9. PERFORMANCE IMPROVEMENT

9.1 INTRODUCTION

Purpose

This chapter satisfies the requirements of the Government Performance and Results Act of 1993 (GPRA), the GPRA Modernization Act (GPRAMA) of 2010, and Office of Management and Budget (OMB) Circular A-11 – all of which call for integration of annual performance goals and results with congressional budget justifications. This chapter complements the appropriation-specific budget justification information that is submitted to Congress by providing:

- A performance-focused articulation of the Defense Department's strategic goals and objectives; and

- A limited number of Department-wide performance improvement priorities for senior-level management attention in the current and budget year

The Department looks forward to working with the Administration and Congress to meet the challenge of creating more effective and efficient operations while delivering a high-value return for the American taxpayer's investment in the Defense Department.

DoD Performance Plan and Report

The FY 2015 DoD Annual Performance Report (APR) provides a summary of the Department's prior year performance results. This chapter presents an excerpt from the full report, available at: http://dcmo.defense.gov/Publications/AnnualPerformancePlanandPerformanceReport.aspx. The FY 2015-2018 Agency Strategic Plan (ASP) / Annual Performance Plan (APP) outlines the Department's strategic goals, strategic objectives and performance goals, available at: http://dcmo.defense.gov/Publications/DoDASP.aspx.

9.2 FY 2015 DOD ANNUAL PERFORMANCE REPORT

Executive Summary

The FY 2015 APR is intended to inform the general public about the Department's progress towards achieving the 44 enterprise-wide performance goals described in the Agency Strategic Plan for Fiscal Years 2015-2018.

Far more than 44 performance measures would be needed to fully capture the breadth and scope of the Department's world-wide responsibilities, or even the Department's management efforts. Indeed, the Department uses dozens of performance measures to assess its progress in each of many key areas, such as acquisition performance, military readiness, audit readiness, and the health of the force. Moreover, significant efforts in areas such as the readiness of the force cannot be fully represented in this or future public performance reports due to the sensitivity of the information involved. While we will endeavor to improve our Agency Strategic Plan and Performance Report over time, these reports necessarily represent only a partial picture of DoD's management efforts, and management progress.

The measures included in this report show that the Department maintained solid performance in supporting the operational force in the field, while reducing unnecessary overhead in inventory. In the area of human resources, transition support to veterans remained good and the quality of our recruits remained high. However, due to budget restrictions, the Department did not achieve all its goals for improving quality of family housing. In addition, we are falling slightly short in acquisition qualifications and in hiring timelines. These areas will continue to be a major focus

of future agency strategic plans. Progress toward achieving a Department-wide audit shows poor progress. However, the Under Secretary of Defense (Comptroller) and the DCMO have worked with the military departments and defense agencies to develop an aggressive new plan to put the Department on a sound track toward future audit readiness.

The Department also undertook significant management improvements that are not fully reflected in the performance measures included in the Agency Strategic Plan or in this report. For example:

- During FY2015, Secretary Carter directed, and the OSD carried out, a major review of human capital strategy, the Force of the Future initiative. This review put fundamental emphasis on changing how we manage both military and civilian personnel, and how we consider new skill sets required to meet future needs. The Under Secretary of Defense for Personnel and Readiness has developed a number of performance measures to assess the implementation of the Force of the Future initiative.

- In the area of innovation and technical excellence, the Department is carrying out a Better Buying Power initiative that appears to have borne fruit in the form of significantly improved acquisition performance. The next phase of the Better Buying Power initiative is now being rolled out, and with it comes an emphasis on taking more advantage of the technical innovation within private industry. The Under Secretary of Defense for Acquisition, Technology, and Logistics is tracking a number of performance measures to assess the implementation of the Better Buying Power initiative.

- In the area of cyber security, the Department has undertaken significant new efforts to address challenges associated with ongoing cyber threats. The Chief Information Officer of the Department of Defense has developed a Cybersecurity scorecard to track the implementation of a number of key initiatives in the cyber arena.

During FY2015, the DCMO team led a Department-wide effort to identify concrete, measurable management reforms in areas such as Defense-wide retail sales; reduction in the size of major headquarters; reduction in the number and cost of advisory and assistance contracts; and efficiencies in the provision of information technology support to the Department. This collective effort is aimed at generating over $6 billion in savings which can be reallocated to higher priority needs such as new mission equipment investment or training and readiness of combat forces.

FY 2015 Agency Priority Goal (APG) Results

Pursuant to the GPRA Modernization Act of 2010, the Department established four APGs for FY 2014 – FY 2015 that were used to track the Department's progress toward achieving priorities throughout FY 2015.

The annual results and detailed narratives may be found in the "Summary of DoD Performance by Strategic Objective" section.

Please refer to *performance.gov* for the Department's contributions to the APGs and its progress.

Cross-Agency Priority Goals

Title 31 of the U.S. Code § 1116 requires the identification of Cross-Agency Priority (CAP) Goals in areas where increased cross-agency coordination on outcome-focused areas is likely to improve progress. Please refer to *www.Performance.gov* for the Defense Department's contributions to these goals.

The DoD, in partnership with OMB, currently leads the following CAP Goals:

- Cybersecurity

- Strategic Sourcing

- In addition, DoD contributes to the following CAP Goals:

- Insider Threat and Security Clearance

- Service Members and Veterans Mental Health

- People and Culture

- Benchmarking

- Infrastructure Permitting and Modernization

- STEM Education

- Lab-to-Market

- Smarter IT Delivery

- Open Data

- Climate Change – Federal Actions

- Shared Services

High Risk Areas

To drive increased accountability and efficiencies in the Federal government, the Government Accountability Office (GAO) determines high risk areas across the Federal government based on vulnerability to fraud, waste, abuse, or mismanagement; and changes required to address major economic, efficiency, or effectiveness challenges. The GAO has published biennial high-risk series updates since 1990 (see http://www.gao.gov/highrisk/overview). The Defense Department shares responsibility for the following cross-agency areas on the GAO high risk list:

- DoD Approach to Business Transformation

- DoD Business Systems Modernization

- DoD Support Infrastructure

- DoD Financial Management

- DoD Supply Chain Management

- DoD Weapon System Acquisition

- DoD Contract Management

- Strategic Human Capital Management

- Limiting Federal Government Fiscal Exposure by Better Managing Climate Change Risk

- Ensuring the Security of Federal Information Systems and Cyber Critical Infrastructure and Protecting the Privacy of PII

- Establishing Effective Mechanisms for sharing and Managing Terrorism Related Information to Protect the Homeland

- Managing Federal Real Property

- Mitigating Gaps in Weather Satellite Data

- Ensuring Effective Protection of Technologies Critical US National Security Interests

- Improving and Modernizing Federal Disability Programs

- Improving the Management of IT Acquisitions

- Managing Risks and Improving VA Health Care

DoD Major Management Challenges

The Office of the Inspector General (IG) works to promote efficiency, effectiveness, and integrity in the programs and operations of the Department. The DoD IG identified the following areas as presenting the most serious management and performance challenges:

- Financial Management

- Acquisition Processes and Contract Management

- Joint Warfighting and Readiness

- Cyber Security

- Health Care

- Equipping and Training Iraq and Afghan Security Forces

- The Nuclear Enterprise

Detailed information regarding these challenges, the IG's assessment of the Department's progress, and the Department's management response can be found with the report at *http://dodig.mil*

Summary of Performance Results

The FY 2015 APR provides a progress update of the FY 2015-2018 ASP/APP 1.0. Figure 1 shows strategic alignment and fourth quarter, FY 2015 summary results. Detailed results are in section 9.3.
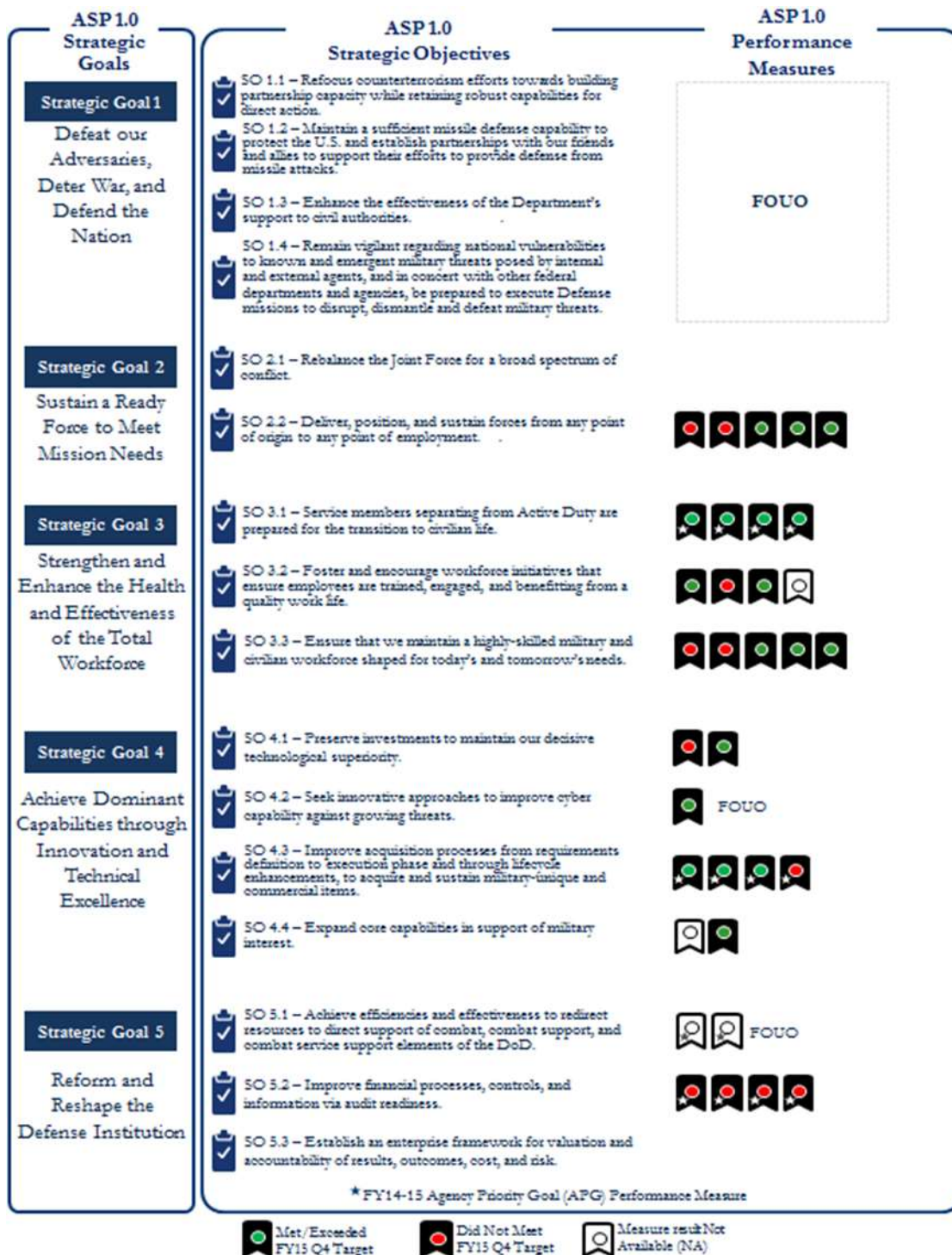

Figure 1 - DoD'S Summary of Performance Results, Fourth Quarter FY 2015

9.3 DOD PERFORMANCE BY STRATEGIC OBJECTIVE

The following section presents FY 2015 performance results by DoD strategic objective, highlighting areas of improvement from previous years, current challenges, and associated mitigation strategies.

The aggregate classification for strategic objectives in strategic goal 1 is UNCLASSIFIED//FOR OFFICAL USE ONLY. A supplemental attachment to the FY 2015 Annual Performance Report will be made available to government activites only.

Strategic Objective: Rebalance the Joint Force for a broad spectrum of conflict.

OVERVIEW:

The national security challenges are not only numerous and geographically disparate, but many are unconventional. Reflecting this diverse range of challenges, the DoD will implement strategies to facilitate a focused shift in the types of conflict for which the military forces are prepared to execute. After years of protracted, expensive military engagements throughout the Middle East, the Joint Force is currently out of balance. The DoD will set the personnel and readiness conditions to find the most efficient Active and Reserve force mix that ensures acceptable risk in military capabilities and capacity. This is provided through policies that promote a seamlessly integrated Total Force supporting national security at home and abroad. The ideal Total Force will be an efficient mix of a viable operational Active Component and a Reserve Component that can provide strategic hedge, predictable operational support as well as surge during times of extended need. Both the Active and Reserve Components need access to installations and training lands to maintain their readiness in order for these components to be available when needed.

Turmoil around the world continues, ranging from the threat presented by the Islamic State of Iraq and the Levant (ISIL) in Iraq to the potential of an Ebola pandemic. Despite the continued high operations tempo, the DoD remains committed to ensuring deployed forces around the globe are trained, equipped, and ready to perform their assigned missions. Finding proper balance between maintaining readiness, force structure sizing, modernization, and future threats remains an important component of the Department's mission and the highest priority of the Department's leadership. In order to ensure appropriate congressional oversight and reporting, the DoD will continue measuring and reporting Readiness via the Quarterly Readiness Report to Congress (QRRC), a comprehensive analytical product which is classified to safeguard sensitive matters.

FY 2015 Progress Update:

The fundamental purpose of our Armed Forces is to fight and win our Nation's conflicts. Therefore, it is critical the DoD continually assesses warfighting readiness and capabilities.

The Chairman's Readiness System (CRS) provides a common framework for conducting commanders' readiness assessments, blending unit-level readiness indicators with combatant command (COCOM), Service, and Combat Support Agency (CSA) (collectively known as the C/S/As) subjective assessments of their ability to execute the National Military Strategy (NMS).

Specifically, the CRS provides the C/S/As a readiness reporting system measuring their ability to integrate and synchronize combat and support units into an effective joint force ready to accomplish assigned missions.

The Readiness of the Department's Joint Forces and its ability to respond to a broad spectrum of conflict are collected, managed, assessed, and reported through the CRS. Readiness assessment results are provided on an as needed basis.

Strategic Objective: Deliver, position, and sustain forces from any point of origin to any point of employment.

OVERVIEW:

In FY 2015, the Department demonstrated progress in sustaining a ready force to meet the mission needs of the warfighter and continued implementing best practices. Specifically, DoD postured itself for removal of the inventory management aspect of supply chain management from GAO's High Risk List. In response to section 328 of the National Defense Authorization Act for Fiscal Year 2010, the Department continued to follow the Comprehensive Inventory Management Improvement Plan to guide collective efforts to improve inventory management between 2010 and 2016. The Department is prudently reducing excess inventory and decreasing the potential for future excesses, without degrading materiel support to the customer.

The Department continues to refine the mobility and sustainability of prepositioned war reserve materiel (PWMR) policy in support of the National Military Strategy. In FY 2015, DoD intensified focus on global prepositioned materiel capabilities and the Combatant Command's (COCOM's) risk associated with PWMR stock levels. As a result, DoD is revising strategic policy on PWRM.

The Warfighter depends on DoD logistics to deliver the right materiel to the right place, at the right time, in the right quantities to sustain the force. FY 2015 performance results for this strategic objective are presented below:

Performance Indicator:

DoD STRATEGIC GOAL #2: Sustain a Ready Force to Meet Mission Needs			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 2.2: Deliver, position, and sustain forces from any point of origin to any point of employment.			
PG 2.2.1: DoD will maintain the Army's average customer wait time at or below 15 days. (USD (AT&L))	Army customer wait time	FY10 Actual: 16.6 FY11 Actual: 14.1 FY12 Actual: 13.7 FY13 Actual: 13.8 FY14 Actual: 14.9	FY15 Target: 15 FY15 Result: 15.7
PG 2.2.2: DoD will maintain the Navy's average customer wait time at or below 15 days. (USD (AT&L))	Navy customer wait time	FY10 Actual: 12.7 FY11 Actual: 11.4 FY12 Actual: 12.6 FY13 Actual: 15.5 FY14 Actual: 15.4	FY15 Target: 15 FY15 Result: 16.6
PG 2.2.3: DoD will maintain the Air Force's average customer wait time at or below 7.5 days. (USD (AT&L))	Air Force customer wait time	FY10 Actual: 7.6 FY11 Actual: 5 FY12 Actual: 5.5 FY13 Actual: 5.6 FY14 Actual: 5.7	FY15 Target: 7.5 FY15 Result: 6.6

PG 2.2.4: By FY 2016, DoD will reduce and maintain the percentage of excess on-hand secondary inventory to eight percent of total on-hand secondary inventory. (USD (AT&L))	Percentage of excess on-hand secondary item inventory	FY10 Actual: 10.7 FY11 Actual: 9.2 FY12 Actual: 9.9 FY13 Actual: 7.2 FY14 Actual: 6.1	FY15 Target: 9 FY15 Result:8.3
PG 2.2.5: By FY 2016, DoD will reduce and maintain the percentage of secondary item excess on-order inventory to four percent of total on-order secondary item inventory. (USD (AT&L))	Percentage of excess on-order secondary item inventory.	FY10 Actual: 5.5 FY11 Actual: 4.8 FY12 Actual: 5.8 FY13 Actual: 7.6 FY14 Actual: 5.6	FY15 Target: 5 FY15 Result:3.2

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update:

The Office of the Assistant Secretary of Defense for Logistics and Materiel Readiness will conduct annual reviews of the goal against performance. Each DoD Logistics Component will review their performance in that process and adjust their goals appropriately. Army and Navy will revisit their Customer Wait Time (CWT) goals after the new systems are fully implemented and supply chain operations stabilize.

Global Combat Support System -Army (GCSS-A) is a new Army retail inventory management system. Wave I fields this system to Army's retail supply support activities (SSAs). As of November 2015, Army had fielded GCSS-A to 99% of their retail SSAs. Wave I will be completed by the end of CY15. Wave II involves replacement of Army's unit level supply and maintenance systems with GCSS-A. Currently, Army has fielded this system to 10% of those units. Wave II is expected to be completed at the end of CY17.

Areas of Significant Improvement:

In FY 2015, four of the six logistics support measures met their annual targets. The Air Force's cumulative CWTs performed better than the targeted goal (6.6 days against a goal of 7.5 days) throughout FY 2015. Army and Navy began implementing new supply chain management information systems which are providing significant improvements to analytical capabilities and root causes analysis. Percentage of excess on hand secondary item inventory was assessed at 8.3% of total inventory against a goal of 9.0% and percentage of excess on-order inventory was assessed at 3.2% of total materiel on order against a goal of 5.0%. DoD reduced these two goals from 10% and 6%, respectively, from FY 2014 to FY 2015.

Areas of Challenge:

Army fielded the new supply chain management information system to 7% of unit level locations and will continue fielding throughout FY 2016. Measurement of CWT will be further impacted as more internal Army Customers and warehouses are converted to the new system. Army expects CWT to improve or return to normal after the new system is fully implemented at the end of CY 2016.

Navy is also experiencing challenges during implementation of a new supply chain management system. Backorders accumulated during the initial stages of implementation of their new system, impacting CWT performance until those orders are filled.

Mitigation:

The office of the Assistant Secretary of Defense for Logistics and Materiel Readiness will conduct annual reviews of the goal against performance. Each DoD Logistics Component will review their performance in that process and adjust their goals appropriately. Army and Navy will revisit their CWT goals after the new systems are fully implemented and supply chain operations stabilize.

> Strategic Objective: Service Members separating from Active Duty are prepared for the transition to civilian life.

OVERVIEW:

People are the DoD's most valuable assets and critical to achieving all aspects of the DoD mission. Taking care of DoD Service members, their families, and civilian staff, especially during the ongoing drawdown after more than a decade of conflict, is a commitment that DoD continues to honor. DoD will make the most efficient use of the Total Force by targeting areas such as transition and strategic human capital planning to remain agile and responsive and to enable resilience across our workforce.

The DoD will focus on how to achieve lasting success for transitioning Service members both in preparing them for careers beyond the military and ensuring a smooth transition from active duty to veteran status. To effectively address these issues, DoD continues to implement policies and practices that focus on readiness and supporting Service members and their families.

Performance Indicator:

DoD STRATEGIC GOAL #3: STRENGTHEN AND ENHANCE THE HEALTH AND EFFECTIVENESS OF THE TOTAL WORKFORCE			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 3.1: Service members separating from Active Duty are prepared for the transition to civilian life.			
FY14/15 APG 3.1.1: By September 30, 2015, DoD will improve the career readiness of Service Members' transitioning to Veteran status by: 1) ensuring at least 85 percent of eligible Service Members complete new required transition activities prior to separation: pre-separation counseling, a Department of Labor (DoL) employment	Percent of eligible Service members who separated and attended (a) pre-separation counseling; (b) Department of Labor Employment workshop, and (c) Veterans Affairs Benefits briefings prior to their separation (Active Duty)	FY10-13 Actual: NA FY14 Actual: 63%	FY15 Target: 85% FY15 Result: 94%
	Percent of eligible Service members who separated and met Career Readiness Standards prior to their separation	FY10- 13 Actual: NA FY14 Actual: 34%:	FY15 Target: 65% FY15 Result: 88%

| workshop, and Veterans Affairs' (VA) benefits briefings; 2) verifying that at least 85 percent of separating service members meet newly-established Career Readiness Standards prior to separation; 3) accelerating the transition of recovering Service Members into Veteran status by reducing disability evaluation processing time; and 4) supporting the seamless transition of recovering Service Members by sharing active recovery plans with the VA. (USD (P&R)) | Percent of Service members who meet DoD Core IDES Process Time and Satisfaction goals | FY10- 11 Actual: NA
FY12 Actual: 24%
FY13 Actual: 32%
FY14 Actual: 79%: | FY15 Target: 80%
FY15 Result: 87% |
| | Percent of wounded, ill and injured (WII) Service members who are enrolled in a Service recovery coordination program and have an established and active recovery plan administered by a DoD trained Recovery Care Coordinator | FY10-11 Actual: NA
FY12 Actual: 68%
FY13 Actual: 100%
FY14 Actual: 100% | FY15 Target: 100
FY15 Result: 100% |

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update:

Separation VOW Compliance (Active Duty): Improved communication from senior leadership to the Service members has promoted understanding of VOW compliance requirements among Service members. Note that the VOW Compliance rate reflects only the known eligible Service members, that is – those for whom a DD Form 2958 was received by the Defense Manpower Data Center (DMDC). Through August fiscal year to date (FYTD) 2015, DMDC received DD Forms 2958 for 80.9% (122,706) of the 151,680 active duty VOW Act eligible separations. Of these 122,706 known eligible Service members, 94.3% were VOW compliant. Therefore, it is 'unknown' if the remaining 28,974 Service members were VOW compliant based on the DD Form 2958 data.

Separation Career Readiness Standards (Active Duty): Improved communication from senior leadership to the Service members has likely resulted in Service members better understanding the Career Readiness Standards (CRS) and ensuring they meet the CRS. Note that the CRS compliance rate reflects only the known eligible Service members, that is – those for whom a DD Form 2958 was received by the Defense Manpower Data Center (DMDC). Through August FYTD 2015, DMDC received DD Forms 2958 for 80.9% (122,706) of the 151,680 active duty VOW Act eligible separations. Of these 122,706 known eligible Service members, 88.4% met CRS or received a warm handover. Therefore, it is 'unknown' if the remaining 28,974 Service members met CRS or received a warm handover based on the DD Form 2958 data.

WII Assigned Recovery Care Coordinator (RCC) within 30 Days: WII Service members assigned to DoD trained RCCs within 30 days of enrollment was 100% for 4Q FY 2015. US Navy met the 100% DoD Priority Goal by increasing the case load requirement of current trained RCCs. 15 of the 17 new hires have completed training; the remaining 2 new hires will complete RCC training scheduled for 26-30 October, 2015.

Areas of Significant Improvement / Challenge:

Separation VOW Compliance (Active Duty): Continued communication from senior leadership (e.g., through all hands meetings) to eligible Service members should continue to positively

impact the VOW Compliance rate. In contrast, lack of complete DD Form 2958 data inhibits the Department's ability to maintain accountability for TAP delivery on installations.

Separation Career Readiness Standards (Active Duty): Continued communication from senior leadership to eligible Service members should continue to positively impact the CRS rate. In contrast, lack of complete DD Form 2958 data inhibits the Department's ability to maintain CRS accountability.

Mitigation:

Separation VOW Compliance (Active Duty): Transition to Veterans Program Office (TVPO) continues to work closely with DMDC and the Services to identify and resolve the gaps in data collection and transmission to ensure data accuracy and that the DD Forms 2958 are received for all separating active duty Service members. Note that the amount of DD Forms 2958 received is improving, with an increase from 79.5% of forms received in FY 2015 Q3 to 80.9% received during FY 2015 Q4.

Separation Career Readiness Standards (Active Duty): TVPO continues to work closely with DMDC and the Services to identify and resolve the remaining gaps in data collection and transmission to ensure data accuracy and that the DD Forms 2958 are received for all separating active duty Service members. Note that the amount of DD Forms 2958 received is improving, with an increase from 79.5% of forms received in FY 2015 Q3 to 80.9% received during FY 2015 Q4.

Next Steps:

Separation VOW Compliance (Active Duty): Continue close monitoring and collaboration between TVPO, DMDC, and the Services in FY 2016 to improve accountability for TAP service delivery.

Separation Career Readiness Standards (Active Duty): Continue close monitoring and collaboration between TVPO, DMDC, and the Services in FY 2016 to improve accountability.

Strategic Objective: Foster and encourage workforce initiatives that ensure employees are trained, engaged, and benefitting from a quality work life.

OVERVIEW:

The DoD will go beyond optimization of the DoD total workforce mix to address critical support areas to allow Service members and civilians to focus better on mission by addressing quality of life of military and civilian personnel and their families, and providing critical skill training to prepare Service members to more effectively participate in and support coalition and alliance operations. To accomplish this goal, DoD is initiating efforts to provide and maintain quality housing for military members and their families through a combination of privatization and military construction.

Performance Indicators:

DoD STRATEGIC GOAL #3: STRENGTHEN AND ENHANCE THE HEALTH AND EFFECTIVENESS OF THE TOTAL WORKFORCE			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 3.2: Foster and encourage workforce initiatives that ensure employees are trained, engaged, and benefitting from a quality work life.			
PG 3.2.1: The DoD will maintain at least 90% of worldwide government-owned Family Housing inventory at a facility condition index of 80% or more. (USD (AT&L)	% of world-wide government-owned Family Housing inventory at a facility condition index of 80% or more.	FY11 Actual: 81.5% FY12 Actual: 78% FY13 Actual: 79% FY14 Actual: 66%	FY15 Target: 80% FY15 Result: 70%
PG 3.2.2: DoD will maintain at least 90% of the worldwide government- owned permanent party unaccompanied housing a facility condition index of 80% or more. (USD (AT&L)	% of the worldwide inventory for government-owned permanent party unaccompanied housing a facility condition index of 80% or more.	FY10-11 Actual: N/A FY12 Actual: 77% FY13 Actual: 86% FY14 Actual: 70.7%	FY15 Target: 80% FY15 Result: 85%
PG 3.2.3: In FY 2015, DoD will fund facilities sustainment at a minimum of 80% of the Facilities Sustainment Model (FSM) requirement. (USD (AT&L)	Average Facilities Sustainment Rate	FY10 Actual: 88% FY11 Actual: 83% FY12 Actual: 85% FY13 Actual: 86% FY14 Actual: 82%	FY15 Target: 80% FY15 Result: NA

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update Family Housing / Unaccompanied Housing:

The Department missed the goals to maintain at least 90 percent of the worldwide inventory of government-owned Family Housing (FH) and permanent party Unaccompanied Housing (UH) at a facility condition index (FCI) of 80 percent or more. But the UH performance of 85 percent exceeded the FY 2015 target of 80 percent. FH performance at 70 percent fell short of the FY 2015 target of 80 percent.

Areas of Significant Improvement / Challenge:

Reduced funding for recapitalization and sustainment are the primary reasons why neither UH or FH performance DoD-wide is expected to meet the 90 percent goal by the end of FY 2021 (UH 85 percent and FH 80 percent). However, performance by the Services varies.

For UH, the Air Force achieved 99 percent performance in FY 2015, with a drop to only 94 percent expected by FY 2021. In FY 2015, the Marine Corps was only one percentage point below the goal, but in FY 2016 through FY 2021, it expects to maintain a performance of 90 percent. The Army anticipates performance will remain around 85 percent through FY 2021. With the Navy having the worst inventory of the Services (58 percent in FY 2015), they expect it will take until about FY 2040 to achieve a 90 percent performance.

For FH challenge is different in that almost all of the government-owned inventory is outside the U.S. FH maintenance in foreign countries has higher cost than in the U.S. and recapitalization and divestiture decisions take longer because of required coordination, and often funding, by

the host nation. With these factors, only the Marine Corps in FY 2015, with a 95 percent performance, exceeded the goal, and it should remain above the goal by FY 2021. In FY 2015, the Army and Navy Performance were 73 and 72 percent, respectively. By the end of FY 2021, the Navy expects to meet the 90 percent goal, but the Army expects to fall short (84 percent). The Air Force faces the most significant FH challenge because of a large number of inadequate units in Okinawa, which kept performance at 71 percent in FY 2021.

Mitigation:

With UH, the Services are facing reduced sustainment budgets throughout the POM, but placing greater emphasis on demolition and divestiture could help improve performance. For FH, a recently approved funding plan for Okinawa will improve Air Force performance. Another positive is the FH recapitalization plan for Guam, which is the primary driver for the Navy achieving the 90 percent goal by FY 2021.

Next Steps:

Continue to press for increase recapitalization and sustainment funding, and keep focus on right-sizing the UH and FH inventories due to force structure.

Strategic Objective: Ensure that we maintain a highly-skilled military and civilian workforce shaped for today's and tomorrow's needs.

OVERVIEW:

The DoD will initiate efforts to reinvent the Defense civilian workforce everywhere bringing in highly skilled people; rewarding people and promoting on the basis of performance and talent; and thinking about ways to broaden experiences for military service members. DoD will be more flexible in order to recruit and retain quality people and to create choices that open up opportunities to infuse a new generation of young citizens to pursue a career in DoD in career fields that are technical, competitive, and have greater educational requirements, such as cybersecurity, engineering and scientific research, etc. DoD is also investing in training more students to the limited working proficiency level in foreign languages of strategic influence through basic courses offered by the Defense Language Institute Foreign Language Center.

Performance Indicators:

DoD STRATEGIC GOAL #: STRENGTHEN AND ENHANCE THE HEALTH AND EFFECTIVENESS OF THE TOTAL WORKFORCE			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 3.3: Ensure that we maintain a highly-skilled military and civilian workforce shaped for today's and tomorrow's needs.			
PG 3.3.1: The DoD will increase the percent of acquisition positions filled with personnel meeting Levels II and III certification requirements from the previous fiscal year. (USD (AT&L)	Percent of acquisition positions filled with personnel meeting Levels II and III certification requirements.	FY10-11 Actual: N/A FY12 Actual: 70.1% FY13 Actual: 76.3% FY14 Actual: 80.6%	FY15 Target: >80.6% FY15 Result: 78.8%

PG 3.3.2: By the end of FY 2018, the Department will improve and maintain its timeline for all internal and external (direct hire authority, expedited hire authority, and delegated examining) civilian hiring actions at 80 days or less. (USD (P&R)	Time-to-Hire (days)	FY10 Actual: 116 FY11 Actual: 104 FY12 Actual: 83 FY13 Actual: 94 FY14 Actual: 89	FY15 Target: 80 FY15 Result: 83
PG 3.3.3: By the end of FY 2018, no less than 90% of non-prior service AC accessions will be Tier 1 High School Diploma Graduates (HSDG); no less than 60% of non- prior service AC accessions will be Category I-IIIA (scores in the top 50th percentile on the Armed Forces Vocational Apptitude Battery Test (ASVAB)); and no more than 4% of non-prior service AC accessions will be Category IV (21st to 30th percentile on the ASVAB; considered lower quality). (USD (P&R)	Active Components Enlisted Recruiting – Quality (HSDG)	FY10 Actual: 99% FY11 Actual: 99% FY12 Actual: 99.8% FY13 Actual: 99.6% FY14 Actual: 97.7%	FY15 Target: 90% FY15 Result: 98.9%
	Active Components Enlisted Recruiting – Quality (Cat I- IIIA)	FY10 Actual: 74% FY11 Actual: 77% FY12 Actual: 79% FY13 Actual: 75.3% FY14 Actual: 75.8%	FY15 Target: 60% FY15 Result: 74.3%
	Active Components Enlisted Recruiting – Quality (Cat IVs)	FY10 Actual: 0.20% FY11 Actual: 0.14% FY12 Actual: 0.140% FY13 Actual: 0.09% FY14 Actual: 0.23%	FY15 Target: <4% FY15 Result: 0.28%
PG 3.3.4: By FY2017, 66% of students entering the Defense Language Institute Foreign Language Center basic course will achieve a 2/2/1+ score on the DLPT in the reading, listening, and speaking modalities. (USD (P&R)	Percentage of students entering the Defense Language Institute Foreign Language Center (DLIFLC) basic course that achieve the 2/2/1+ Defense Language Proficiency Test (DLPT) standard in reading, listening, and speaking modalities as measured on the Interagency Language Roundtable performance scale.	FY10-11 Actual: N/A FY12 Actual: 77% FY13 Actual: 86% FY14 Actual: 70.70%	FY15 Target: 64% FY15 Result: 70.2%

Cross Agency Priority Goal (CAP) - Service Members and Veterans Mental Health: Improve mental health outcomes for Service members, Veterans, and their Families.

CAP - People & Culture: Innovate by unlocking the full potential of the workforce we have today and building the workforce we need for tomorrow.

Department of Defense engages with the CAP Goals for Service Members and Veterans Mental Health and People & Culture initiatives. This CAP Goal's progress can be located at www.performance.gov.

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report
Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update Acquisition Position Certification Requirements:

Note included is 17.6% of the workforce that is within a 24 month period allowed by policy for achieving their certification requirement by their position. The Director, HCI is considering revising the metric to more accurately focus on the percent that are not certified and outside the

24 month period. For FY 2015, for example, 3.7% of the acquisition workforce does not meet their position certification requirements and are outside the 24 month period.

FY 2015 APR Progress Update Time to Hire:

The average time to hire (TTH) for all hires is 83 days this quarter (Q4). The average TTH for FY 2015 is 83 days, down from 89 days in FY 2014* and slightly above the 80 day target.

Historically, we expect an increase in TTH from Q3 to Q4 each year. FY 2015 is no different, following the pattern of the last decade.

Overall, external hires with high and low position sensitivity are taking longer than similar internal hires. The TTH for temporary hires, which has been consistently lower than term/permanent hires for years, is now creeping upward in all Services. Over the years these actions have kept our aggregated time to hire down. Presentation of data by quarter independently instead of the cumulative presentation of the past shows repeatable seasonality over the last 10 years, altered only when hiring freezes and furloughs impacted the FY 2013 and FY 2014 data. Seasonality is driven by "seasonal hiring," typically temporary hires, that pull down the TTH (such as teachers, who are traditionally hired on a school year cycle, as well as student and summer hires). Environment changes, such as ships coming into port for overhaul, create a surge of temporary hires, which can decrease the TTH. However, seasonality and environment changes can also negatively affect hiring time efficiency when staff size decreases during summer and winter quarters, and changes in the methodology of hiring students occurs.

Other contributing factors that increased FY15 TTH include: Department of the Navy (DON) Q2FY15 prediction of a higher TTH in Q3 & Q4 due to "Operation Hiring Solutions" focusing on external hires and submitting actions as early as possible; and the temporary suspension of OPM Electronic Questionnaires for Investigations Processing (e-QIP).

OPM e-QIP was shut down on June 26, 2015 and restored on July 23, 2015, which led to significant delays and lengthened the TTH process.

Areas of Significant Improvement / Challenge:

There are several significant barriers to decreasing the TTH. Many of them are outside of the control of human resources (HR), either shared with other organizations (such as the security clearance timeline, medical testing, physical fitness examination, etc.) or the hiring managers (e.g., repeat advertisements to secure desired talent), or include required process steps for veterans preference, priority candidate consideration, etc. In addition, we expect continued residual negative impact on TTH in the upcoming quarters of FY16 from the OPM e-QIP suspension.

CPP/DCPAS has increased the level of DoD TTH analysis, and is consistently looking at Component TTH below what we now understand to be characteristic seasonal behaviors at the aggregate level. Communication with Components has been increased, and there is follow up on TTH behavior that does not follow established norms. For example, observed longTTH for temporary hires in the Navy was explained by a change in the manner the Navy now hires interns, with extensive time between the accepted offer and entrance on duty.   Reduced TTH in the AF, Q3FY15, was tracked to "operation burn down" a leveragable best practice of weekly review of lagging actions. This practice continues on a quarterly basis with the components.

Mitigation:

Time To Hire (TTH) for external/internal hiring actions was studied extensively during FY14, allowing better interpretation of hiring data. The hiring data was then analyzed, which provided an understanding of underlying behaviors driving performance to the metric. The review of

sensitivity designations (in response to the Cross-Agency Priority Goal of Insider Threat and Security Clearance Reform) will reduce the number of sensitive positions requiring extensive security checks and will reduce the TTH. The evaluation of hiring authority usage/effectiveness of special authorities has resulted in clarification of use, emerging guidance for consistency of use across the department (e.g., use of expedited hiring authority).   Evaluation and improvement of TTH is on-going, through review of Component processes, leveraging of best practices, and understanding and communication of hiring processes. Situations with generally lengthening TTH for low sensitivity positionsand temporary hires are being closely reviewed and addressed with the Components.

Next Steps:

Continue to monitor the TTH for all (internal and external) civilian hiring actions; analyze performance to an annual goal of 80 days (average); and take action when analysis determines intervention is warranted.
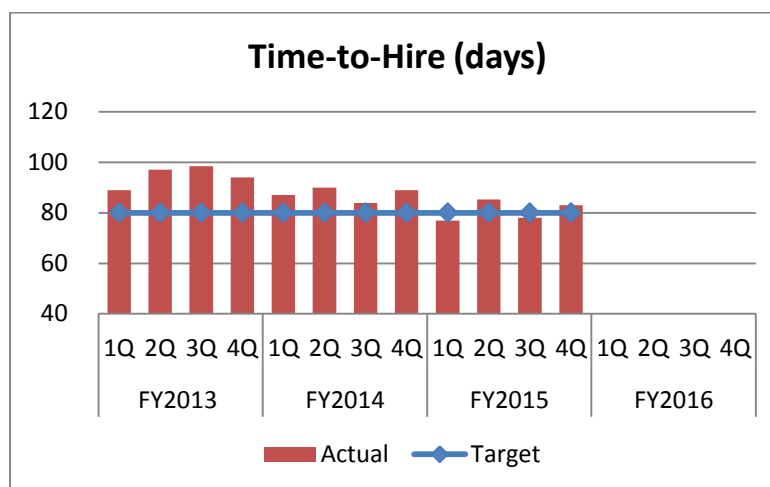
Time-to-Hire (days)

Chart 1 - Time-to-Hire (days) *FY 2013-2014 external hires, FY 2015 all hires

FY 2015 APR Progress Update Language Proficiency:

Language Proficiency: DLIFLC exceeded its quarterly target. Faculty performance improving as a result of 2+/2+ efforts (e.g.: Advanced Language Academy, more professional development workshops), more student immersions (ISO & OCONUS), improvements to curricula, and better focus on academic issues by Defense Language Institute Foreign Language Center (DLIFLC) Service Detachments.

Areas of Significant Improvement / Challenge:

Language Proficiency: Increased numbers of students completing the courses at the 2/2/1+ level and better base to reach 2+/2+.

Mitigation:

Language Proficiency: Build and encourage student learner autonomy; increase student global awareness and knowledge of their region of specialization; and oversee progress with a comprehensive quality assurance program.

Next Steps:

Language Proficiency: (1) DLSC continue to provide oversight (2) Focus on follow-on assignments to increase proficiency (3) continue focus on quality instruction, curriculum and pedagogy (4) Best practice sharing between DLIFLC and broader academia.
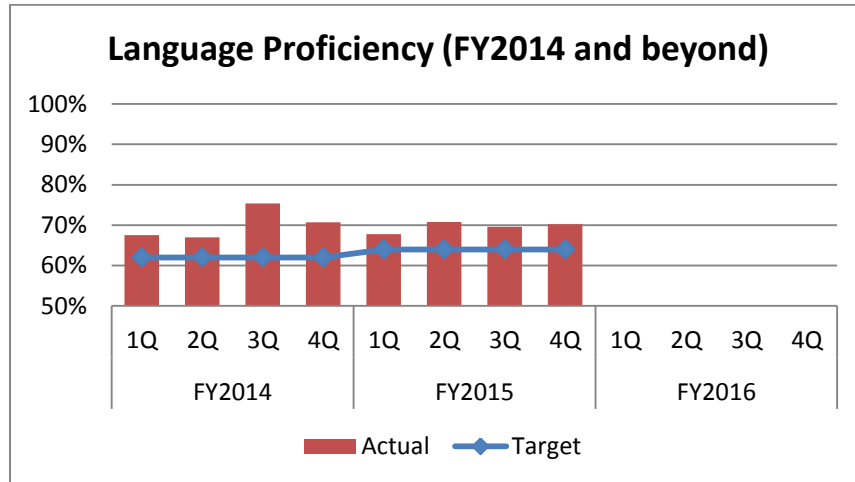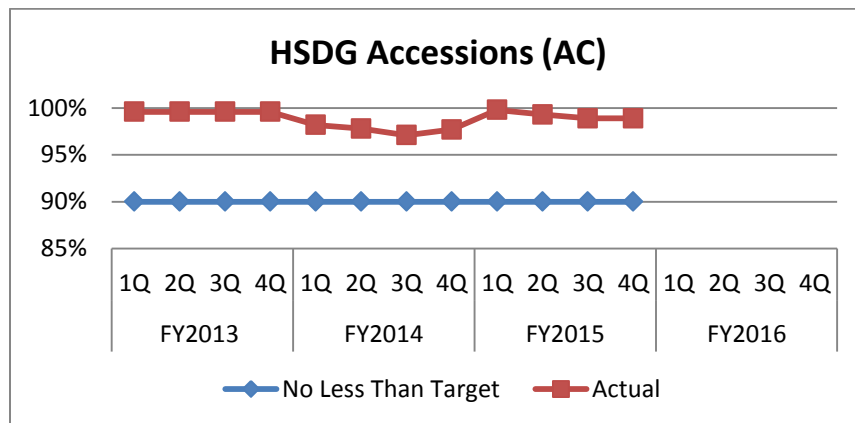
Language Proficiency (FY2014 and beyond)

Chart 2 - Language Proficiency

HSDG Accessions (AC)

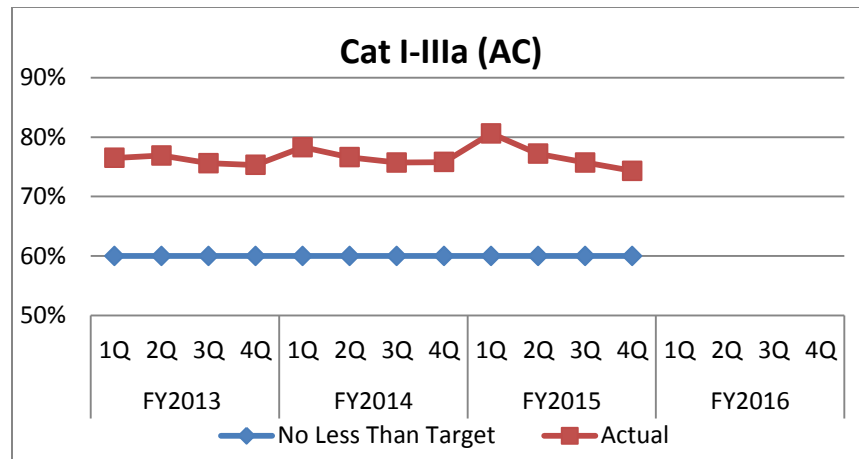**Chart 3 - HSDG Accessions Active Components (AC)**

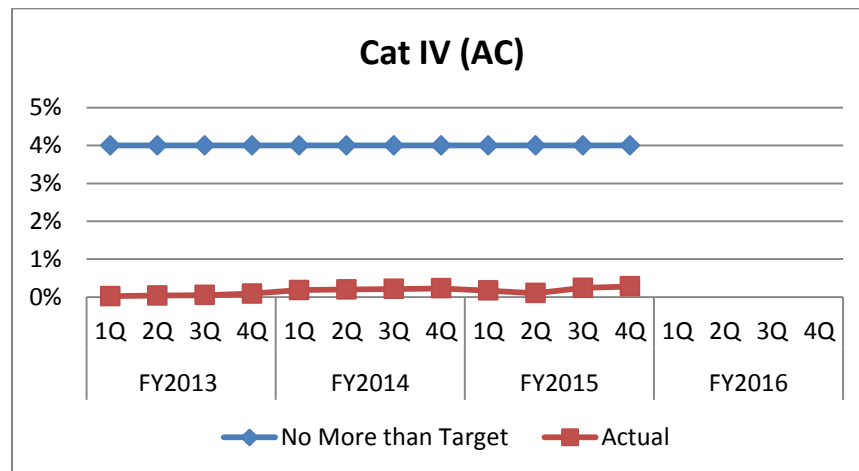**Chart 4 - Category I-IIIa Active Components (AC) accessions**

Chart 5 - Category IV Active Components accessions

Strategic Objective: Preserve investments to maintain our decisive technological superiority.

OVERVIEW:

The nation's long-term security depends on whether the DoD can address today's crises while preparing for tomorrow's threats. Continued fiscal pressure reinforces the need for DoD to innovate to respond to long-term challenges. In order to overcome challenges to the DoD's military superiority, the DoD must preserve those capabilities that give it a technological edge. At the same time, the DoD must prioritize investments that allow the nation to combat new technologies, national powers and non-state actors, as well as emerging asymmetric threats. The required speed of response is increasing every day, and processes and people must be in place to ensure continued technical superiority.

Performance Indicator:

DoD STRATEGIC GOAL #4: Achieve Dominant Capabilities through Innovation and Technical Excellence			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 4.1: Preserve investments to maintain our decisive technological superiority			
PG 4.1.1: By FY 2017, the DoD will have delivered 297 SM-3 Interceptors (all variants) to counter aerial threats. (USD (AT&L))	Cumulative number of Standard Missile - Model 3 (SM-3) Interceptors (all variants) delivered.	Actual cumulative deliveries thru end of FY 14: 181	FY15 Target: 210 FY15 Result: 209
PG 4.1.2: Maintain a strong technical foundation within the Department's Science and Technology (S&T) Program by transitioning completed demonstration programs. (USD (AT&L))	% of completing demonstration programs transitioning each year.	FY10 Actual: 61.5 FY11 Actual: 83 FY12 Actual: 83 FY13 Actual: 77 FY14 Actual: 82	FY15 Target: 40 FY15 Result: 82

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report
Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update, Science and Technology:

AT&L maintained a strong technical foundation within the Department's Science and Technology (S&T) Program by exceeding the target goal for transitioning completed demonstration programs.

Areas of Significant Improvement / Challenge:

In FY 2015, 82 percent of S&T funded demonstration programs transitioned, exceeding the goal of 40 percent. This achievement supports the Department's ability to maintain U.S. defense superiority.

Areas of Challenge:

Constrained and uncertain budgets present challenges across the DoD Enterprise. A strong investment in the Department's science and technology portfolio continues to be a priority.

Mitigation:

The goal was met in FY 2015. The Department continues to place an emphasis on a robust science and technology portfolio to ensure the U.S. military maintains its technological edge.

> Strategic Objective: Seek innovative approaches to improve cyber capability against growing threats.

OVERVIEW:

To counter the growing threat in Cyberspace, the DoD is building a Cyber Mission Force (CMF) to increase its capability and capacity to defend priority DoD networks and support joint warfighting requirements. The DoD supports the cyber mission by recruiting and hiring qualified, clearable cybersecurity personnel able to meet target fill rates within the Military Intelligence Program (MIP) and Information Systems Security Program (ISSP).

Threats to the DoD's networks, national critical infrastructure, and U.S. companies and interests continue to evolve, so it is vital to adequately organize, train, and equip the Cyber Mission Force to counter the threat. The Department continues to support the maturation of United States Cyber Command as an operational command to fulfill the DoD's three cyber missions:

1. Defend DoD networks and systems.

2. Defend the United States against cyberspace attacks that have potential to result in significant consequences.

3. Provide full-spectrum cyber options to support contingency plans and military operations.

To fulfill these missions, the DoD works closely with other U.S. Departments and agencies to support investigations of cyber-attacks, and protection of national critical infrastructure. To ensure the DoD can execute these missions, the DoD invests in the following priorities:

- Building the Cyber Mission Force: The Services continue to present personnel to create 133 fully operational teams by the end of FY 2018.

- Training the Cyber Mission Force: The Department is investing in innovative approaches to provide a virtual environment for cyber personnel to consistently train and mission rehearse across a wide range of threat environments.

- Equipping the Cyber Mission Force: The DoD continues to invest in diverse tools, platforms, and infrastructure to be able to conduct all three of its core missions.

Performance Indicators:

DoD STRATEGIC GOAL #4: Achieve Dominant Capabilities through Innovation and Technical Excellence			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 4.2: Seek innovative approaches to improve cyber capability against growing treats.			
PG 4.2.1: By FY 2016, the DoD will include in all new contracts, and as necessary modify contracts associated with critical programs and technology, the DFARS clause 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (USD (AT&L))	% of all new contracts plus critical programs and technology contracts that include DFARS clause 252.204-4102.	FY10-14 Actual: N/A New measure - ASP FY2015-2018	FY15 Target: 75 FY15 Result: 75

PG 4.2.2: Build the Military Intelligence Program portion of the Cyber Mission Force (CMF) to improve cyber capability and defend against growing threats. (USD (I))	Fill rate of Military Intelligence Program (MIP) and Information Systems Security Program (ISSP) billets of CMF.	FY10-14 Actual: N/A New measure - ASP FY2015-2018	FOUO See note on page 9-6
Cross Agency Priority Goal (CAP) - Cybersecurity: Improve awareness of security practices, vulnerabilities, and threats to the operating environment, by limiting access to only authorized users and implementing technologies and processes that reduce the risk from malicious activity. Department of Defense engages with the CAP Goal for Cybersecurity initiative. This CAP Goal progress can be located at www.performance.gov. The DoD Chief Information Officer (CIO) supports the CAP Cybersecurity Goal and is implementing the DoD Cybersecurity Campaign, Cybersecurity Discipline Implementation Plan, and DoD Cybersecurity Scorecard to rapidly improve cybersecurity posture. These complementary initiatives address the focus areas of the CAP cybersecurity goal, and the DoD Cybersecurity Scorecard includes a list of DoD's prioritized cybersecurity concerns that are reported monthly to the Secretary of Defense. The DCIO for Cybersecurity (CS) is leading and coordinating efforts to limit access to only authorized users and accelerating the implementation of technologies and processes that reduce risk to DoD. Specifically, DoD CIO issued a memorandum and United States Cyber Command issued orders mandating: (1) Immediate review of all privileged user accounts, to include in-person validation and disabling any accounts that are note valid and required, and (2) Accelerated implementation and reporting of DoD public key infrastructure system administrator and privileged user authentication. The Cybersecurity Discipline Implementation Plan also supports the CAP goal objectives with Lines of Effort focused on: Strong Authentication, Device Hardening, Reduce Attack Surface, and Alignment to Computer Network Defense Service Providers.			

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update, DFARS Clause 252.204-7012

For FY 2015, the Under Secretary of Defense for Acquisition, Technology and Logistics established a Clause Compliance scorecard to track the inclusion of DFARS Clause 252.204-7012 in all contracts awarded in 1Q FY14 and beyond. The Director, Defense Procurement and Acquisition Policy (DPAP) publishes the scorecard on a quarterly basis and posts the results to DPAP's Contract Scorecards website

(http://www.acq.osd.mil/dpap/pdi/eb/monthly_contract_distribution_metrics.html) as well as distributes them electronically.

FY 2015 APR Progress Update, Intelligence Portion of Cyber Mission Force:

Available upon request

> Strategic Objective: Improve acquisition processes from requirements definition to execution phase and through lifecycle enhancements, to acquire and sustain military-unique and commercial item

OVERVIEW:

In the Better Buying Power (BBP) initiative announced in September 2010, and re-emphasized in the November 2012 memorandum introducing BBP 2.0, the Under Secretary of Defense for Acquisition, Technology and Logistics (USD (AT&L)) directed the acquisition professionals in DoD to deliver better value to the taxpayer and warfighter by improving the way DoD does business. Next to supporting the Armed Forces at war, this was the President's and Secretary of Defense's highest priority for DoD's acquisition professionals. USD (AT&L) pointed out their continuing responsibility to procure the critical goods and services U.S. Armed Forces need in the years ahead without having ever-increasing budgets to pay for them. DoD's BBP initiatives focus attention on achieving affordable programs, controlling costs throughout the product lifecycle, incentivizing productivity and innovation in industry and government, eliminating unproductive processes and bureaucracy, promoting effective competition, improving tradecraft in acquisition of services, and improving the professionalism of the total acquisition workforce. On April 9, 2015, USD (AT&L) announced in an implementation directive the next step in the BBP continuum – BBP 3.0 Achieving Dominant Capabilities through Technical Excellence and Innovation. BBP 3.0 places a stronger emphasis on innovation, technical excellence, and quality of products.

DoD Components have incorporated BBP concepts into their acquisition programs, resulting in sound programs where requirements and resources are matched at program initiation.

Performance Indicators:

DoD STRATEGIC GOAL #4: Achieve Dominant Capabilities through Innovation and Technical Excellence			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 4.3: Improve acquisition processes from requirements definition to execution phase and through lifecycle enhancements, to acquire and sustain military-unique and commercial items.			
FY14-15 APG 4.3.1: By September 30, 2015, DoD will improve its acquisition process by ensuring that the median cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 2 percent from the previous year; the average rate of acquisition cost growth for MDAPs will not	Average rate of acquisition cost growth from the previous year for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after.	FY10-11 Actual: N/A FY12 Actual: -0.3 FY13 Actual: -1.42 FY14 Actual: 0.21	FY15 Target: </=3% FY15 Result: -0.41%
	Median percentage cycle time deviation from the previous year active Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after.	FY10 Actual: 4.4 FY11 Actual: 4.5 FY12 Actual: 6.6 FY13 Actual: 5.37 FY14 Actual: 0	FY15 Target: </=2% FY15 Result: 0%
exceed 3 percent from the previous year; the annual number of MDAP breaches significant or critical cost overruns for reasons other than approved changes in quantity will be zero; and DoD will increase the amount of contract obligations that arecompetitively awarded from 58 percent in FY 2014 to 59 percent in FY 2015. (USD (AT&L))	Number of Major Defense Acquisition Program (MDAP) breaches (equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost)	FY10 Actual: N/A FY11 Actual: 4 FY12 Actual: 1 FY13 Actual: 0 FY14 Actual: 1	FY15 Target: 0 FY15 Result: 0
	Percentage of contract obligations that are competitively awarded	FY10 Actual: 61.7 FY11 Actual: 58.5 FY12 Actual: 57.5 FY13 Actual: 56.9 FY14 Actual: 58.7	FY15 Target: 59% FY15 Result: 55.1%

> **Cross Agency Priority Goal (CAP) - Strategic Sourcing:** Expand the use of high-quality, high-value strategic sourcing solutions in order to improve the government's buying power and reduce contract duplication across government.
>
> Department of Defense engages with the CAP Goal for Strategic Sourcing initiatives. This CAP Goal progress can be located at www.performance.gov.
>
> DoD continues to work with OMB and OFPP as a contributing member of the Category Management Leadership Council (CMLC) in order to expand the use of strategic sourcing solutions across the DoD and Federal Government. The DoD continues to analyze contract spend in order to find solutions which increase savings, reduce duplication and increase spend under management. DoD also will be the Federal Category Manager for the Transportation Category.

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update:

The Department met three of the four goals.

Areas of Challenge:

For the competitively awarded contract obligation goal, the Department achieved a 55.1 percent competition rate for FY 2015. The Military Departments attributed difficulties with achieving their goals to high value sole source Foreign Military Sales and "Bridge" contracts having a significant impact on the FY 2015 competition rates. Additionally, contracts for major non-competitive shipbuilding and aviation programs driven by historical strategic decisions made years ago continue to impact competition achievement for the long term. Fiscal uncertainty, including at least a partial year continuing resolution, and continued downward pressure on base and Overseas Contingency Operations funding will negatively impact the FY 2016 and future competition rates.

Mitigation:

AT&L is undertaking additional analysis of FY 2014-2015 competition rates. For FY 2016, the Director of Defense Procurement and Acquisition Policy (DPAP), with Component input, will examine differing circumstances and projected competitive opportunities to enable more meaningful and achievable goals.

> Strategic Objective: Expand core capabilities in support of military interest

OVERVIEW:

To ensure tomorrow's military capabilities maintain a decisive technological edge, DoD relies on Intelligence Mission Data (IMD) (intelligence used for programming platform mission systems in development, testing, operations, and sustainment) to support acquisition programs that carry out combat identification, ISR, and targeting. In order to better provide intelligence support to acquisition and reduce intelligence gaps in support of major weapons systems, DoD will standardize processes for identifying and understanding consequences of IMD gaps, balancing risk and cost, understanding tradeoffs, and making informed investment decisions.

In order to prevent strategic surprise and serve as the nation's first line of defense in tomorrow's national security environment, DoD must continue to adapt and transform, by protecting and enhancing key capabilities supporting Global Coverage, Anti Access/Area Denial, and Counterterrorism. These capabilities include a persistent, integrated, and resilient overhead architecture; assured persistent Intelligence, Surveillance, and Reconnaissance (ISR); and extended range Reaper with advanced sensors. Ensuring that these capabilities meet key performance parameters and are delivered on schedule and on budget will improve the Defense Intelligence Enterprise's ability to enable U.S. strategic and operational advantage.

Robotic and autonomous systems are an increasingly important element of 21st century military and counter-terrorism operations. This importance includes unmanned systems in the land, air, space, and maritime domains; antimunitions systems, defensive weapons systems, cyber-attack and cyber defense systems. DoD will reshape the future force by deeper integration of robotic and autonomous systems across all Joint Capability Areas. Unmanned air, space, land, and sea vehicles and other robotic systems capabilities provide flexible options for Joint Warfighters and exploit the inherent advantages of these technologies, including persistence, size, speed, maneuverability, and reduced risk to human life. The DoD, in concert with industry, must pursue investments and business practices that drive down life-cycle costs for robotic and autonomous systems and further develop technologies related to their application across the force.

The rapid evolution of emerging commercial technologies and integration with military systems and novel concepts of operation is increasingly the source of adversarial battlefield advantage. DoD will pivot efforts towards fostering a robust and enduring relationship with the networks of innovation in the commercial technology sector, a foundational component to the nation's warfighting prowess, ensuring continued progression towards achieving technical superiority by the United States.

Performance Indicators:

DoD STRATEGIC GOAL #4: Achieve Dominant Capabilities through Innovation and Technical Excellence			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 4.4: Expand core capabilities in support of military interest			
PG 4.4.1: By the end of FY16, the DoD will achieve a deeper integration of the Joint Concept for Robotic and Autonomous Systems (JCRAS) in the future Joint Force. (JS (J8))	% JCRAS implemented	FY10-14 Actual: N/A New measure - ASP FY2015-2018	FY15 Target: N/A FY15 Result: 0%
	% JCRAS	FY10-14 Actual: N/A New measure - ASP FY2015-2018	FY15 Target: 50 FY15 Result: 60%

Cross Agency Priority (CAP) - STEM Education: Improve science, technology, engineering, and mathematics (STEM) education by implementing the Federal STEM Education 5-Year Strategic Plan, announced in May 2013.

Department of Defense engages with the CAP Goal for STEM Education. This CAP Goal's progress can be located at www.performance.gov.

The DoD STEM Education and Outreach programs and activities continue to provide services in the Pre-Kindergarten through 12th, Undergraduate and Graduate Continuum. As resources allow, the programs are expanded and implemented both nationally and internationally for DODEA schools. DoD has realized a ~7% increase in participation in programs across the education continuum.
This increase is due to a concerted effort by the Department to increase coordination (e.g., awareness, monitoring, reporting) to ensure complete data; improve communication with partners and ensure consistency of data gathering and reporting; increase stability and control STEM community support; and expand programs. The DoD has produced a FY16-20 STEM Strategic Plan, fully aligned to the Federal STEM Education 5-Year Strategic Plan. DoD STEM participates in the Federal Co-STEM Interagency Working Groups implementing the Federal Plan.

CAP - Lab-to-Market: Increase the economic impact of federally-funded research and development by accelerating and improving the transfer of new technologies from the laboratory to the commercial marketplace.

Department of Defense engages with the CAP Goal for Lab-to-Market initiatives. This CAP Goal's progress can be located at www.performance.gov.

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report
Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 APR Progress Update:

The Joint Staff will begin FY 2017 with an Implementation Plan for the newly developed Joint Concept for Robotic and Autonomous Systems. The plan is designed to provide a phased approach for the holistic integration of robotic and autonomous systems (RAS) into the DoD over the next 15-20 years. The strategy of the transition plan is to allow contemporary and cutting-edge technology to quickly inform Concepts of Operations (CONOPS) and integrate seamlessly into the joint force and evolve along with the current state of technology thereby increasing the human physical and cognitive performance.

Strategic Objective: Achieve efficiencies and effectiveness to redirect resources to direct support of combat, combat support, and combat service support elements of the DoD.

OVERVIEW:

The DoD will continue to experience downward fiscal pressure, making it necessary to consider trades among operations and maintenance, readiness, procurement, and modernization expenditures. This pressure is coupled with the imperative to remain focused on actual mission outcomes, thus continued attention to controlling and reducing the cost of overhead and management structures is essential. Any reduction to these costs will allow the Department to continue to sustain investments in readiness and modernization activities while ensuring that the reductions don't negatively impact these activities. Collaboration across the DoD will occur to reform the Defense institution in an effort to reduce complexity and dramatically lower the cost

of back-office business areas, including human resources, procurement, logistics, service contracting, real estate and property management, health care, and financial management. Creating the internal management capacities and capabilities to address these challenges will not only reduce costs, but create a 21st century corporate office better suited to support and resource the warfighter of the future. Improving the processes that drive the Defense institution will help the DoD better understand the costs and risks associated with mission outcomes. Instilling a strong cost culture across the DoD is critical to enabling the Business Mission Area to deliver value to the warfighter. Knowing what it costs to deliver business capabilities will allow DoD leaders to assess the return on investment leading to improved decision making across the organization.

Performance Indicator:

DoD STRATEGIC GOAL #5: REFORM AND RESHAPE THE DEFENSE INSTITUTION			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
SO 5.1: Achieve efficiencies and effectiveness to redirect resources to direct support of combat, combat support, and combat service support elements of the DoD.			
APG FY14-15 5.1.1: By September 30, 2015, the DoD will improve its facility energy performance by: 1) reducing average facility energy intensity by 30 percent from the 2003 baseline of 117,334 BTUs per gross square foot, and 2) producing or procuring renewable energy equal to12 percent of its annual electric energy usage. (USD AT&L) *2015 Annual results will be available in January 2016.*	Cumulative average percent reduction in building energy intensity.	FY10 Actual: 12.3 FY11 Actual: 13.3 FY12 Actual: 17.7 FY13 Actual: 17.2 FY14 Actual: 17.6	FY15 Target: 30 FY15 Result: NA
	Percentage of renewable energy produced or procured based on DoD's annual electric energy usage.	FY10 Actual: 9.6 FY11 Actual: 8.5 FY12 Actual: 9.6 FY13 Actual: 11.8 FY14 Actual: 12.3	FY15 Target: 12 FY15 Result: NA
PG 5.1.3: By Q4FY 2016, ensure key capabilities meet cost, schedule, and performance requirements to protect and/or enhance defense intelligence capabilities in the areas of global coverage, Anti- Access/Area Denial (A2/AD) environments, counterterrorism, and counter proliferation.(USD(I)	Defense Intelligence Capabilities Index (Aggregate cost (CPI), schedule (SPI) and performance (Key Performance Parameters) of top 15 capabilities).	FY10-14: N/A (new metric) New measure - ASP FY2015-2018	FOUO See note on page 9-6
PG 5.1.4: Achieve improved mission effectiveness, efficiency, and security across the DoD, IC, and with our international partners through seamless integration of intelligence information enterprise IT capabilities into both the Joint Information Environment (JIE) and the IC ITE. By Q4FY2016 ensure 50% of services in the Defense Intelligence Information Enterprise (DI2E) conform to Technical Profile Package standards and specifications. (USD(I)	% conformance of DI2E services with Technical Profile Package standards and specifications.	FY10-14: N/A (new metric)x New measure - ASP FY2015-2018	FOUO See note on page 9-6

Cross Agency Priority Goal (CAP) - Smarter IT Delivery: Improve outcomes and customer satisfaction with federal services through smarter IT delivery and stronger agency accountability for success.
CAP - Open Data: Fuel entrepreneurship and innovation and improve government efficiency and effectiveness by unlocking the value of government data and adopting management approaches that promote interoperability and openness of this data.
CAP - Shared Services: Strategically expand high-quality, high value shared services to improve performance and efficiency throughout government.
CAP - Infrastructure and Permitting Modernization: Modernize the Federal permitting and review process for major infrastructure projects to reduce uncertainty for project applicants, reduce the aggregate time it takes to conduct reviews and make permitting decisions by half, and produce measurably better environmental and community outcomes.

Department of Defense engages with the CAP Goals for Smarter IT Delivery, Open Data, Shared Services and Infrastructure and Permitting Modernization initiatives. This CAP Goal's progress can be located at www.performance.gov.

Cross Agency Priority Goal (CAP) - Climate Change (Federal Actions): More than double Federal government consumption of electricity from renewable sources to 20% by FY 2020 and improve energy efficiency at Federal facilities including $4 billion in performance contracts by CY 2016 as part of the wider strategy to reduce the Federal Government's direct greenhouse gas emissions by 28% and indirect greenhouse gas emissions by 13% by FY 2020 (2008 baseline).
Executive Order 13693, signed by on March 25, 2015revokes the Presidential Memorandum of December 5, 2013, which included the renewable energy goal of 20% by 2020.

Department of Defense engages with the CAP Goal for Climate Change (Federal Actions) initiatives. This CAP Goal progress can be located at www.performance.gov.

The Department's energy data for FY 2015 will be available in January 2016.

DoD remains committed to reducing energy use through third-party financed contract vehicles like Energy Savings Performance Contracts (ESPC) and Utility Energy Service Contracts (UESC). Since the beginning of the President's Performance Contract Challenge in December 2011, $1.3 billion in ESPCs and UESCs have been awarded, with an additional $2.0 billion in the pipeline.

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report
Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

Measuring our Progress

FY 2015 Energy Performance Progress Update:

The Department's energy data for FY 2015 will be available in January 2016.

Areas of Significant Improvement:

The Department's energy data for FY 2015 will be available in January 2016.

Areas of Challenge:

While DoD continues to invest in cost-effective energy efficiency and conservation measures to improve goal progress, challenges remain that may limit future reductions. These challenges will include: (1) budget sequestration and delayed appropriations, which creates obstacles for planning and executing long-term energy efficiency and conservation projects, and (2) uncontrollable variables such as weather and temperature variability (i.e., heating and cooling degree days), increasing facility energy use.

Mitigation:

DoD will execute facility energy conservation projects, applying sustainable design principles and introducing efficient building technologies to new construction and retrofits. All newly constructed buildings must comply with the five principles of High Performance Sustainable Buildings; and they must exceed American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE's) energy efficiency standards by at least 30 percent. Military Department plans to each develop 1 GW of renewable energy by 2025 are ongoing.

FY 2015 APR Progress Update, Defense Intelligence Capabilities, and Defense Intelligence Information Enterprise: Available upon request; on an as needed basis.

Strategic Objective: Improve financial processes, controls, and information via audit readiness.

OVERVIEW:

The National Defense Authorization Act of 2010 mandates that the DoD have audit ready financial statements by 2017. Audit ready means the Department has strengthened its internal controls and improved its financial practices, processes, and systems so there is reasonable confidence the information can withstand an audit by an independent auditor. Improving audit readiness across the Department supports improved efficiencies, financial stewardship, and productivity in business operations. The DoD reporting entities and service providers' requirements focus on improving controls and processes to support information that is often used to manage the DoD, while continuing to work towards financial, information technology, and support documentation improvements. Improving audit readiness across the Department's financial entities is a critical step in achieving sustained cost savings and improving business outcomes. A key component of the Department's audit readiness goal is to validate the existence and accountability of "mission critical assets," such as real property, military equipment, general equipment, operating materials and supplies, and inventory balances. Hence, the DoD has expanded its priorities in support of readiness goals to include not only budgetary information, but also proprietary accounting data and information, mission critical asset information, and valuation. The expansion of priorities includes a continued focus on critical capabilities to include critical systems internal controls that impact financial statements, fund balance with Treasury reconciliations, complete universe of accounting transactions, property existence and completeness and property rights, and property valuation, environmental liabilities, and open obligations.

Performance Indicators:

DoD STRATEGIC GOAL #5: REFORM AND RESHAPE THE DEFENSE INSTITUTION			
Performance Goals	**Performance Measure Indicators**	**Prior Year Results**	**FY15 Results**
Strategic Objective (SO) 5.2: Improve financial processes, controls, and information via audit readiness.			
APG FY14-15 5.2.1: By FY 2015, DoD will validate 83 percent of its mission critical assets for existence and completeness; validate audit readiness for 99 percent of the Funds Balance with Treasury (FBwT) for DoD components financed with General Funds; and validate audit readiness for all material Schedules of Budgetary Activity (SBA) for DoD components financed with General Funds. (OUSD(C)	Percent of DoD mission- critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated as audit-ready for existence and completeness.	FY10 Actual: 4% FY11 Actual: 4% FY12 Actual: 41% FY13 Actual: 50% FY14 Actual: 65%	FY15 Target: 83% FY15 Result: 76%
	Percent of DoDs general funds Statement of Budgetary Activity for material Components validated as audit-ready.	FY10 Actual: 14% FY11 Actual: 14% FY12 Actual: 14% FY13 Actual: 19% FY14 Actual: 90%	FY15 Target: 99% FY15 Result: 64%*
	Percentage of DoDs General Funds, Funds Balance with Treasury validated as audit ready.	FY10 Actual: 9% FY11 Actual: 9% FY12 Actual: 9% FY13 Actual: 9% FY14 Actual: 31%	FY15 Target: 47% FY15 Result: 7%*
	Valuation of Mission Critical Assets.	FY10-14: N/A (new metric)	FY15 Target: 18% FY15 Result: 4%

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2015 Annual Performance Report

Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

*The FY15 results included rescinding Component assertions that were accounted for in prior year actual results. Exams performed by the DoD Office of the Inspector General and independent public accounting firms identified deficiencies in these performance areas.

Measuring our Progress

FY 2015 APR Progress Update:

The Department has collaborated with Independent Public Accountants and the Federal Accounting Standards Advisory Board to issue policies governing Existence, Completeness, and Rights. The DoD will continue to implement and monitor corrective actions for existence, completeness at Reporting Entities.

The Department has issued policies governing valuation baselines for inventory/operating material and supplies, real property assets, and internal use software. Several reporting entities are working to develop valuation methodologies for new acquisitions.

The Department will continue to implement and/or monitor corrective actions to establish for existence, completeness at Reporting Entities; valuing Mission Critical Assets (MCA); auditor identified deficiencies; and analyze Fund Balance with Treasury (FBWT) differences and processes to identify root causes for corrective action. The DoD will continue audits for the Military Services' current year, general fund budgetary activities; examinations for multiple

Defense Agencies' current year, general fund activities; and implement corrective actions impacting the Defense Agencies' budgetary activities.

Areas of Challenge:

The size, diverse functional scope of business operations and frequently non-standard, decentralized execution of support operations makes audit readiness an extremely challenging endeavor.

Areas of challenge include:

- Valuation of Assets: Valuation of General Property, Plant, and Equipment and of Inventory and Related Property is critical. Many of the Department's assets were acquired decades ago and before there was a requirement to produce financial statements. As a result, the acquisition and cost documents required for supporting valuation and audit are often no longer available. For these assets, the Department must use alternative valuation methods.

- Fund Balance with Treasury: Due to the size of the Department's budget and the enormous amount of funds expended and collected, the number of accounting transactions that must be reconciled between the Department's accounts and Treasury is very large and the task complex.

- Statement of Budgetary Resources:

  o Universe of Transactions- Providing complete universes of transactions is especially challenging for the Components because of the numerous accounting systems used to initiate and record transactions as well as hundreds of feeder systems where most transactions originate.

  o Beginning Balances-Components must verify that open obligations for all active and expired appropriations are supported before beginning Statement of Budgetary Resources (SBR) audits, and many hundreds of open and expired appropriations must be reviewed.

Mitigation:

A strategy has been implemented that includes close engagement with Standards setters and the larger audit community such as the Department of Defense Office of the Inspector General, the Federal Accounting Standards Advisory Board, and independent public accounting firms to define cost efficient solutions for audit "show stoppers". As a result, the Department has issued policies, established working groups to address critical capabilities needed for audit, and is in the process of developing detailed implementation plans. The Department will continue to assess risks against these critical capabilities and adjust corrective actions accordingly. The OUSD(C) Financial Improvement Audit Readiness (FIAR) Directorate is revising the FY 2016-2017 APG measurements/goals to provide a more direct focus on progress measures for specific critical path/risk areas aligned to ensuring the Departments' financial statements are audit ready by 2017.

> Strategic Objective (SO): Establish an enterprise framework for valuation and accountability of results, outcomes, cost, and risk.

OVERVIEW:

The DoD's participation in the Federal Benchmarking activities culminated with the 2015 FedStat Review with the Office of Budget and Management (OMB). The results and outcomes of the FedStat Review and the Benchmarking effort are discussed in detail in Section Three (3) of this report.

Cross Agency Priority Goal (CAP) - Benchmarking: Improve administrative efficiency and increase the adoption of effective management practices by establishing cost and quality benchmarks of mission-support operations and giving agency decision-makers better data to compare options, allocate resources, and improve processes. Focus Areas: Contracting, Financial Management, Human Capital, Information Technology, and Real Property.

Department of Defense engages with the CAP Goal for Benchmarking initiatives. This CAP Goal progress can be located at www.performance.gov.

Overview of the FY 2015 APR Measures Update

The FY 2015 APR report contains 44 performance measures in comparison to the FY 2014 APR report that contained 69 performance measures. Several measures were discontinued due to refinements in strategic direction, while other measures were refined and reclassified, preventing their inclusion in this unclassified report.

9.4 2015 Performance Reviews, Assessments and Reports

The DoD conducts a full range of reviews and assessments in an effort to safeguard readiness of the nation's warfighters, and warfighter capabilities; demonstrate leadership commitment and capacity (people and resources) of the Department's priority programs; and ensure continuous business process improvement. The Department's commitment to complete and meaningful progress reporting is evident in the wide range of operational and business reports that monitor and demonstrate progress of priority areas across the Department. This section of the 2015 APR will discuss a few of the DoD reviews, assessments, and reports.

The CRS provides a common framework for conducting commanders' readiness assessments, blending unit-level readiness indicators with combatant command (COCOM), Service, and CSA subjective assessments of their ability to execute the National Military Strategy (NMS). Specifically, the CRS provides the C/S/As a readiness reporting system measuring their ability to integrate and synchronize combat and support units into an effective joint force ready to accomplish assigned missions. Results of readiness assessments are classified and available upon request; on an as needed basis.

The Planning, Programming, Budgeting, and Execution (PPBE) Process, referred to hereon as PPBE, serves as the annual resource allocation process for DoD within a quadrennial planning cycle. The Quadrennial Defense Review (QDR), force development guidance, program guidance, and budget guidance are the principal guides used in the PPBE. Programs and budgets are formulated annually. The budget covers one year, and programs encompass an additional four years. The Under Secretary of Defense (Comptroller)/Chief Financial Officer (USD(C)/CFO), Under Secretary of Defense for Policy (USD(P)), Chairman of the Joint Chiefs of Staff and the Joint Staff (CJCS), Director, Cost Assessment and Program Evaluation (DCAPE), Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), Under Secretary of Defense for Personnel and Readiness (USD(P&R)), Under Secretary of Defense for Intelligence (USD(I)), DoD Chief Information Officer (DoD CIO), and the Heads of the DoD Components play major roles in the PPBE. Collectively, the Department publishes

planning guidance, conducts, coordinates, and/or participates in budget review, program execution, and performance reviews.

For detailed information on the PPBE, refer to DODD 7045.15 located at: http://www.dtic.mil/whs/directives/corres/pdf/704514p.pdf. For additional insight into the Chairman of the Joint Chiefs of Staff, Combatant Commanders, Chief, National Guard Bureau, and Joint Staff Participation in the PPBE, refer the CJCSI 8501B located at: http://www.dtic.mil/cjcs_directives/cdata/unlimit/8501_01.pdf .

The Defense Acquisition System exists to manage the nation's investments in technologies, programs, and product support necessary to achieve the National Security Strategy and support the United States Armed Forces. The investment strategy of the Department of Defense is postured to support not only today's force, but also the next force, and future forces beyond that. The primary objective of Defense acquisition is to acquire quality products that satisfy user needs with measurable improvements to mission capability and operational support, in a timely manner, and at a fair and reasonable price. One of the guiding principles of the Defense Acquisition System is "Streamlined and Effective Management", which require the Milestone Decision Authority to ensure accountability and maximize credibility in cost, schedule, and performance reporting. For detailed information on the Defense Acquisition System, refer to DODD 5000.01 located at: http://www.dtic.mil/whs/directives/corres/pdf/500001p.pdf and Operation of the Defense Acquisition System DODD 5000.02 located at: http://bbp.dau.mil/docs/500002p.pdf .

The DoD budgets over $7 billion a year for business system investments. Title 10 United States Code § 2222, includes requirements for investment review and certification of defense business systems prior to obligation of funds. The Department's investment management process is used to ensure that IT capital investments are aligned to strategies, modernize and eliminate legacy systems and permit interoperability. For FY 2015 Defense business system programs, the process resulted in the Defense Business Council (DBC) reviewing certification requests of $6.996B and approving $6.379B for 1,173 Defense Business Systems (DBS). To implement the investment management process, the DCMO issued guidance to ensure that the Department continues to treat its business system investments with the balance of purpose and discipline that will enable cost savings to be redirected to critical operational needs of the warfighter. The guidance, updated annually, creates an Integrated Business Framework (IBF) to align broad Departmental strategy with functional and organizational strategy, all the way to system implementations. This framework uses Functional Strategies and Organizational Execution Plans to help achieve the Department's target business environment. For detailed information on the Defense Investment Review Board, refer to the Guidance for Review and Certification of Defense Business Systems and implementation memoranda located at: http://dcmo.defense.gov/Portals/47/Documents/Governance/6March2015_DBSIMP_guide.pdf and http://dcmo.defense.gov/Portals/47/Documents/Governance/DBSIMP_guide_Vs3_4.pdf

The Performance Improvement Officer (PIO) conducts quarterly data-driven reviews of the Department's agency priority goals as published on www.performance.gov via the Defense Business Council (DBC). When appropriate, the PIO elevates at-risk performance goals to the Deputy Secretary of Defense (DEPSECDEF) / Chief Operating Officer (COO) via the Deputy's Management Action Group (DMAG).

In 2015, the PIO addressed the agency priority goals published on performance.gov with the DBC on three occasions. On January 27, 2015, the PIO presented the 2014 Annual Performance Report and discussed the 2015 Performance Review Way-Forward. On August 25, 2015 and November 17, 2015, the PIO conducted the third and fourth quarter performance reviews, respectively of the agency priority goals published on performance.gov. The agenda

and meeting summaries can be viewed at www.dbc.osd.mil. On June 5, 2015, the PIO, in collaboration with the Office of Management and Budget (OMB) conducted the 2015 FedStat Review. The FedStat review served two purposes - to review the second quarter performance results and discuss DoD management challenges with DoD CxO Council members with their Federal counterparts. During each of the three performance reviews conducted in 2015, DoD reviewed the progress of the agency priority goals published on performance.gov; discussed at-risk goals and improvement strategies; discussed activities that contributed to the goals planned progress; and identified and documented all follow-up actions. Detailed meeting notes and follow-up actions are available upon request; on an as needed basis.

The Department is committed to ensuring the performance information used to inform management decisions is based on current, complete, and accurate data. In FY 2015, the PIO reviewed and updated the performance data verification and validation practices and, refined the Performance Goal Action Plans to include a data verification and validation section for each performance measure, and the goal owner completeness and reliability statement with the official coordination package. As we strengthen the Department's Enterprise Performance capability, additional improvements will be addressed to ensure the reliability of performance information.

The Department's commitment to observing lessons learned, reviewing improvement opportunities, and reporting progress is evident in the publication of reports across the Department through the Offices of the Undersecretaries of Defense.

The Office of the Undersecretary of Defense for Personnel and Readiness published the following reports in 2015 that align with agency priority goals published on performance.gov and/or a GAO High Risk Area:

VA/DoD Joint Execution Committee Annual Report FISCAL YEAR 2014 in close collaboration with the Department of Veteran Affairs.

Evaluation of the TRICARE Program: Access, Cost, and Quality FISCAL YEAR 2014 Report to Congress, published in February 2015, demonstrates progress made toward the Defense Health Strategic Direction and Priorities.

To help address the crime of sexual assault within the Military, the DoD and the military Services conduct comprehensive sexual assault assessments and issue reports. The DoD Fiscal Year 2014 Annual Report on Sexual Assault in the Military was provided to Congress on May 1, 2015 and Sexual Assault Prevention and Response was provided to the President of the United States on November 2014.

The Office of the Undersecretary of Defense for Acquisition, Technology, and Logistics published the following reports in 2015 that align with agency priority goals published on performance.gov and/or a GAO High Risk Area:

Performance of the Defense Acquisition System 2015 Annual Report, published in September 2015, builds on and extends the series of data from the past two Defense Acquisition System reports.

Department of Defense Annual Energy Management Report Fiscal Year 2014, published in May 2015, exhibits progress made toward meeting installation energy program goals. Additionally, the Department is committed to improving the use of operational energy warfighting; information regarding the *Operational Energy Strategy* and progress is located in the FY 2014 Operational Energy Annual Report, published in June 2015.

The Office of the Undersecretary of Defense (Comptroller) published Financial Improvement and Audit Readiness Plan Status Reports that align with agency priority goals published on performance.gov and/or a GAO High Risk Area, these updates are located at: http://comptroller.defense.gov/fiar/plan.aspx, the latest update was published in November 2015.

Summary of Performance and Financial Information Fiscal Year 2014, published in February 2015.

Conclusion

The reviews, assessments, and reports discussed in this section represent a small sampling of the evidence that the Department of Defense is committed to:

- Improving long term strategy and strategic outcomes;

- Facilitating, identifying, and adopting improvement opportunities;

- Identifying the needs for additional skills or other capacity; and

- Improving transparency.

The DoD will continue to pursue improvement opportunities and act as a careful steward of taxpayer dollars.