnel at the White House and contractor personnel under the National Industrial Security Program (NISP). The DCSA ADJ also adjudicates security clearance eligibility for staff of the United States Senate and House of Representatives, the Congressional Budget Office, the United States Capitol Police and selected judicial staff. Additionally, the DCSA ADJ renders favorable adjudicative determinations for employment suitability of DoD civilian

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IV. <u>Performance Criteria and Evaluation Summary: (Cont.)</u>

employees and Common Access Card (CAC) or Fitness eligibility of non-cleared DoD contractors.

	FY 2020	FY 2021	FY 2022	FY 2023
Number of Personnel Serviced	3,600,000	3,600,000	3,600,000	3,600,000
Number of suitability/credential (Tier 1) background investigation decisions	78,250	68,188	68,188	68,188
Number of national security (Tier 3, 5, 3R, and 5R) investigation decisions	763,150	665,012	665,012	665,012
Number of on-going security management actions (customer service requests, CE alerts, incident reports)	105,700	154,450	151,500	151,500

<u>Vetting Risk Operation (VRO)</u>

Continuous Evaluation Program CE) Performance Measure: The role as the Security Executive Agent (SecEA), the Director of National Intelligence (DNI) established the Continuous Vetting (CV) Program within the National Counterintelligence and Security Center (NCSC). CV, a personnel security investigative process, is part of the security clearance reform effort to modernize personnel security processes and increase the timeliness of information reviewed between periodic reinvestigation cycles. CV supplements and enhances, but does not replace, established personnel security processes by leveraging automated records checks to assist in the ongoing review of an individual's eligibility for access to classified information or to hold a sensitive position.

FY 2020	FY 2021	FY 2022
Enrolled personnel	Projected personnel Enroll	Projected personnel enroll
1,396,056	**~3,600,000**	**~3,600,000**

4. **Personnel <u>Service Investigation – Industry (PSI – I)</u>**

   A. **PSI – I Performance Measure:** The PSI-I budget is based on total number of forecasted investigations, by case type, and the DCSA rate, and   adjusted to include costs on a case by case basis for Triggered Enhanced Subject Interviews (TESI) and Reimbursable Security Investigations (RSI). The DCSA administers requests for initial and periodic reinvestigations for contractor

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

personnel to include Tier 5 for Top Secret/SCI, and Tier 3 for Secret and Confidential clearances. Vetting and Risk Operations (VRO) has developed metrics below to evaluate the number of personnel serviced by their multiple lines of business when executing the PSI-I budget.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personnel Serviced Cleared Contractors	839,500	847,650	950,657	1,064,895	1,144,849	1,251,319
e-QIPs Processed	139,246	226,601	188,499	163,713	165,458	187,697
Interims Issued	79,569	100,662	86,760	96,847	101,801	103,233
Periodic Reinvestigations Approved/CE Deferred	85,399	88,350	74,904	70,737	65,903	87,189

Fiscal Year 2022 and 2023 totals projected for Fiscal Year end

V. Personnel Summary:

	FY 2021	FY 2022	FY 2023	Change FY 2021/ FY 2022	Change FY 2022/ FY 2023
Civilian End Strength (Total)	**2,087**	**2,118**	**2,074**	**31**	**-44**
U.S. Direct Hire	2,087	2,118	2,074	31	-44
Total Direct Hire	**2,087**	**2,118**	**2,074**	**31**	**-44**
Civilian FTEs (Total)	**1,939**	**1,967**	**1,950**	**28**	**-17**
U.S. Direct Hire	1,939	1,967	1,950	28	-17
Total Direct Hire	**1,939**	**1,967**	**1,950**	**28**	**-17**
Average Annual Civilian Salary ($ in thousands)	**134.2**	**150.5**	**154.9**	**16.4**	**4.3**
Contractor FTEs (Total)	**312**	**312**	**312**	**0**	**0**

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

		FY 2021 Program	Change from FY 2021 to FY 2022		FY 2022 Program	Change from FY 2022 to FY 2023		FY 2023 Program
			Price Growth	Program Growth		Price Growth	Program Growth	
101	EXEC, GEN'L & SPEC SCHEDS	259,845	5,898	29,732	295,475	12,188	-6,265	301,398
121	PCS BENEFITS	296	7	297	600	25	-26	599
0199	**TOTAL CIVILIAN PERSONNEL COMPENSATION**	**260,141**	**5,905**	**30,029**	**296,075**	**12,213**	**-6,291**	**301,997**
308	TRAVEL OF PERSONS	2,348	70	-120	2,298	48	-282	2,064
0399	**TOTAL TRAVEL**	**2,348**	**70**	**-120**	**2,298**	**48**	**-282**	**2,064**
683	PURCHASES FROM DWCF DEFENSE COUNTERINTELLIGENCE & SECURITY AGENCY	352,054	1,725	-16,702	337,077	0	-14,892	322,185
696	DFAS FINANCIAL OPERATION (OTHER DEFENSE AGENCIES)	1,589	165	-154	1,600	88	119	1,807
0699	**TOTAL OTHER FUND PURCHASES**	**353,643**	**1,890**	**-16,856**	**338,677**	**88**	**-14,773**	**323,992**
771	COMMERCIAL TRANSPORT	269	8	313	590	12		602
0799	**TOTAL TRANSPORTATION**	**269**	**8**	**313**	**590**	**12**	**0**	**602**
912	RENTAL PAYMENTS TO GSA (SLUC)	1,320	40	20	1,380	29	-1	1,408
913	PURCHASED UTILITIES (NON-FUND)	11	0		11	0		11
914	PURCHASED COMMUNICATIONS (NON-FUND)	10,529	316	-2,420	8,425	177	-8	8,594
915	RENTS (NON-GSA)	34,433	1,033	-30,941	4,525	95	-4	4,616
917	POSTAL SERVICES (U.S.P.S)	31	1	-1	31	1	-1	31
920	SUPPLIES & MATERIALS (NON-FUND)	5,829	175	997	7,001	147	839	7,987
921	PRINTING & REPRODUCTION	180	5	113	298	6		304
922	EQUIPMENT MAINTENANCE BY CONTRACT	46,324	1,390	-2,636	45,078	947	5,463	51,488
923	FACILITIES SUST, REST, & MOD BY CONTRACT	2,528	76	-296	2,308	48	-2	2,354
925	EQUIPMENT PURCHASES (NON-FUND)	15,574	467	-4,803	11,238	236	-866	10,608
932	MGT PROF SUPPORT SVCS	161,430	4,843	15,391	181,664	3,815	-2,033	183,446
934	ENGINEERING & TECH SVCS	880	26	9	915	19	-1	933
987	OTHER INTRA-GOVT PURCH	17,283	518	16,139	33,940	713	41,150	75,803
989	OTHER SERVICES	6,529	196	309	7,034	148	-287	6,895
0999	**TOTAL OTHER PURCHASES**	**302,881**	**9,086**	**-8,119**	**303,848**	**6,381**	**44,249**	**354,478**
9999	**GRAND TOTAL**	**919,282**	**16,959**	**5,247**	**941,488**	**18,742**	**22,903**	**983,133**

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