FISCAL YEAR (FY) 2020 ANNUAL PERFORMANCE PLAN

&

FY 2018 ANNUAL PERFORMANCE REPORT

FY 2018-FY 2022

The 2018 National Defense Strategy (NDS) articulates the Department's strategy based on three major lines of effort to provide for the common defense of the United States:

- Rebuilding military readiness as we build a more lethal Joint Force;
- Strengthening alliances as we attract new partners; and,
- Reforming the Department's business practices for greater performance and affordability.

As the Acting Chief Management Officer (CMO), I lead the reform efforts for the Department of Defense. It is our responsibility to deliver optimized business operations and shared services to assure the successful implementation of the NDS. This is made possible by the critical authorities granted in U.S.C. 132a. This law provides the CMO authority to direct the Principal Staff Assistants, Military Services, Combatant Commands, and the Defense Agencies and DoD Field Activities (DAFAs) with regard to business operations.

The Department is data rich and information poor, which is why data management and analytics are a top priority. Accessing meaningful data will better inform decisions, improve the allocation of resources, and ensure accountability through outcome based performance measures. I am committed to reforming the Department's business practices for greater performance, affordability, and accountability. We are driving transformational improvement for business processes, systems, and policies to increase effectiveness and performance, while aligning and reprioritizing savings to support the NDS. These improvements fundamentally change the way we do business during each iteration of reform, which provides immediate value to the Department rather than waiting until full implementation. Successful reform provides the momentum necessary to sustain improvements that will result in a cultural change.

The FY 2018 – FY 2022 National Defense Business Operations Plan (NDBOP) details the Department's strategy for business operations and reform. The NDBOP supplements the NDS and directly contributes to its implementation. As a result of ongoing reform efforts the Department has realized more than $4.7B in programmed savings in FY 2017 and FY 2018, with a $46B target for FYs 2018-2022. The DoD FY 2020 Annual Performance Plan (APP) and the FY 2018 Annual Performance Report (APR) support implementation of the NDBOP, and improve accountability within the Department. The APP updates performance goals and targets from the previous year, and the APR communicates the Department's progress each year towards achievement of the strategic objectives and performance goals included in the FY 2018-2022 NDBOP.

Every military member, civilian and contractor has a shared responsibility to support reform efforts to gain full value from every taxpayer dollar spent on defense, thereby maintaining the trust of Congress and the American people. ***Efficiency for Lethality***.

Lisa W. Hershman
Acting Chief Management Officer

ABOUT THIS REPORT

This report fulfills the Government Performance and Results Act (GPRA) and Modernization Act Of 2010 (GPRAMA), Office of Management and Budget (OMB) Circular A-11 (2018), and Section 912 of the FY 2017 National Defense Authorization Act (NDAA) requirements to publish an Annual Performance Plan (APP) and an Annual Performance Report (APR). The organizational and policy goals and priorities, including specific and measurable performance and implementation targets, are outlined within this report which demonstrate how the Department intends to accomplish its business operations goals and measure progress toward achievement. The APP and APR are included as separate appendices and described below.

Appendix A – FY 2020 DoD Annual Performance Plan (Looking Forward)

The U.S. Department of Defense (DoD) APP for Fiscal Year (FY) 2020 contains the Department's performance goals and targets for the period starting October 1, 2018. The APP includes updated goals and targets for FY 2019, as well as, revisions to the goals and targets, which were originally published in the FY 2018 – FY 2022 National Defense Business Operations Plan.

Appendix B – FY 2018 DoD Annual Performance Report (Looking Back)

The DoD Annual Performance Report APR for FY 2018 communicates the Department's progress toward achieving its strategic objectives and performance goals in FY 2018. This report provides readers an assessment of how DoD's FY 2018 performance measures and results align to its mission and functions, as well as detailed performance-related information to the President, the Congress, and the American people. Additionally, the APR conveys information on the Department's priority goals and other Department-wide management initiatives.

The 2018 Annual Performance Report is one in a series of three reports which comprise the Department's performance and accountability reports:
- DoD Organizational Assessment Report: Published – January 23, 2019
- DoD Agency Financial Report: Published – November 15, 2018
- DoD Annual Performance Report: Delivery date – January 2019

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DEPARTMENT MISSION OVERVIEW

Introduction and Executive Summary

The 2018 Department of Defense (DoD) National Defense Strategy (NDS) articulates the strategy to compete, deter, and win in an increasingly complex security environment. The Fiscal Year (FY) 2018 – FY 2022 National Defense Business Operations Plan (NDBOP) published in 2018 supplements the NDS, and directly contributes to its implementation. Similar to the NDS, the NDBOP focuses on the Secretary's three major lines of effort for the Department from a business operations and support perspective:

1. Rebuilding military readiness as we build a more lethal Joint Force;
2. Strengthening alliances as we attract new partners; and,
3. Reforming the Department's business practices for greater performance and affordability.

The office of the Chief Management Officer leads the Secretary's third line of effort: reforming the Department for greater performance and affordability.

The FY 2019 Annual Performance Plan (APP) was submitted to Congress an appendix to the Business Operations Plan, and the FY 2017 Annual Performance Report (APR) was published separately. This year, the FY 2020 APP and FY 2018 APR are combined with streamline duplicative requirements. Each year the Department publishes an APP that provides detailed information on strategic goals and objectives, performance goals and measures, with targets and/or milestones, which support performance goals for the upcoming fiscal year. The FY 2020 APP contains the updated goals and targets for FY 2019 – 2022 to meet the strategic objectives in the Business Operations Plan, and address areas of potential risk. The APR documents component results for the previous FYs based on FY 2019 performance targets, and measures implementation progress. The APR and APP are unclassified, with a classified appendix. The report also provides an overview of the future enterprise performance management activities, goals, measures, and targets.

The CMO is responsible for delivery of optimized business operations and shared services to assure the success of NDS. This responsibility is made possible by the elevation of the CMO to the third in the line of precedence within the Department after the Secretary and Deputy Secretary, and the critical authorities granted by 10 U.S.C. 132a. This law provides the CMO authority to direct the Principal Staff Assistants, Military Services, CCMD, and remainder of the DAFAs with regard to business operations.

The CMO's goals align directly with the intent of the NDAA: efficiency for lethality. Efficiency for lethality is defined as reforming the Department's business processes, systems, and policies to gain increased effectiveness, higher performance, and reprioritized resources. Integrity and consistency of every measure is a cornerstone of our approach.

The business functions of the Department are inextricably linked to warfighting capability, and the CMO continues to advance reform by implementing shared performance metrics, innovative processes and services, data-driven solutions, and mission-focused funding.

ENTERPRISE PERFORMANCE MANAGEMENT

The Department is a performance-based organization and is committed to using performance data to drive decision-making, and improve business operations. Component leaders are responsible for developing performance goals and measures for their respective functional areas, and incorporating Military Department (MilDep) input for the performance goals and measures in each line of business published in the APP. Some of these goals and measures are also used to inform the "Results Driven" critical elements contained in senior executive performance plans. This empowers leaders to focus on measurable outcomes that aligns with the NDBOP and NDS.

> *"We have a responsibility to gain full value from every taxpayer dollar spent on defense; thereby earning the trust of Congress and the American people."*
> National Defense Strategy

However, capturing the breadth and scope of the Department's world-wide responsibilities and management efforts requires far more than the performance measures included in this report. In fact, the Department employs hundreds of performance measures to track and assess progress in key areas such as reform, data analytics, acquisition performance, military readiness, audit readiness, business process improvement. This data is used to ensure the best use of resources and safeguard the overall well-being of the force. In addition to the APP, performance-related information is also provided through a wide range of reports to Congress as well as defense budget exhibits. This report represents only a partial picture of DoD's overall management efforts and progress. We are committed to the improvement of enterprise performance management and oversight capability using data analytics. This emerging data capability will produce a more comprehensive picture of performance that is changing our culture, accelerating reform, empowering enterprise level decision making, and facilitating the creation of shared performance metrics used to benchmark how the Department operates.

Figure 1 is an executive level depiction of how performance measure results drive the evaluation of senior executive performance.
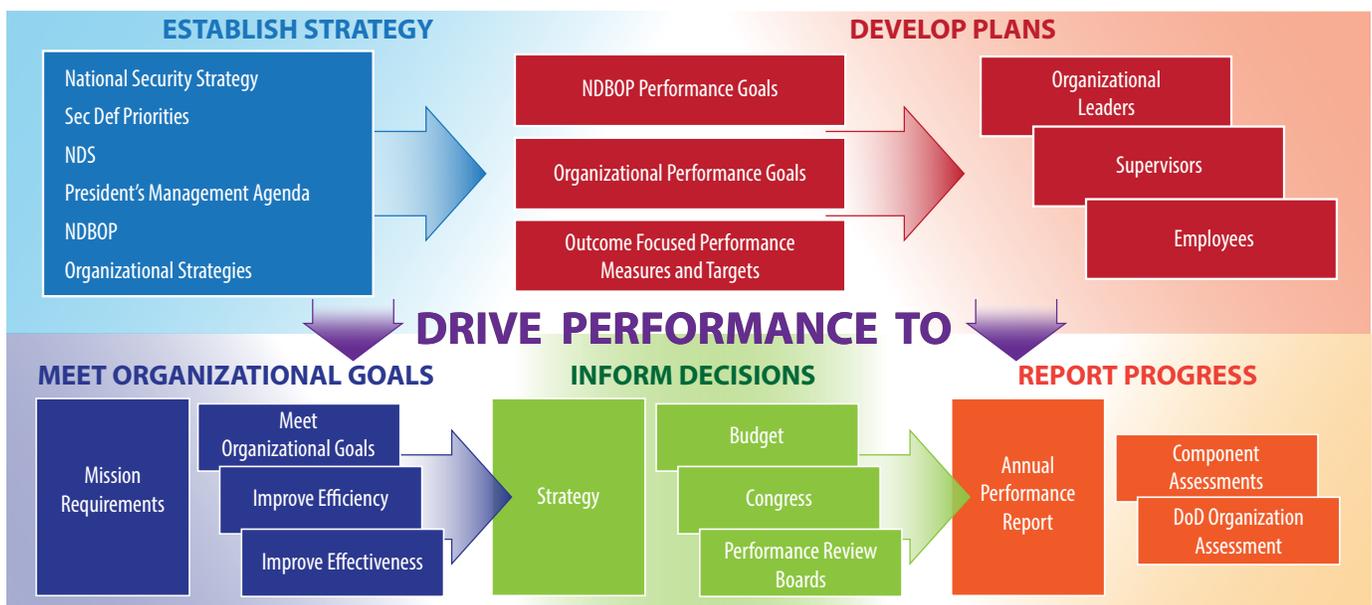

Figure 1 - illustrates how strategy drives performance

Evidence Building

In addition to performance management, DoD builds evidence to inform decisions in budget, legislative, regulatory, strategic planning, program, and policy arenas through evaluation and analysis. Evaluation, analysis, the Planning, Programming, Budget and Execution process (PPBE), and the data associated with those processes provide the evidence required for DoD to understand how its programs work, for whom, and under what circumstances. Given the breadth of work supported by DoD, thousands of evaluations and analyses are conducted each year. These efforts range in scope, scale, design, and methodology, but all aim to understand how the effect of programs and policies and how they can be improved.

Business Operations Reforms

In order to modernize and streamline the complex web of systems and processes in place, everyone within the Department must do their part to implement and support reform, embrace change, and save resources to fund efforts in support of the NDS. Reform comes in all types and sizes, from large scale efforts to modernize IT business systems, such as the Defense Travel System, to grass roots reform efforts identified and championed by individual employees that perform their job every day. The CMO, in close coordination with the Under Secretary of Defense for Comptroller (USD(C)), has defined Department-wide reform as an improvement of processes, systems, policies, and procurement that increases effectiveness, efficiency, or reliability to best align the Department's resources with the NDS.

Based on industry best practices, the Office of the Chief Management Officer (OCMO) is driving transformational improvement within the Department and advocates for reform efforts that build upon progress gained in the previous phase. The Department cannot replicate the efficiency and effectiveness of industry in the short term. However, DoD can continue to reap the benefits gained by iterative delivery of value, consistent evaluation of progress, and adjusting the strategy, as requirements change. This approach focuses on progressive results versus final outcomes, and ensures the best value for the taxpayer. While the CMO leads and identifies reform, in many cases implementation toward the benchmarks and performance standards established by the OCMO are the responsibility of the military service secretaries and DoD component leadership.

Looking Back (APR Overview)

The Reform Management Group (RMG) was established in 2017 as a governance body to manage and oversee reform efforts through nine lines of business: Service Contracts and Category Management, Health Care Management, Supply Chain and Logistics, Information Technology (IT) and Business Systems Management, Financial Management, Human Resources, Real Property Management, Testing and Evaluation, and Community Services. The RMG manages enterprise-wide reform efforts and explores opportunities for future savings and efficiencies working as a cohesive body to best implement reform. The Deputy Secretary of Defense, or the CMO, as designee, is the RMG chair and responsible for coordinating and delivering RMG decisions. The Under Secretaries of the MilDeps, OSD Principal Staff Assistants, and reform team leads form the RMG membership, and make significant contributions to shaping the outcomes for each reform initiative.

The Department has saved $4.702B through reform efforts in FYs 2017 and 2018 combined, and is on track to save more than $6B through new and continuing efforts in FY 2019. This achievement is a collective effort by key stakeholders in the Department. The CMO and the USD(C) identify, validate, and present savings formally in the FY 2020 budget to reinvest in priorities identified in the NDS.

The Department was successful in meeting or exceeding many of its priority initiatives for FY 2018, including those related to achieving efficiencies, effectiveness and cost savings, audit readiness, and improving the quality of the Department's business operations. Below is a brief overview of some of the Department's reform accomplishments for 2018.

DoD Financial Audit

The DoD audit aligns with the strategic goals of the NDS, including reforming the Department for greater performance and accountability. Although required by law since 1990, the Department began its first enterprise-wide financial statement audit in December 2017 with 1,200 auditors, more than 900 site visits, and the review of hundreds of thousands of items.

Key Audit Take Away for FY 2018:
- Auditors did not report any material weaknesses for civilian or military pay.
- Auditors said they found no evidence of fraud.
- Auditors said the Army, Navy, and Air Force could account for the existence and completeness of major military equipment.

The audit consists of approximately 24 stand-alone financial statement audits, and an overarching consolidated audit performed by a combination of independent public accounting firms and the DoD Office of Inspector General (OIG). The DoD Comptroller, with oversight by the CMO, conducted the audit in order to find systemic problems in the management of our financial systems, real property systems, IT systems, and personnel systems. Finding and fixing the problems in these areas is central to DoD's commitment to being a good steward of taxpayer dollars. The inaugural audit report was published in December 2018, and is a significant accomplishment for the Department. While we have

additional work to do to improve the management of the Department's business operations, our military operations focused priorities are in good standing.

Organizational Reform

Congress directed the Department to make two important organizational reforms: In accordance with the FY 2018 NDAA, in early 2018 the Department executed its most significant restructure in 30 years dividing the Under Secretary of Defense (USD) for Acquisition, Technology and Logistics into the USD for Acquisition and Sustainment (A&S) and USD for Research and Engineering (R&E).

- The USD(A&S) is focused on increasing lethality and readiness while enhancing global relationships and security cooperation. One example is the reform of key pieces of the Foreign Military Sales process and accelerating sales through pilot programs with Romania, Japan, Saudi Arabia, and Bahrain.
- The USD(R&E) is concentrated on the Department's investments in key priority areas to restore battlefront dominance by 2028 with the goal to bolster and maintain U.S. technological superiority. In support of those priorities, USD(R&E) created a new modernization "Road to Dominance" that is pushing advancements, and increased investment, in nine priority technology areas to include hypersonic, artificial intelligence and cyberspace.

CMO also reorganized to meet its enhanced roles and responsibilities detailed in U.S.C. 132a. The skill sets required to execute these increased functional responsibilities were identified without any growth to the organization's workforce, which necessitated changes to the organizational structure. These restructuring efforts will increase organizational effectiveness through management of shared services, delivery of business data, and improving the coordination and outputs of the Department's 28 DAFAs. The newly structured OCMO is organized into five areas: Transformation and Reform, Administration and Organizational Policy, Data Insights, Oversight and Compliance, and Fourth Estate Management.

IT & Business Systems

The IT & Business Systems Reform Team produced significant savings in FYs 2017 and 2018. To date, the team programmed and budgeted combined savings of over $395M in FY18 through commercial IT solutions in business travel, department-wide network management, and by working with DISA and the MilDeps to close duplicative data centers. In addition, the team saved $63.42M by driving down the cost of individual licenses for Army, Navy, Air Force, Comptroller, and five DAFAs.

Other accomplishments include capturing and redirecting seven acquisition requests for proposal (RFP) for services that the existing USALearning contract currently could provide as a shared service, and identifying saving the Department over $122M through the Future Years Defense Program in unnecessary procurement actions. The team also facilitated the award of a pilot program that saves more than 10M labor hours annually on the process of booking travel by more than two million Active Duty, Reserve, and Civilian personnel

A revised Fourth Estate IT Optimization Request is also significantly improving efficiency of Fourth Estate IT governance through category management. This streamlining effort reduced 27 separate processes to one and still enabled 120 IT purchase requests to process within 24 hours. This initiative highlights the close collaboration between the DoD CIO, DISA, and the IT and Business Systems Reform Team to rapidly roll out the streamlined work flow before the end of FY 2018.

Regulations Reform

The OCMO Regulatory Reform Task Force reviewed all of DoD's 716 rules and regulations, and recommended 243 rules for repeal. To date, 57 repeals are completed and expected cost savings are $5.1M, with potential additional savings of $25.2M to American taxpayers.

Service Contract and Category Management

The Service Contract and Category Management reform team has reviewed up to $16.5B in annual spending during the first phase and identified significant savings opportunities. Contract renegotiations are currently in progress. By taking a 360 degree look at the entire category of spend, the Department is driving efficiency to get more mission capability for the dollars spent.

In the two years since beginning the reviews, the Service Requirements Review Board (SRRB) team have assisted more than 60 organizations in tracking identified efficiencies and reinvestments in the contracting process, resulting in $517M over FY 2017 and FY 2018 of programmed savings. The additional identified savings which will be reinvested by the CCMDs and Working Capital Fund Organizations in higher priority requirements.

Within the MilDeps, The Navy Program Executive Office (PEO) Command, Control, Communications, Computers, and Intelligence (C4I) deploys the principles of Better Buying Power and Continuous Process Improvement to get the most out of every dollar to accelerate the delivery of critical capabilities to our warfighters. PEO C4I maintains a formal process for identification and prioritization of CPI projects, project monitoring, and validation of realized financial benefits. As of June 2018 PEO C4I realized $184.4M of net FY 2018 financial benefits.

The Air Force fully operationalized category management reform in FY 2018. Under a robust governance structure, teams are working initiatives in IT, Professional Services, Security and Protection, Facilities and Construction, Industrial Products and Services, Transportation and Logistics Services, which are 94% of Air Force non-weapon system spend. The Air Force provides category management training to senior leaders throughout the Department, and leads the Federal level Category Intelligence Report effort on Military Working Dogs. Beyond strategic sourcing, the Air Force critically examines demand management strategies, industry best practices, and policies that drive requirements. As a subset of these efforts, the Air Force has participated in Office of Secretary of Defense led Contract Efficiency Assessments by focusing on contracts reaching expiration that are not yet prioritized in the category management process. In cooperation with the OCMO, the Air Force seeks to drive a paradigm shift from budget execution to strategic cost management.

Health Care Management

The Department is improving patient care and medical readiness of the force by consolidating four healthcare enterprises into one, saving more than $2.5B annually by 2023. As of October 1, Military Treatment Facilities at Keesler Air Force Base, Naval Air Station Jacksonville, Fort Bragg and three additional Air Force clinics consolidated under Defense Health Agency direction, authority, and control, in addition to Walter Reed National Military Medical Center and Fort Belvoir in the National Capital Region. Total Headquarters staff requirements are laid out for transfer, as well as centralization of functional capabilities for TRICARE health plan, pharmacy, and performance planning to standardize processes and reduce overhead costs.

Human Resources

The Office of Performance Management's standard for civilian time-to-hire (TTH) is 80 days. The DoD has reversed the years-long trend of annual increases in TTH by establishing data-driven action plans with collaborative reviews to share solutions. Average TTH in DoD increased about 40 percent between FY 2013 and FY 2017 (from 70 to 100 days), but began trending downward in FY 2018.

Defense Logistics Agency

Defense Logistics Agency (DLA) implemented six on-demand printing and mapping facilities strategically placed world-wide in support of the warfighter, identifying $10M in savings for FY 2018. These Print on Demand facilities created a 90% reduction in print times, 50% reduction in print volume, and 140M physical maps removed from warehouses, with additional reductions in inventory to follow in the out-years.

Improvements outlined in the FY 2020 budget:

- The Department will meet the savings goals outlined by the office of management and budget for reform.

- The Department is showing itself accountable for efficiency and effectiveness efforts like the department-wide audit, reform savings, and a strategic realignment of resources to increase lethality.

- The Department will now be able to better account for the savings attained in headquarters' operations now and for years to come.

Looking Forward (APP Overview)

By setting conditions in FY 2018 and establishing alignment with the MilDeps in each lines of effort, the OCMO established a foundation for reform, identified reforms that provide the most return on investment and continued the Department's transition to a culture of continuous improvement. After a year of success executing reform through the RMG, the Department is prioritizing reform initiatives that focus on: increases to lethality and readiness, short term benefits, financial savings, shared metrics between the CMO and the home organization, and a sustainable cultural impact.

Transformation and Reform

For FY 2019, the CMO is focused on three primary areas: proven high-return initiatives, shared services within the Fourth Estate, and enterprise-wide data management. Building on its success in FY 2018, the Department continues to improve its auditability, customer service, expand the use of data analytics, streamline IT services, reduce business systems, improve acquisition processes, improve the efficiency of military health care, and promote organizational restructuring to fit our future operating environment.

Key Improvements for FY 2019/2020 Reform:
- The Department FY 2020 budget submission will account for $7.415B in new and recurring programmed savings.
- The OCMO is relentlessly pursuing opportunities to reduce cost and time across programs and contracts, leveraging the Department's monopsony power to achieve greater savings in both.
- The Department now has a more formalized process to account for savings in support of the Department's third line of business: reforming the business operations for performance and accountability.

As a result of that work, the Department has narrowed its focus to: Military Healthcare, IT and Business Systems, Contract Management, and Supply Chain and Logistics. Within these areas the Department facilitates reform by shifting the levers of business operations below to achieve enterprise-wide reform.

- Business Process Improvement – Refining actions, personnel, and timelines to increase effectiveness, efficiency, and reliability of the Department's delivery of goods and services.
- Business System Improvement – Modernizing and eliminating legacy business systems and processes to increase the effectiveness and reduce duplication of the Department's IT business systems and deliver information at the speed of relevance.
- Policy Reform – Changing the Department's procedures to best empower the warfighter with the knowledge, equipment, and support systems to fight and win.
- Weapon System Acquisition – Procuring and sustaining weapon systems differently to prioritize speed of delivery, continuous adaptation, and frequent modular upgrades.
- Divestments – Selling equipment or weapon systems, or strategically discontinuing legacy acquisition programs to fund purchases in support of the Department's highest priorities.
- Better Alignment of Resources – Reprioritizing or moving finances and personnel to realign from legacy capability in support of the National Defense Strategy.

Defense Agencies and DoD Field Activities

In addition to the reform fields and levers above, the CMO is conducting reviews of the efficiency and effectiveness of each DAFA as directed by the Section 923 of the FY 2019 NDAA. These reviews will drive reform throughout the DAFAs, and inform financial decisions for FY 2021.

The purpose of the reviews is to identify and implement productivity improvements and savings, improve performance and readiness, and improve the customer experience for the MilDeps. The CMO is committed to reducing duplication in the DAFAs while establishing centers of excellence for enterprise-wide shared services within Department.

Reform Accountability in the Defense Budget

In February 2019, the Department released the first budget submission to account for specific grass roots reform initiatives and the business levers which effected change and financial benefits. These financial benefits and savings are indicative of a transition to a culture of performance where results and accountability matter.

The Department now has a more formalized process to account for savings in support of the Department's third line of effort, and is working to refine the identification, validation, and reporting processes for financial benefits in Working Capital Funds and reforms with soft savings.

The OCMO is also relentlessly pursuing opportunities to reduce cost and time throughout programs and contracts, leveraging the Department's buying power and unique customer position to achieve greater savings in both. The FY 2020 budget reflects our accomplishments so far, but our work continues. We have a responsibility to gain full value from every taxpayer dollar spent on defense. Through each budget submission we aim to maintain the trust of Congress and the American people.

Enterprise Data

In accordance with the FY 2017 NDAA, the CMO established the Department's first Chief Data Officer (CDO) to lead the extraction and analysis of data to support business reform. The CDO manages data and metrics throughout the Department, and is establishing data as a stand alone shared service, allowing data to be the foundation for business decisions.

The CDO works hand-in-hand with Comptroller and the MilDep CDOs to develop enterprise-wide solutions to audit

findings. The OCMO is building a repository of common enterprise data, to include audit findings and corrective action plans This effort will allow all Department leaders to increase analytic and predictive capabilities to better inform future investment and management decisions.

The CDO also leads the operation of a DoD-wide data governance body to oversee the preparation, extraction, and provision of data throughout the business enterprise. The CDO, working with the Office of the Deputy Chief Financial Officer, establishes policy and governance for Common Enterprise Data related to business operations and management.

Delivering performance means we will shed outdated management practices and structures while integrating insights from business innovation. NDS

Additionally, the CDO leads pilot programs to extract Common Enterprise Data from relevant systems, and analyzes that data to generate operational insights that answer critical business questions from Defense executives and leaders. These pilots will evolve into a data management and analytics shared services for the purposes of supporting enhanced oversight and management of the DAFAs by September 30, 2020.

Defense Business Systems

DoD's current IT and business systems environment is extremely complex. The Department currently maintains more than 1,800 business systems with ad hoc interconnectivity, 2,500 data centers, 300 cloud efforts, 48,000 applications, and 11,000 circuits. These systems and infrastructures are managed by 65 Chief Information Officers (CIOs) throughout the Department with varying goals and performance metrics. This type of disparate management and duplication makes it extremely difficult for us to deliver an effective, innovative, or secure IT environment.

In accordance with section 910 of the FY 2018 NDAA, the CMO is now also CIO for defense business systems and is developing the strategy to ensure the development of integrated business processes through the Defense Business Enterprise Architecture.

DOD ORGANIZATION STRUCTURE

The Department uses the armed forces to support and defend the Constitution; protect the security of the United States, its possessions, and areas vital to its interests; and deter war. In this era of near peer great power strategic competition (e.g., from China and Russia), the DoD mission requires a lethal, resilient, and rapidly innovating Joint Force; strong relationships with allies and partners; and continued efforts to reform the Department's for greater performance and affordability.

The Department is one of the nation's largest employers, with approximately 1.3M Military members in the Active Component, nearly 800,000 Military members serving in the National Guard and Reserve forces, and approximately 770,000 civilian employees. DoD Military Service members and civilians operate globally, and in all domains, including air, land, sea, space, and cyber space. In carrying out the Department's mission to protect national security, Military Service members operate approximately 15,700 aircraft and more than 280 Battle Force ships.

The Department manages a worldwide real property portfolio that spans all 50 states, U.S. territories, and many foreign countries. The Department's real property infrastructure includes more than 585,000 facilities (buildings and structures) located on more than 4, 800 sites worldwide. These sites represent nearly 26.9M acres that individually vary in size from training ranges with over 3.5M acres, such as the White Sands Missile Range, to single weather towers or navigational aids isolated on sites of less than one one-hundredth (0.01) of an acre. Only about 33 percent of the land managed by the Department is held in fee interest (i.e., owned by the U.S. Government) with the remainder controlled through other legal means, such as leases, licenses, permits, public land orders, treaties, and agreements.

DoD installations contain runways, training areas, and industrial complexes; they also contain facilities and operations found in municipalities or on university campuses, such as hospital and medical facilities, public safety facilities, community support complexes, housing and dormitories, dining facilities, religious facilities, utility systems, and roadways.

The Secretary of Defense is the principal assistant and advisor to the President in all matters relating to the Department, and exercises authority, direction, and control over the Department, in accordance with title 10, United States Code, section 113 (10 U.S.C. § 113). The Department is composed of the Office of the Secretary of Defense; Joint Chiefs of Staff; Joint Staff; DoD Office of the Inspector General; MilDeps; Defense Agencies; DoD Field Activities; Combatant Commands; and other offices, agencies, activities, organizations, and commands established or designated by law, the President, or the Secretary of Defense (see Figure 2).
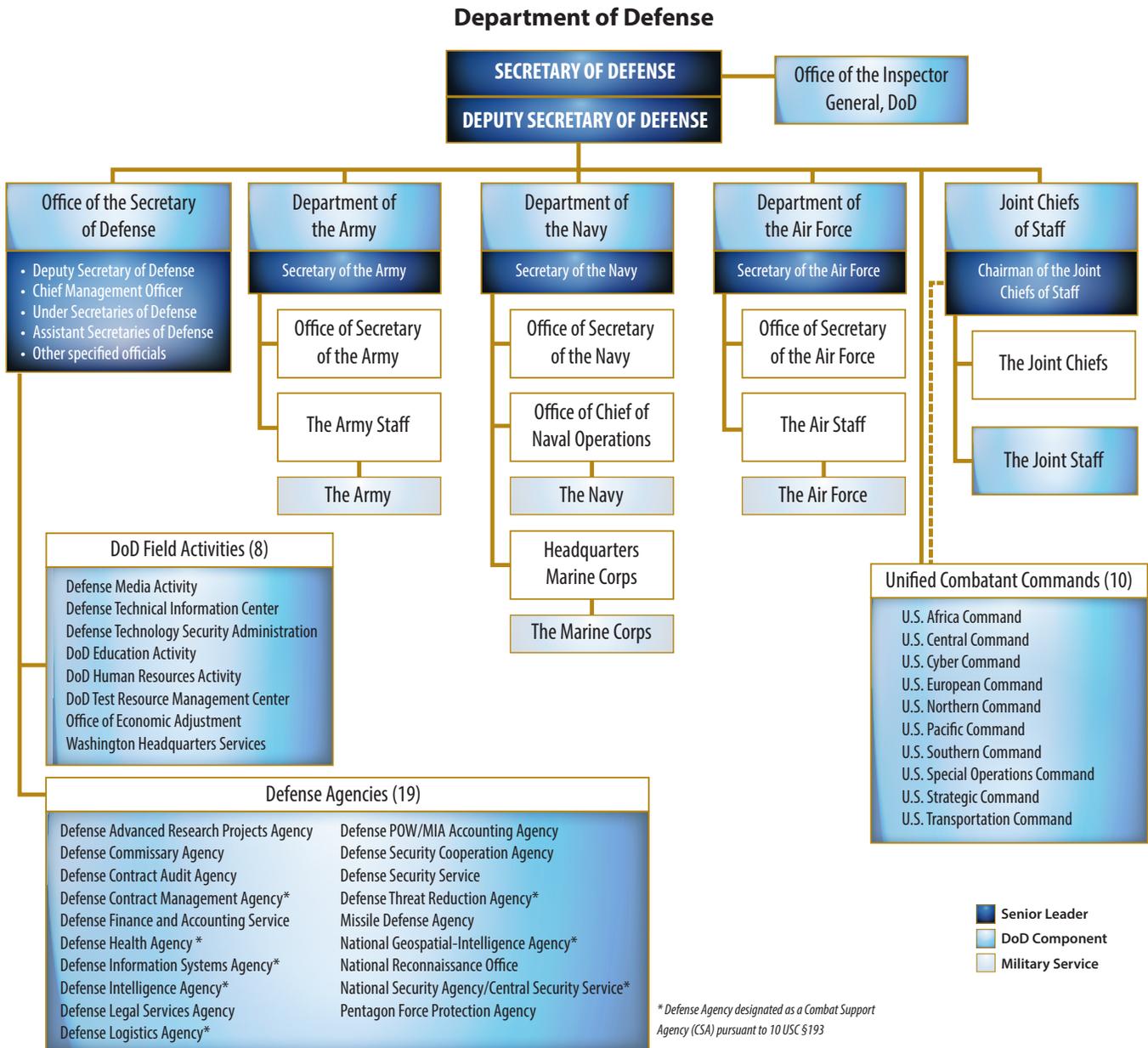
Department of Defense

SECRETARY OF DEFENSE

DEPUTY SECRETARY OF DEFENSE

Office of the Inspector General, DoD

Office of the Secretary of Defense
- Deputy Secretary of Defense
- Chief Management Officer
- Under Secretaries of Defense
- Assistant Secretaries of Defense
- Other specified officials

Department of the Army

Secretary of the Army

Office of Secretary of the Army

The Army Staff

The Army

Department of the Navy

Secretary of the Navy

Office of Secretary of the Navy

Office of Chief of Naval Operations

The Navy

Headquarters Marine Corps

The Marine Corps

Department of the Air Force

Secretary of the Air Force

Office of Secretary of the Air Force

The Air Staff

The Air Force

Joint Chiefs of Staff

Chairman of the Joint Chiefs of Staff

The Joint Chiefs

The Joint Staff

DoD Field Activities (8)

Defense Media Activity
Defense Technical Information Center
Defense Technology Security Administration
DoD Education Activity
DoD Human Resources Activity
DoD Test Resource Management Center
Office of Economic Adjustment
Washington Headquarters Services

Unified Combatant Commands (10)

U.S. Africa Command
U.S. Central Command
U.S. Cyber Command
U.S. European Command
U.S. Northern Command
U.S. Pacific Command
U.S. Southern Command
U.S. Special Operations Command
U.S. Strategic Command
U.S. Transportation Command

Defense Agencies (19)

Defense Advanced Research Projects Agency	Defense POW/MIA Accounting Agency
Defense Commissary Agency	Defense Security Cooperation Agency
Defense Contract Audit Agency	Defense Security Service
Defense Contract Management Agency*	Defense Threat Reduction Agency*
Defense Finance and Accounting Service	Missile Defense Agency
Defense Health Agency *	National Geospatial-Intelligence Agency*
Defense Information Systems Agency*	National Reconnaissance Office
Defense Intelligence Agency*	National Security Agency/Central Security Service*
Defense Legal Services Agency	Pentagon Force Protection Agency
Defense Logistics Agency*	

■ Senior Leader
■ DoD Component
□ Military Service

Defense Agency designated as a Combat Support Agency (CSA) pursuant to 10 USC §193

Figure 2. Department of Defense Organizational Structure

The operational chain of command runs from the President to the Secretary of Defense to the Commanders of the Combatant Commands. The Chairman of the Joint Chiefs of Staff functions within the chain of command by transmitting the orders of the President and the Secretary of Defense to the Commanders of the Combatant Commands.

Office of the Secretary of Defense

The function of the Office of the Secretary of Defense (OSD) is to assist the Secretary of Defense in carrying out his duties and responsibilities as prescribed by law. The OSD is composed of the Deputy Secretary of Defense, who also serves as the Chief Operating Officer of the DoD; the Chief Management Officer (CMO) of the DoD; the Under Secretaries of Defense (USDs); the General Counsel (GC) of the DoD; the Assistant Secretaries of Defense (ASDs); the Inspector General of the DoD; and other staff offices within OSD established by law or by the Secretary of Defense.

The OSD Principal Staff Assistants are responsible for the oversight and formulation of defense strategy, policy, and resource allocation, as well as overseeing and managing the Defense Agencies and DoD Field Activities (Figure 3) under their purview.
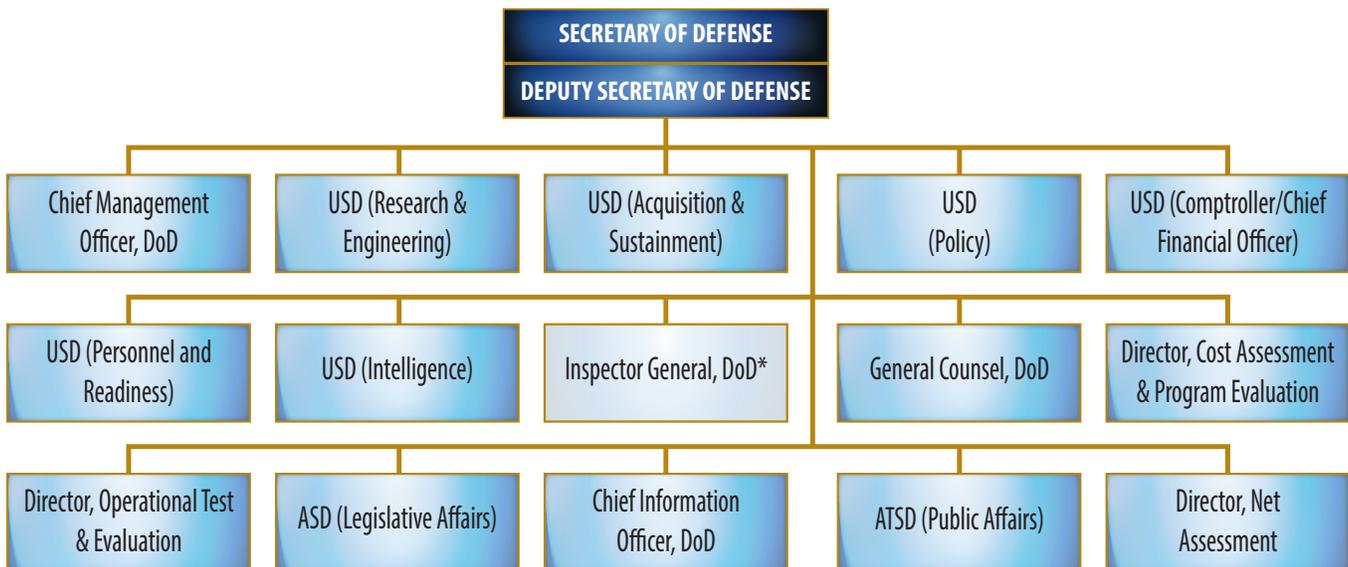
SECRETARY OF DEFENSE				
DEPUTY SECRETARY OF DEFENSE				
Chief Management Officer, DoD	USD (Research & Engineering)	USD (Acquisition & Sustainment)	USD (Policy)	USD (Comptroller/Chief Financial Officer)
USD (Personnel and Readiness)	USD (Intelligence)	Inspector General, DoD*	General Counsel, DoD	Director, Cost Assessment & Program Evaluation
Director, Operational Test & Evaluation	ASD (Legislative Affairs)	Chief Information Officer, DoD	ATSD (Public Affairs)	Director, Net Assessment

Figure 3. Office of the Secretary of Defense Principal Staff Assistants

The Joint Chiefs of Staff and the Joint Staff

The Joint Chiefs of Staff (JCS), supported by the Joint Staff under the direction of the Chairman, constitute the immediate military staff of the Secretary of Defense. The JCS consist of the Chairman (CJCS), the Vice Chairman (VCJCS), the Chief of Staff of the Army (CSA), the Chief of Naval Operations (CNO), the Chief of Staff of the Air Force (CSAF), the Commandant of the Marine Corps (CMC), and the Chief of the National Guard Bureau (CNGB). The JCS function as the military advisors to the President, the National Security Council, the Homeland Security Council, and the Secretary of Defense.

Office of the Inspector General

The DoD Office of the Inspector General (DoD OIG) is an independent unit within the Department that conducts and supervises audits and investigations relating to the Department's programs and operations.

The DoD Inspector General serves as the principal advisor to the Secretary of Defense on all audit and criminal investigative matters relating to the prevention and detection of fraud, waste, and abuse in the programs and operations of the Department.

Military Departments

The MilDeps consist of the Departments of the Army, the Navy (of which the Marine Corps is a component), and the Air Force. Upon the declaration of war, if Congress so directs in the declaration or when the President directs, the Coast Guard becomes a special component of the Navy; otherwise, it is part of the Department of Homeland Security. The Army, Navy, Marine Corps, Air Force, and Coast Guard are referred to as the Military Services. The three MilDeps organize, train, and equip the four DoD Military Services. These trained and ready forces are assigned or allocated to a Combatant Command responsible for maintaining readiness to conduct military operations.

The MilDeps include both Active and Reserve Components. The Active Component is composed of units under the authority of the Secretary of Defense, manned by active duty Military Service members. The Reserve Component includes the National Guard and the Reserve Forces of each Military Service (Figure 4). The National Guard, which has a unique dual mission with both federal and state responsibilities, can be called into action during local, statewide, or other emergencies (such as storms, drought, civil disturbances) and in some cases to support federal purposes for training or other duty (non-federalized service) when directed by the governor of each State or territory.

When ordered to Title 10 active duty for national emergencies or other events, units of the National Guard or Reserve Forces of the Military Services are placed under operational control of the appropriate Service component supporting Combatant Commanders. The National Guard and Reserve Forces are recognized as indispensable and integral parts of the Nation's defense.

Figure 4. Reserve Components – Reserve and National Guard

Defense Agencies and DoD Field Activities

Defense Agencies and DoD Field Activities (Figure 5) are established to provide, on a Department-wide basis, a supply or service activity common to more than one Military Department when it is more effective, economical, or efficient to do so. Although both Defense Agencies and DoD Field Activities fulfill similar functions, the former tend to be larger, normally provide a broader scope of supplies and services, and can be designated as Combat Support Agencies to support the Combatant Commands directly. Each of the 19 Defense Agencies and 8 DoD Field Activities operate under the authority, direction, and control of the Secretary of Defense through an OSD Principal Staff Assistant.
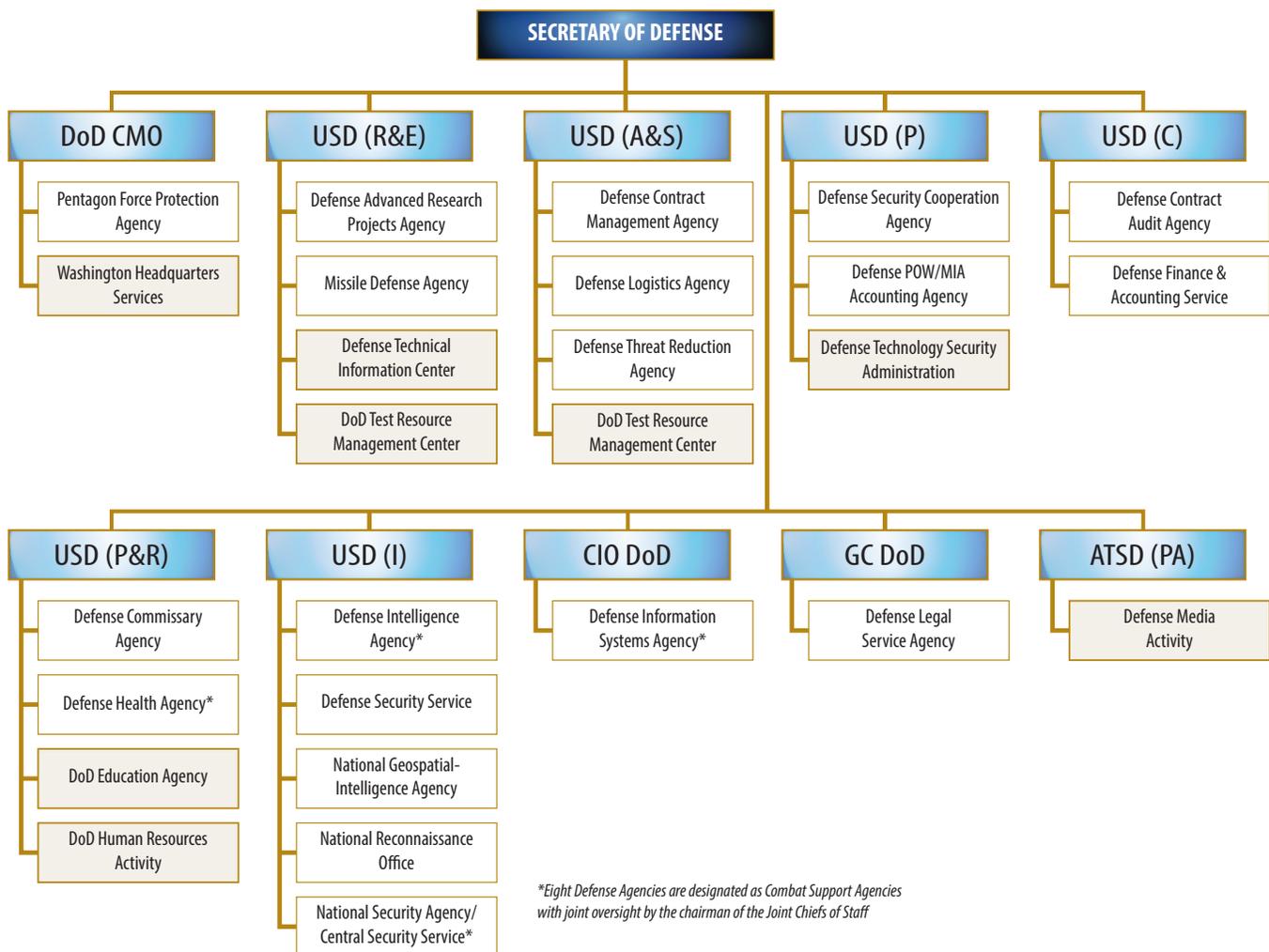
SECRETARY OF DEFENSE

DoD CMO
- Pentagon Force Protection Agency
- Washington Headquarters Services

USD (R&E)
- Defense Advanced Research Projects Agency
- Missile Defense Agency
- Defense Technical Information Center
- DoD Test Resource Management Center

USD (A&S)
- Defense Contract Management Agency
- Defense Logistics Agency
- Defense Threat Reduction Agency
- DoD Test Resource Management Center

USD (P)
- Defense Security Cooperation Agency
- Defense POW/MIA Accounting Agency
- Defense Technology Security Administration

USD (C)
- Defense Contract Audit Agency
- Defense Finance & Accounting Service

USD (P&R)
- Defense Commissary Agency
- Defense Health Agency*
- DoD Education Agency
- DoD Human Resources Activity

USD (I)
- Defense Intelligence Agency*
- Defense Security Service
- National Geospatial-Intelligence Agency
- National Reconnaissance Office
- National Security Agency/Central Security Service*

CIO DoD
- Defense Information Systems Agency*

GC DoD
- Defense Legal Service Agency

ATSD (PA)
- Defense Media Activity

Eight Defense Agencies are designated as Combat Support Agencies with joint oversight by the chairman of the Joint Chiefs of Staff

Figure 5. Defense Agencies and DoD Field Activities

Combatant Commands

The Commanders of the Combatant Commands (Figure 6 on next page) are responsible for accomplishing the military missions assigned to them. Combatant Commanders exercise command authority over assigned and allocated forces, as directed by the Secretary of Defense. The operational

chain of command runs from the President to the Secretary of Defense to the Commanders of the Combatant Commands. The CJCS functions within the chain of command by transmitting the orders of the President or the Secretary of Defense to the Commanders of the Combatant Commands.

The U.S. Cyber Command (USCYBERCOM), U.S. Special Operations Command (USSOCOM), U.S. Strategic Command (USSTRATCOM), and U.S. Transportation Command (USTRANSCOM) are functional Combatant Commands, each with unique functions as directed by the President in the Unified Command Plan. Among Combatant Commands, the USSOCOM has additional responsibilities and authorities similar to a number of authorities exercised by the MilDeps and Defense Agencies, including programming, budgeting, acquisition, training, organizing, equipping, and providing Special Operations Forces (SOF), and developing SOF's strategy, doctrine, tactics, and procedures. The USSOCOM is reliant upon the MilDeps for ensuring combat readiness of the forces assigned to it.

In addition to supplying assigned and allocated forces and capabilities to the Combatant Commands, the MilDeps provide administrative and logistics support by managing the operational costs and execution of these commands.

Figure 6. Combatant Commands

APPENDIX A

FY 2020 DOD ANNUAL PERFORMANCE PLAN

ANNUAL PERFORMANCE PLAN OVERVIEW

	Strategic Objective	Program Goals
Goal #1 - Rebuild Military Readiness as We Build a More Lethal Joint Force	SO 1.1– Restore military readiness to build a more lethal force (P&R)	**PG* 1.1.1: Improve the Department's ability to measure, assess, and understand readiness** PG 1.1.2: By the end of FY 2019, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility PG 1.1.3: Improve Linkage Between Resources and Readiness PG 1.1.4: Improve Credentialing Opportunities PG 1.1.5: Improve understanding of root causes of Class A mishaps and implications to readiness recovery PG 1.1.6: Increase Advanced Strategic Thinking Capability within the Officer Corp
	SO 1.2 - Modernize Key Capabilities. (A&S)	PG 1.2.1 Significantly improve the F-35 Program execution PG 1.2.2 Driving Nuclear Enterprise reforms to keep modernization of the nuclear deterrent on track PG 1.2.3: Resilient and agile logistics
	SO 1.3 – Enhance information technology and cybersecurity defense capabilities (CIO)	PG 1.3.1: Implement First Four Cyber Priorities PG 1.3.2: Implement Joint Regional Security Stack (JRSS) capabilities PG 1.3.3: Implement Cyber-Supply Chain Risk Management Activities PG 1.3.4: Accelerate the Delivery & Adoption of Artificial Intelligence Throughout DoD to Achieve Mission Impact at Scale PG 1.3.5: Award of Joint Enterprise Defense Infrastructure (JEDI) Cloud Contract PG1.3.6: Roll Out of Account Tracking and Automation Tool(AT-AT) Provisioning Tool PG 1.3.7: Joint Enterprise Defense Infrastructure (JEDI) Environments Open for Business PG 1.3.8: Modernize Tactical Radio Communications (Waveforms, Radios, Crypto) PG 1.3.9: Assured Electromagnetic Spectrum (EMS) Access, Use, & Maneuver
	SO 1.4– Deliver timely and relevant intelligence to warfighters and decision makers to provide decisive and dominant advantage over adversaries (Intel)	PG 1.4.1: Provide Advantages in Competitive and Contested Environments PG 1.4.2: Leverage Commercial Technologies and Innovation Solutions PG 1.4.3: Elevate Defense Security PG 1.4.4: Deepen Alliances and Foreign Partnership PG 1.4.5: Increase Enterprise Integration
	SO 1.5 – Implement initiatives to recruit and retain the best total force to bolster capabilities and readiness (P&R)	PG 1.5.1: Ensure the Total Force mix of military, federal civilian, and contracted support provides the best talent and capabilities at the right cost for each set of requirements PG 1.5.2: Improve recruitment and retention of the civilian workforce PG 1.5.3: Enhance recruitment and sustainment of the All-Volunteer Force (AVF) PG 1.5.4: Ensure implementation of organizational initiatives to promote diversity and inclusion
	SO 1.6 - Strategic Objective 1.5: Implement initiatives to recruit and retain the best total force to bolster capabilities and readiness	PG 1.6.1: Focus the Department's technology development in key modernization areas
	SO 1.7 - Evolve Innovative Operational Concepts (A&S)	PG 1.7.1: Continue to be responsive to the Combatant Commanders in response to validated urgent operational needs
	SO 2.1- Reform the Security Cooperation Enterprise (Policy / DSCA)	PG 2.1.1: Develop a certified DoD Security Cooperation workforce with the training, experience and resources necessary to meet mission requirements PG 2.1.2: Develop coordinated policy that aligns Security Cooperation throughout the enterprise to better support global strategic priorities PG 2.1.3: Responsive and innovative processes and authorities for effective execution PG 2.1.4: Provide full-spectrum capabilities for partner nations

Goal #2 – Strength our Alliances &Attract New Partners	SO 2.2- Expand Regional consultative mechanisms and collaborative planning	PG 2.2.1: Expand OUSD(A&S)' collaboration with international partners
Goal #3 - Reform the Department's Business Practices for Greater Performance and Affordability	SO 3.1 - Improve and strengthen business operations through a move to DoD-enterprise or shared services; reduce administrative and regulatory burden(CMO)	PG 3.1.1: Create a long-lasting culture of innovation, empowerment and improvement to reduce the cost of doing business throughout the Department (OCMO Goal 1)
		PG 3.1.2: Lead the integration and optimization of enterprise business operations throughout the Department
		PG 3.1.3: Deliver performance-driven shared services and an exceptional customer experience (OCMO Goal 3)
		PG 3.1.4: Decrease overlap and duplication to increase mission-focused funding (OCMO Goal 5 – Fourth Estate)
		PG3.1.5: Develop & implement metrics that measure the accuracy of maintenance planning (schedule, bill of materials, replacement factors), while simultaneously measuring disruption costs created by lack of parts.
		PG* 3.1.6: Reduce Regulatory Burden by eliminating unnecessary Federal Rules (E.O. 13771) (O&C)
		PG 3.1.7: Increase shared service delivery of medical benefits between DoD and Department of Veterans Affairs
		PG 3.1.8: Fundamentally transform how the Department delivers a secure, stable, and resilient IT infrastructure in support of War fighter lethality. Exploit enterprise IT as a force multiplier. Improve the efficiency of IT operations and ensure the Warfighter uncompromised, undenied information at mission speed. (IT Reform)
	SO 3.2 - Expand our data analytics capability and cultivate data-driven solutions	PG 3.2.1: Expand the Department's data analytics capability and cultivate data-driven solutions
	SO 3.3 - Improve the quality of budgetary and financial information that is most valuable in managing the DoD (USD(C)/CFO)	**PG* 3.3.1: Complete yearly audits, gain actionable feedback, and remediate findings toward achieving a clean audit opinion for the DoD**
		PG 3.3.2: Establish a DoD enterprise cost management information framework that will allow the Department to find more cost effective ways of managing the various lines of business
		PG 3.3.3: Sustain a Professional Certified Financial Management Workforce
	SO 3.4 - Streamline rapid, iterative approaches from development to fielding (A&S)	PG 3.4.1: Implement Acquisition Reform by simplifying, delivering faster and becoming more data driven.
	SO 3.5- Harness and protect the National Security Base (A&S)	PG 3.5.1: Continuing efforts to assess and strengthen the National Defense Industrial Base and Supply Chain

Priority Goals are identified by PG*

DoD Priority Goals

The strategic objectives and performance goals in the Business Operations Plan reflect the Department's longerterm reform agenda and component priorities, which align with the Future Years Defense Program (FYDP). Additionally, the Department has specific Priority Goals, which are expected to be accomplished within two-years. These goals are different than other performance goals under a strategic objective, because they are intended to highlight target areas where agency leaders want to achieve near-term performance advancement through focused senior leadership attention.

A senior leader within the Department is assigned to each Priority Goal and is responsible for updating the appropriate DoD governance bodies on a quarterly basis to ensure that all organization levels are focused on the success of the goals, ensuring sufficient time, resources, and attention are allotted to address problems or opportunities. Although presented separately below, DoD-level Priority Goals below are also integrated into Appendix A of this document. Progress against these goals is updated quarterly and located on Performance.gov.

Strategic Objective	Priority Goal Lead	DoD Priority Goals FY2017-2018
SO 1.1	USD(P&R)	Priority Goal 1.1.1: Improve the Department's ability to measure, assess, and understand readiness
SO 3.1	CMO	Priority Goal 3.1.6: Reduce Regulatory Burden by eliminating unnecessary Federal Rules (E.O. 13771) by September 30, 2019.
SO 3.3	USD(C)/CFO	Priority Goal 3.3.1: Complete yearly audits, gain actionable feedback, and remediate findings toward achieving a clean audit opinion for the DoD

Cross-Agency Priority goals

Cross-Agency Priority (CAP) Goals are a tool used by leadership to accelerate progress on a limited number of Presidential priority areas where implementation requires active collaboration among multiple agencies. Long-term in nature, CAP Goals drive cross-government collaboration to tackle government-wide management challenges affecting most agencies. As a subset of Presidential priorities, CAP Goals are used to implement the President's Management Agenda and are complemented by other cross-agency coordination and goal-setting efforts. CAP Goals are updated or revised every four years with each Presidential Administration's term.

Progress against both APGs and CAP goals is updated quarterly and located at www.Performance.gov.

STRATEGIC GOAL 1
Rebuild Military Readiness as We Build a More Lethal Joint Force

Strategic Objective (SO) 1.1: Restore Military Readiness to Build a More Lethal Force

SO Leaders: USD(P&R)

DoD Priority Goal 1.1.1: Improve the Department's ability to measure, assess, and understand readiness	**Priority Goal Leader:** USD(P&R)

Performance Goal Overview:

The metrics identified in the Readiness Recovery Framework (R2F) measure the Military Services progress to rebuild warfighting readiness by tracking key programs such as personnel accessions and retention, training, equipment availability, maintenance shortfalls, etc. Each metric is tailored to a specific challenge and readiness inhibitor in the identified Major Force Elements (MFEs) and designed to be leading indicators of larger, systemic readiness recovery. Major Force Elements are the services most critical force elements in support of the National Defense Strategy.

Performance Information Gaps: None

Changed Performance Goals and Indicators:

The number of force elements and supporting metrics were updated to reflect revised goals.

Partners (Component Internal and

External): <u>Internal</u>: MilDeps, CAPE, Comptroller,

and Joint Staff <u>External</u>: Defense

Major Management Priorities and Challenges:

The R2F is the Department's framework for tracking readiness recovery, a top priority within the Department.

Primary Governance Organizations:

ASD (Readiness) and DASD (Force Readiness) through the Readiness Management Group and Executive Readiness Management Group

Published Performance / Progress Reports:

The R2F forms the basis for the semi-annual mitigation Quarterly Readiness Report to Congress (QRRC).

Performance Goal Contributing Programs: The Defense Readiness Reporting System.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.1.1: Refine and Improve Readiness Recovery Framework Program Metrics/Goals Build-Up (Overall # of Force Elements (FEs) with a minimum of 3 metrics / FE).	Target	68 FEs/ 292 metrics	N/A	79 / 295	N/A	96 / 330	106 / 365	NEW
PM 1.1.1.2: Refine Air Force Readiness Recovery Framework Program Metrics/Goals.	Target	26 / 132	N/A	31 /100	N/A	36 / 100	41 / 125	NEW
PM 1.1.1.3: Refine Army Readiness Recovery Framework Program Metrics/Goals.	Target	10 / 50	N/A	15 / 65	N/A	20 / 75	20 / 75	NEW
PM 1.1.1.4: Refine Marine Corps Readiness Recovery Framework Program Metrics/Goals.	Target	12 / 40	N/A	13 / 50	N/A	15 / 60	20 / 70	NEW
PM 1.1.1.5: Refine Navy Readiness Recovery Framework Program Metrics/Goals.	Target	10 / 60	N/A	10 / 70	N/A	15 / 80	15 / 80	NEW
PM 1.1.1.6: Refine United States Special Operations Command Readiness Recovery Framework Program Metrics/Goals.	Target	10 / 10	N/A	10 / 10	N/A	10 / 15	10 / 15	NEW

First number represents Overall # of Force Elements (FEs) with a minimum of 3 metrics.
Second number represents total number of Force Elements.

PG 1.1.2: By the end of FY19, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility	**PG Leader:** USD(P&R)

Performance Goal Overview:

This performance goal supports business reform and impacts information used for decision-making on efforts to restore readiness and build lethality. The performance goal seeks to improve end user needs and experiences, and take advantage of modern data structures and data science to improve readiness reporting value for decision makers.

Performance Information Gaps:

The Department currently has multiple variants of defense readiness reporting systems and each system calculates and assesses readiness in different ways and at different levels. To increase functionality and understanding of the Department's readiness, Defense Readiness Reporting System- Strategic (DRRS-S) will subsume the Service DRRS variants and USD (P&R) will work towards improved readiness reporting policy that will further enable a more accurate understanding of the Department's readiness to face threats around the globe.

Changed Performance Goals and Indicators: N/A

Partners (Component Internal and External):

USD(P&R) is partnered with the Military Services, Chief Management Office, CAPE, Joint Staff, and Comptroller

Major Management Priorities and Challenges:

As USD(P&R) work towards a consolidated and reformed DRRS-S a critical component is to ensure the Services maintain their ability to measure and track the necessary readiness data required to ensure successful accomplishment of their Title 10 responsibilities while ensuring the Department has a holistic view and understanding of Total Force readiness at specified levels of employability.

Primary Governance Organizations:

The DRRS-S Governance Charter provides direction and governance to the DRRS-S efforts. The committees are co-chaired by the Assistant Secretaries of Defense ASD (Readiness) and Joint Staff (JS) J3, and Deputy Assistant Secretary of Defense DASD (Force Readiness) and J3 DDRO.

Published Performance / Progress Reports:

In accordance with the Secretary's guidance to seek Departmental level reforms and FY19 NDAA legislation, the Chief Management Officer's reform team, who is guided by the Defense Management Analytic Steering Committee (DMASC), continues to assist in the consolidation of Service DRRS variants and further streamline readiness data and interfaces. The Plan of Action and Milestones continues in development and is due to Congress by February 1, 2019. A survey of readiness data sources and close coordination with the Services to ensure all data and functionality is captured as the consolidation effort continues. As further streamlining and consolidation occur, efforts will also inform readiness reporting policy updates to ensure the Department captures readiness at the lowest employable entity.

Performance Goal Contributing Programs: Readiness Recovery Framework (R2F), DRRS-S

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.2.1: Identify DRRS-S input tool requirements and design to meet FY19 NDAA legislation	Target	X						
PM 1.1.2.2: Publish a DRRS consolidation plan	Target		X					
PM 1.1.2.3: Begin Service data migration into DRRS-S	Target		X					
PM 1.1.2.4: Initiate testing of DRRS-S Service-specific functionality	Target			X				
PM 1.1.2.5: Publish a Directive-Type Memorandum on strategic readiness	Target		X					

PG 1.1.3: Improve Linkage Between Resources and Readiness	**PG Leader:** USD(P&R)

Performance Goal Overview:

The scope of the performance goal initially focused on resources and core readiness accounts, but it was quickly expanded to also assess readiness enabler accounts, with the intent to more closely tie funding impacts to total force readiness improvement. The National Defense Strategy and Defense Planning Guidance provided key initiatives in accomplishing PG 1.1.3.

Performance Information Gaps:

Although OSD and the Services operate several budget databases, the current databases lack the specificity required to assess the impact of readiness investments to outcomes. OUSD (P&R) will work with the Services and Comptroller to increase the fidelity of the budgetary data. Further, OUSD (P&R) will work with the Services to gain access to equipment and facilities data to track and monitor readiness improvements throughout the Total Force.

Changed Performance Goals and Indicators:

OUSD (P&R) will focus on assessing the facilities, equipment and budget of the Total Force, including the Active and Reserve Components. Further, we will focus on aligning resources with the National Defense Strategy.

Partners (Component Internal and External):

OSD(CAPE), OSD(Comptroller), Army, Navy, Air Force, Marine Corp, OUSD(Policy), the Joint Staff, and OUSD(A&S)

Major Management Priorities and Challenges:

This office will focus on aligning readiness investments to the metrics and goals listed in the Readiness Recovery Framework. This will require access to accurate, detailed databases from OSD and the Military Services. Further, this task will require skilled data scientists and analysts to conduct detailed, data-driven assessments of current readiness challenges on facilities, equipment, and other areas of concerns.

Primary Governance Organizations: OUSD(P&R), Deputy Secretary of Defense, Secretary of Defense

Published Performance / Progress Reports:

National Guard and Reserve Equipment Report, Readiness Chapter in the Annual Budget Report to Congress

Performance Goal Contributing Programs: DRRS-S

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.3.1: Establish and identify key aviation funding sources and cost metrics to track readiness progress for F/A-18, F-35, F-22, and F-16 aircraft. Establish a baseline readiness and funding level.	Target		X					NEW
PM 1.1.3.2: Identify the deferred maintenance value (DMV) and the facility condition index (FCI) for Active and Reserve Component facilities which directly support the NDS.	Target		X					NEW
PM 1.1.3.3: Estimate the funding required to achieve equipment readiness goal for Abrams Battle Tanks, Apache Helicopters, Stryker Vehicles, Blackhawk Helicopters, and Bradley Fighting Vehicles for both the Active and Reserve Components for the 2021 Program Budget Review cycle.	Target				X			NEW
PM 1.1.3.4: Use the DMV and the FCI to prioritize facilities investment decisions in the 2021 Program Budget Review cycle, including investments to facilities which function to generate Combat Aviation Brigades for the Army.	Target				X			NEW
PM 1.1.3.5: Report readiness investments and decisions made during the 2020 Program Budget Review to Congress via the "Defense Budget Overview."	Target		X					NEW

PG 1.1.4: Improve Credentialing Opportunities	**PG Leader:** USD(P&R)

Performance Goal Overview:

The Department will integrate DoD Credentialing Policy into the Career Investment Portfolio concept. The Department is implementing the Service Member Outcomes Portal to better promote awareness of, participation in and pursuit of goal-directed outcomes for the Department's tuition assistance, certification/licensure, and apprenticeship programs. This initiative is being executed in collaboration with the Departments of Labor and Veterans Affairs, as the outcomes support active duty career enhancements as well as providing preparation for post-service employment.

During FY19, FE&T will implement the OPM hosted Portal. Phase 1 will populate the Portal with the DoD/OSD sponsored programs. Phase 2 will integrate the DoL and VA programs into the Portal, with subsets being OGC review and approval, respective CIO approval, and then the linking of the programs into the active website. Phase 3 will begin the preparation for non-Federal partners, to include businesses, labor, NGOs and VSOs/MSOs. Subsets are development of draft MOU; OGC review and comment; and initial outreach to selected potential partners (TBD).

Performance Information Gaps: None identified at this time.

Changed Performance Goals and Indicators:

P&R has completed performance measures 1.1.4.2 and 1.1.4.3 from the FY2018 Annual Performance Plan. Performance Measure 1.1.4.1, to "create an overarching DoD credentialing policy through a new DoDI," was partially completed and in FY19 the draft stand-alone credentialing Instruction will be incorporated into a larger "Career Investment Programs" Instruction, along with Voluntary Education programs and possibly apprenticeships. The career investment program DoDI is a new FY19.

Cross Functional Team Members (Component Internal and External):

Internal: DoD Components, MilDeps, OGC, LA and PA, TVPO

External: The White House, OPM, VA, DoL, Labor unions, the Department of Commerce, MSO/VSOs.

Major Management Priorities and Challenges: N/A

Primary Governance Organizations:

OUSD(P&R)/OASD(R)/ODASD(Force Education and Training)

Published Performance / Progress Reports:

Weekly sync meeting with OPM and other stakeholders. Weekly "Major Effort Report" to OASD(R) and P&R leadership.

Performance Goal Contributing Programs:

Service Credentialing Opportunities On-Line (COOL) Programs and SkillBridge Program.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.4.1: Integrate DoD Credentialing Policy into Career Investment Portfolio and revise DoDI by the end of FY2020.	Target					X		NEW
PM 1.1.4.2: Launch Service Members Outcomes Portal in collaboration with the Office of Personnel Management.	Target	X						NEW
PM 1.1.4.3: Populate Service members Outcomes portal with DoD-sponsored programs.	Target			X				NEW
PM 1.1.4.4: Integrate the Department of Labor and Veterans Administration-sponsored programs into the Service Members Outcomes Portal.	Target				X			NEW
PM 1.1.4.5: Begin the preparation to integrate non-Federal partnership programs into the Service Member Outcomes Portal to include industry, labor unions, NGOs and VSOs/MSOs.	Target				X			NEW

PG 1.1.5: Improve understanding of root causes of Class A mishaps and implications to readiness recovery	**PG Leader:** USD(P&R)

Performance Goal Overview: The scope of performance goal 1.1.5 focuses on managing four Defense Safety Oversight Council (DSOC) Task Forces to advance how the Department collects, integrates reports, and analyzes mishap and safety-related data for use in mishap mitigation activities. By identifying and implementing leading indicators, improving the mishap classification system, sharing lessons learned, and standardizing mishap data and reducing data gaps, and, ultimately each of the Task Force deliverables will provide information that can be implemented to assist leaders in making the most effective and efficient risk mitigation and resource decisions for mishap reduction.

PR&S scheduled the kick off meeting for the Leading Indicators, Mishap Classification, and Lessons Learned Management Task Forces for November 13, 2018. PR&S will Chair these three (3) Task Forces, and, per request, the MilDeps provided a list of members. The RAND National Defense Research Institute commenced their research and data collections efforts in support of the Leading Indicators Task Force. PR&S also conducted initial meetings with the Office of the Chief Information Officer (CIO) regarding the SOH Data Reform Task Force.

Performance Information Gaps: No performance information gaps have been determined at this point.

Changed Performance Goals and Indicators: The FY 2019 performance goal is updated from FY 2018 to focus on specific objectives of the Defense Safety Oversight Council (DSOC) Task Forces. In July 2018, the DepSecDef designated the USD (P&R) as the Department's Principal Enterprise Safety Official (PESO). The Performance Goal aligns with this new responsibility, as well as with the DoD Safety and Occupational Health Strategic Plan.

Partners (Component Internal and External): PR&S collaborates with the Military Departments, and DoD Components, who have identified active members for each Task Force. RAND is supporting the Leading Indicators Task Force, and PR&S is partnering with the CMO on the DSOC Data Reform Task Force. PR&S is also partnering with the CMO's Joint Enterprise Data Repository (DRCED) to provide Department-wide Class 'A' mishap and fatality information directly from PR&S' maintained and operated Force Risk Reduction (FR2) tool. In collaboration, we plan to expand the current safety-related FR2 data sets with available DRCED data and integrate equipment, steaming hours, flight hours, and government motor vehicle mileage, etc. In addition, the OUSD (P&R) collaborates with the Voluntary Protection Programs Participants Association (VPPPA) and the National Safety Council (NSC).

Major Management Priorities and Challenges: Enhancing readiness through mishap reduction, and using safety information to make informed risk decisions.

Primary Governance Organizations: The Defense Safety Oversight Council (DSOC) and its supporting tiers of governance: the DSOC Integration Group (IG) and the DSOC Steering Group (SG).

Published Performance / Progress Reports: N/A

Performance Goal Contributing Programs: N/A

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.5.1: Establish four Defense Safety Oversight Council Task Forces: Leading Indicators, Mishap Classification, SOH Data Reform, and Lessons Learned Management.	Target	X						NEW
PM 1.1.5.2: Provide initial recommendations for Mishap Leading Indicators and Mishap Classifications.	Target		X					NEW
PM 1.1.5.3: Provide recommendations from the Lessons Learned Management Task Force on sharing and communicating Lessons Learned throughout the DoD.	Target			X				NEW
PM 1.1.5.4: Submit final mishap data standards and values for submission to the Business Enterprise Architecture, implementing leading indicators, mishap classification recommendations, and lessons learned management approach.	Target				X			NEW

PG 1.1.6: Increase Advanced Strategic Thinking Capability within the Officer Corp	PG Leader: USD(P&R)

Performance Goal Overview: The Department will establish a "Strategic Thinker's" Program in collaboration with an accredited University focusing on joint forces that use a mix of military theory, military history, political science, war gaming, and staff rides to develop and improve officers who can perform as strategic thinkers, theorists, and warfighters. The program will place contemporary military operations (including the current emphasis on hybrid warfare) in a historical, political, local dynamics, and strategic context through the analysis of military theory, political context, and historical military case studies and war games.

Performance Information Gaps: None identified at this time

Changed Performance Goals and Indicators: N/A - New Performance Measure

Partners (Component Internal and External):

Internal: Military Departments, DoD Components, OGC, Joint Staff (J7), War colleges to include Service Senior Level Colleges, National Defense University, and Service Advanced Schools.

External: A local university

Major Management Priorities and Challenges: The Secretary of Defense tasked OUSD (P&R) to review "Professional Military Education policy in order to regain the concentration on the art and science of warfighting."

The National Defense Strategy also stressed the need for fostering "intellectual leadership and military professionalism in the art and science of warfighting," including "deepening our knowledge of history." The Secretary of Defense has also referred to this need as the need for "enhancing strategic thinking."

Primary Governance Organizations: OUSD(P&R)/OASD(Readiness)/ODASD(Force Education and Training)

Published Performance / Progress Reports: Weekly progress reports via the "Major Efforts Report" to OASD(R) and P&R leadership.

Performance Goal Contributing Programs: Directive-Type Memorandum (DTM) to establish policy, responsibilities, and application guidance for the Strategic Thinking Program.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.1.6.1: Create and publish policy via a Directive-Type Memorandum establishing the Strategic Thinking Program	Target	X						NEW
PM 1.1.6.2: Finalize student roster for first cohort	Target		X					NEW
PM 1.1.6.3: Develop and approve curriculum for the program	Target			X				NEW
PM 1.1.6.4: Implement the first inaugural Strategic Thinkers Program class at a local university	Target				X			NEW

SO 1.2: Modernize Key Capabilities	
SO Leader: OUSD (A&S)	
PG 1.2.1: Significantly improve the F-35 Program execution	**PG Leader:** OUSD(A&S)

Performance Goal Overview: The F-35 Lightning II is the premier multi-mission, next generation strike fighter that provides our warfighters unmatched, game-changing capabilities. The F-35 provides transformational capabilities that will fundamentally change the way our nation's military operates around the globe.

The F-35 supports, aligns and plays a central role in DoD's National Defense Strategy calling for a more lethal force, strengthened global alliances and reformed business practices to enhance affordability. The Department is focused on driving cost out, quality up, and achieving timely capability deliveries.

Performance Information Gaps: N/A

Changed Performance Goals and Indicators: Performance measures are changing for 2019 as the program completed the 2018 performance goals.

Partners (Component Internal and External): Three U.S. Services (U.S. Air Force, U.S. Marine Corps, and U.S. Navy)

Eight Partner Nations (United Kingdom, Italy, Netherlands, Turkey, Canada, Australia, Denmark, and Norway)

Four Foreign Military Sales Customers (Israel, Japan, Republic of Korea, and Belgium)

Major Management Priorities and Challenges: The Department works to: transform the F-35 enterprise from developmental and initial production to full-rate production; drive down sustainment costs and improve aircraft availability while supporting growing global operations; and implement an agile and affordable continuous modernization environment to deliver future capabilities that will ensure warfighters pace the threat and have significant battlefield advantages.

Primary Governance Organizations: The F-35 Executive Steering Group

Published Performance / Progress Reports: N/A

Performance Goal Contributing Programs: F-35 is a program

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.2.1.1: Update and issue the F-35 Lifecycle Sustainment Plan and report progress on achieving Sustainment Affordability Targets in accordance with the Oct 2018 Acquisition Decision Memorandum	Target				X			NEW
PM 1.2.1.2: Demonstrate readiness for F-35 Full Rate Production decision	Target				X			NEW
PM 1.2.1.3: Complete F-35 Initial Operational Test & Evaluation	Target				X			NEW
PM 1.2.1.4: Expand Global Sustainment Capabilities: • Stand-up Australia Maintenance, Repair, Overhaul and Upgrade (MRO&U) capability (FY 2019 Q2) • Stand-up Japan MRO&U capability (FY 2019 Q4) • Stand-up Fleet Readiness Center (FRC) East (FY 2019 Q4)	Target		X		X			NEW

PG 1.2.2: Driving Nuclear Enterprise reforms to keep modernization of the nuclear deterrent on track	**PG Leader:** OUSD(A&S)

Performance Goal Overview: The Department will modernize the nuclear triad – including nuclear command, control, and communications (NC3) and supporting infrastructure. Modernization of the nuclear force includes developing options to counter competitors' coercive strategies, predicated on the threatened use of nuclear or strategic non-nuclear attacks.

Performance Information Gaps: None

Changed Performance Goals and Indicators: None. The Nuclear Posture Review (NPR) confirms the findings of previous NPRs that the nuclear triad—supported by North Atlantic Treaty Organization (NATO) dual-capable aircraft and a robust nuclear command, control, and communications system—is the most cost-effective and strategically sound means of ensuring nuclear deterrence.

Partners (Component Internal and External): OSD (Policy), Joint Staff, USSTRATCOM, Departments of Air Force and Navy, Department of Energy/National Nuclear Security Administration, Allies and Partners.

Major Management Priorities and Challenges: All of the nation's nuclear weapons delivery systems have been extended beyond their original service lives and will reach the end of sustainability in the next two decades. Replacement programs are underway to ensure there are no gaps in capability, although there is little or no schedule margin between legacy system age-out and fielding of the replacements, and DoD has not recapitalized its nuclear forces at a commensurate level for over 30 years. DoD expects nuclear recapitalization costs to total approximately $230-$290B from FY 2018 to FY 2040. This includes the cost of strategic delivery system replacement, F-35A tactical nuclear dual-capability integration, and NC3 system modernization.

Primary Governance Organizations: Nuclear Weapons Council, NC3 Executive Review; Nuclear Deterrent Enterprise Review Group

Published Performance / Progress Reports: Nuclear Posture Review, February 2018

Performance Goal Contributing Programs: Nuclear Command, Control and Communications (NC3), Ground-Based Strategic Deterrent (GBSD), B61-12 Tailkit Assembly, Long Range Stand Off (LRSO) weapon, COLUMBIA class SSBN, B-21 Raider, F-35A Nuclear Dual Capability, Mk21A Reentry Vehicle, Trident II (D5) SLBM Life Extension – 2, Nuclear Sea-Launched Cruise Missile

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.2.2.1: Support STRATCOM in executing new Nuclear Command, Control and Communications (NC3) governance construct to improve NC3 modernization. Establish NC3 Enterprise Capability Portfolio Management office and achieve initial operating capability	Target			X				NEW
PM 1.2.2.2: Complete 2018 Nuclear Posture Review tasks	Target					X		NEW
PM 1.2.2.3: Identify opportunities to reduce risk and increase schedule margin in nuclear modernization programs	Target		X					NEW
PM 1.2.2.4: Support Air Force in staffing Ground-Based Strategic Deterrent (GBSD) requirements for JROC approval	Target			X				NEW
PM 1.2.2.5: Support Air Force B61-12 Life Extension Program tail kit and National Nuclear Security Administration warhead integration leading to tailkit production contract award	Target				X			NEW
PM 1.2.2.6: Support Air Force in upcoming Long Range Stand Off (LRSO) weapon design reviews	Target				X			NEW

PG 1.2.3: Resilient and agile logistics	PG Leader: USD(A&S)

Performance Goal Overview: Investments will prioritize prepositioned forward stocks and munitions, strategic mobility assets, partner and allied support, as well as non-commercially dependent distributed logistics and maintenance to ensure logistics sustainment while under persistent multi-domain attack.

Performance Information Gaps: None.

Changed Performance Goals and Indicators: N/A. This is a new performance goal.

Partners (Component Internal and External):

Services, Joint Staff, Defense Logistics Agency, TRANSCOM, Combatant Commands

Major Management Priorities and Challenges: This work is largely done at the lowest level possible. As a result, the number of disparate sources with nonstandard definitions are significant and trying to create common data takes time.

Primary Governance Organizations: Joint Logistics Board

Published Performance / Progress Reports: There are a variety of recurring congressional reporting requirements, including.

Performance Goal Contributing Programs: N/A

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.2.3.1: Implement actions required to demonstrate progress on asset visibility by issuing an Asset Visibility Strategy.	Target	X						NEW
PM 1.2.3.2: Implement actions required to demonstrate progress on materiel distribution by issuing a Materiel Distribution Improvement Plan.	Target	X						NEW
PM 1.2.3.3: Develop and implement metrics that measure the accuracy of maintenance planning (schedule, bill of materials, replacement factors), while simultaneously measuring disruption costs created by lack of parts	Target			X				NEW

SO 1.3: Enhance information technology and cybersecurity defense capabilities

SO Leaders: Principal Deputy, Department of Defense Chief Information Officer (DoD CIO)	
PG 1.3.1: Implement First Four Cyber Priorities	**PG Leader:** Department of Defense Chief Information Officer (DoD CIO)

Performance Goal Overview: The performance goal will reduce cybersecurity risk throughout the DoD enterprise by implementing the First Four cyber initiatives: Comply-to-Connect (C2C); Identity, Credential, and Access Management (ICAM); Secure Application Development (DevSecOps); and Cyber Workforce. The DoD Chief Information Officer (CIO) and Service CIOs identified the First Four as priorities. The First Four are aligned to the Cyber Top 10 Risks under the DoD Cyber Strategy implementation Lines of Effort.

• Comply-to-Connect is a network security initiative enforcing endpoint security standards prior to and post connection. C2C ensures endpoints meet proper security suitability standards as a condition of network connection, automates the remediation of vulnerabilities, and reports the status of the network in realtime.

• ICAM will provide a federated, enterprise capability to allow a single user record or device to be portable throughout the Department, whether in garrison or at the tactical edge, to securely access all authorized resources based on mission need, and know who and what is on the network.

• DevSecOps will develop a software application standard toolkit to provide developers integrated tools, services, and standards that enable users and partners to develop, deploy, and operate applications in a secure, flexible, and interoperable fashion – application security is "baked-in" at the start.

• Cyber Workforce will mature the enterprise approach to recruit, develop, and retain the requisite cyber talent to enhance the effectiveness and lethality force to successfully execute the Department's defensive and offensive mission.

Performance Information Gaps: None

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal:

Comply-to-Connect: There are numerous early adopters of C2C throughout the Department. Each initiative has led to divergent implementation of C2C with differing product suites. To achieve a unified implementation of C2C, both local and Service-wide pathfinder efforts are necessary. CIO has established the cross-Component Information Security Continuous Monitoring Working Group and Comply-to-Connect Tiger Team to address standardization throughout the enterprise. Enterprise solutions suitable for automation are being developed by DISA, such as the Enterprise Patch Management Service (EPMS). The Joint Artificial Intelligence Center (JAIC) will initiate AI and vulnerability management and integration to complement enterprise artificial intelligence initiatives.

ICAM: USD (P&R) is advancing the Common Access Card initiative to enable DoD and other federal agencies with an ability to securely authenticate each other's systems. DISA is developing the Master User Record and Automated Account provisioning, and Identity Provider Service. DMDC will work the attributed services and modernize DoD self-service logon capability. USD (I) and the NSA will work ICAM services on the secret fabric and PKI and QR enhancements.

DevSecOps: USAF, Defense Threat Reduction Agency (DTRA), and Joint Improvised-Threat Defeat Organization (JIDO) provide lessons-learned and insight from on-going DevSecOps initiatives. USD Acquisition and Sustainment co-lead with DoD CIO on the architecture and design of DevSecOps.

Cyber Workforce: Partners include USD(P&R); USD(I); US Cyber Command, JF HQ DoDIN, DISA, Navy, USMC, AF, Army, Intelligence Community Components, National Unions, and Local DoD Unions

External:

Comply-to-Connect: DoD CIO has engaged numerous times with the federal Continuous Diagnostics and Mitigation Program on Comply-to-Connect. A number of federal civilian agencies have adopted C2C automation as a means to manage their hardware/software inventory and accelerate vulnerability remediation. With respect to the Department of Homeland Security, the United States Coast Guard will deploy C2C as part of their modernization efforts.

ICAM: The Office of Management and Budget and National Institute of Standards and Technology are coordinating policies, architectures, and standards for ICAM normalization among DoD and non-DoD federal mission partners and security fabrics. The General Services Administration is developing capabilities supporting the public trust PKI and transparency of public facing web server and email certificate practices.

DevSecOps: DHS and NGA both provided lessons-learned and continue to provide consulting from their on-going DevSecOps initiatives.

Cyber Workforce: Partners include the Office of Personnel Management, Department of Homeland Security, Congress, Industry, and Academia

Major Management Priorities and Challenges:

Funding delays will likely push C2C operational implementation into FY21.

Primary Governance Organizations:

Comply-to-Connect: MILDEP CIO board; DoD Cyber Strategy LOE In-Progress Reviews; and DSD Cyber / CIO Working Group.

ICAM: The Federal CIO Council for ICAM Sub-Committee; the Committee on National Security Systems ICAM Working Group; the DoD Identity Protection and Management Senior Coordinating Group; the Intelligence Committee ICAM Subcommittee; the DoD Identity Protection and Management Senior Coordinating Group; DoD Cyber Strategy LOE In-Progress Reviews; and DSD Cyber / CIO Working Group.

DevSecOps: Enterprise Architecture and Services Board; DoD Cyber Strategy LOE In-Progress Reviews; and DSD Cyber / CIO Working Group.

Cyber Workforce: Cyber Workforce Management Board, Defense Human Resources Board, DoD Cyber Strategy LOE In-Progress- Reviews, and DSD Cyber/CIO Working Group.

- Cyber Workforce: Cyber Workforce Management Board, Defense

Published Performance / Progress Reports:

DoD Cyber Strategy LOE In-Progress Reviews and Cyber Top 10 Scorecard (in development). Top Ten Scorecard will be available on or about March 1, 2019.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.1.1: C2C: Achieve 100% endpoint visibility for NIPR information networks	Target	Measured Annually			70%	30%		NEW
• **PM 1.3.1.1.1:** C2C: USA, USN, USMC pathfinder identifies efficacy of the enterprise C2C operational framework	Target	Measured Annually			100%			NEW
• **PM 1.3.1.1.2:** C2C: DoD CIO rapid innovation initiative identifies enterprise C2C solution architecture	Target		20%	80%	100%			NEW
PM 1.3.1.2: ICAM: Deploy initial ICAM shared services	Target			70%		30%		NEW

PM 1.3.1.3: DevSecOps: Develop a Secure Application Development capability for the DoD and demonstrate with two early adopters	Target	Measured Annually			100%			NEW
PM 1.3.1.4: Cyber Workforce	Target	22%	28%	36%	45%	67%	79%	20%

PG 1.3.2: Implement Joint Regional Security Stack (JRSS) capabilities. The JRSS capabilities include modernizing the Department's information transport capabilities through installation of high throughput Multiprotocol Label Switching (MPLS) routers and fiber optic links; enhanced network security stacks; management of the enhanced network stacks; and a comprehensive analytics capability that synchronizes defensive cyber operations throughout the DoD Information Network (DoDIN). The JRSS effort is driving dramatic changes to IT networking and security throughout the DoDIN. It collapses disparate security solutions and complex duplicative networking connections into a dynamic, flexible, and upgradeable future DoD IT environment.	PG Leader: DoD CIO

Performance Goal Overview: The JRSS effort is a high priority initiative under the Department's Joint Information Environment (JIE) capability framework. It addresses the need to secure, operate and defend the cyber warfighting domain. JRSS capabilities include modernizing the Department's information transport capabilities through installation of high throughput Multiprotocol Label Switching (MPLS) routers and fiber optic links; enhanced network security stacks based on Commercial-Off-the-Shelf (COTS) products; management of the enhanced network stacks; and an analytics capability that synchronizes defensive cyber operations throughout the DoD Information Network (DoDIN). JRSS capabilities improve the ability to defend the DoDIN and resolve gaps in mid-point security for Internet Protocol (IP)-based traffic on the Non-classified IP Router Network (NIPRNet) and Secret IP Router Network (SIPRNet). JRSS implementation is driving dramatic changes to Information Technology (IT) networking and security throughout the DoDIN by collapsing disparate security solutions and complex duplicative networking connections into a dynamic, flexible, and upgradeable future DoD IT environment.

Performance Information Gaps: None

Changed Performance Goals and Indicators: The overall performance goals for JRSS remain unchanged from the goals established in the FY 2018 Annual Performance plan. However, the expected completion date for JRSS installations and migrations have changed from the original target of 4th Quarter FY 2019 to the end of FY 2021. This change is driven by the need to mitigate system performance concerns, address site-specific issues to prepare for migration, and the need to address operator training, and joint operational processes and procedures. On-going actions under the JRSS Strategic Review Lines of Effort are expected to increase confidence in the performance of the JRSS and provide a more realistic migration schedule.

Partners (Component Internal and External):

Internal: The DoD CIO, Defense Information Systems Command (DISA), U.S. Cyber Command, and all DoD Components contribute to achieving this goal. The DoD CIO provides overall policy guidance and resource advocacy, and maintains the JRSS governance structure. The DISA JRSS PMO procures, installs and maintains configuration management of JRSS, and is responsible for managing the site migration schedule. U.S. Cyber Command is the operational sponsor for JRSS, and establishes joint policies and procedures to operationalize JRSS capabilities throughout the Department. DISA Global Operations Command operates and maintains JRSS that has transitioned to operations. The DoD Components provide their priorities to schedule and support migration of component bases, camps, posts and stations to JRSS, and subscribe to JRSS as an enterprise service to meet component mission requirements for DoDIN operations and defensive cyberspace operations. The Director, Operational Test and Evaluation (DOT&E) provided oversight of operational test and evaluation of JRSS.

External: The U.S. Coast Guard adopted JRSS as a primary network security solution, and is integral to meeting the Department's goal for JRSS.

Major Management Priorities and Challenges: The implementation of JRSS has been complicated and nuanced because of the magnitude of all DoD Components migrating to a common, physical infrastructure. It is further complicated because the migrations have differed throughout the DoD Components. Additionally, DoD is shifting how it will defend the cyber terrain from a MilDeps focus to an enterprise one under the direction of U.S. Cyber Command.

Mitigation: Consistent effective, frequent, informative communication, and proactive governance. Progress reviews followed by necessary adjustments, leadership updates, and persistent support with actionable enterprise follow-through activities.

Primary Governance Organizations:

JRSS is managed through the JRSS governance structure. Key forums and their responsibilities include:

- Joint Information Environment Executive Committee: Sets the direction, establishes goals and objectives, and provides oversight and accountability for JRSS; approves annual spend plans.

- JRSS Senior Advisory Group: Directs JRSS efforts and provides strategic direction and guidance to the JRSS Council of Colonels and the JRSS Integrated/Operational Product Teams (O/IPTs).

- JRSS Council of Colonels: Integration point for JRSS I/OPTs; primary action-level forum responsible for ensuring JRSS issues requiring senior leader direction are surfaced and addressed by the appropriate officials and organizations.

- The JRSS Migration Planning Board: Maintains oversight of JRSS migration activities including integration and adjudication of stakeholder migration priorities and schedules; presents the recommended JRSS migration schedule to the JIE EXCOM for approval on a monthly basis.

- JRSS Change Control Board: Evaluates recommendations from the JRSS Engineering Review Board; makes decisions and provides management and oversight of proposed changes to the JRSS baseline that affect the architectural design, changes that impact cost, schedule and/or resources, and any additions, deletions, or modifications to approved requirements defined in the Functional Requirements Document.

- JRSS Joint Operations Board: Primary operational forum for U.S. Cyber Command and the JRSS

Published Performance / Progress Reports: Progress against established goals for JRSS are presented monthly to the JIE Executive Committee. Detailed assessments of JRSS performance and issues impacting progress are also reviewed at least quarterly (more often when required) through the JRSS Senior Advisory Group (SAG). The JIE EXCOM and JRSS SAG direct mitigation actions.

Performance Goal Contributing Programs: Primary programs: JRSS is not a designed ACAT program per the Defense Acquisition System. JRSS consists of a portfolio of initiatives including the security stacks, a joint management systems, MPLS routers, optical upgrades, and cyber analytics capabilities. It is jointly funded by DISA and the Military Departments, with funds executed by DISA.

Organizations: DoD CIO provided overall guidance and direction; the DISA JRSS PMO manages the procurement, installation, and configuration of JRSS.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.2.1: Cumulative percentage of NIPRNet/SIPRNet JRSS installed with operational traffic	Target	60% / 0%	60% / 16%	60% / 16%	75% / 30%	85% / 45%	100% / 60%	FY 2018: 65% / 0%
PM 1.3.2.2: Cumulative percentage of locations whose network communications are behind JRSS on NIPRNet and SIPRNet	Target	39% / 0%	41% / 5%	43% / 15%	45% / 25%	52% / 40%	60% / 60%	FY 2018: 40% / 0%

Note: First number reflects NIPR JRSS/Second Number reflects SIPR JRSS

PG 1.3.3: Implement Cyber-Supply Chain Risk Management Activities	**PG Leader:** Department of Defense Chief Information Officer (DoD CIO)

Performance Goal Overview:

The Department of Defense is increasingly dependent on commercial Information and Communications Technology (ICT) products and services to build capability and execute DoD missions. In consequence, these products and services represent a supply chain attack surface for an adversary to surveil, deny, disrupt, or otherwise degrade parent systems. Supply Chain Risk Management (SCRM) refers to identification of susceptibilities, vulnerabilities and threats throughout DoD's supply chain and development of mitigation strategies to combat those threats - whether presented by the supplier, or the supplied product, its subcomponents, or the supply chain itself.

SCRM is specifically identified as a priority action in the National Cyber Strategy and aligned to the DoD Cyber Strategy implementation Lines of Effort. Much of the cyber-enabled technology used by the Department is designed, developed, and sustained through contractual relationships with non-DoD entities. Efforts to modernize key capabilities and leverage industry innovation increases the dependence and need to assure DoD products and services through SCRM in all phases of the lifecycle. The below metrics represent one of DoD's efforts to see and manage risk with regard to SCRM.

Performance Information Gaps: None

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal:

The DoD CIO in collaboration with Under Secretary of Defense for Acquisition and Sustainment (USD (A&S)), and Under Secretary of Defense for Research and Engineering (USD (R&E)) partners led internal DoD efforts to develop a policy for trusted system and networks (DoDI 5200.44) and create a threat assessment center for assessing the suppliers of critical components in weapon systems and networks.

DoD CIO, A&S and R&E continue to address Cyber-SCRM with a whole-of-government approach to implementation focused on 1) Improving Supplier Threat Assessment collection and analyses; 2) implementing methods to mitigate risk such as blacklisting/enhanced procedures and improved hardware and software assurance testing; and 3) Enhancing processes for approved products/vendors' lists.

External:

SCRM focuses on interagency primarily with Department of Homeland Security (DHS), General Services Administration (GSA), National Institute of Standards and Technology (NIST), Office of Director of National Intelligence (ODNI), and OMB in a whole-of-Government approach to SCRM.

SCRM focuses on and public/private partnerships, including but not limited to:

Software Supply Chain Assurance (SSCA) Forum provides SCRM awareness throughout public, private, academia standards communities to advance commercial standards for SCRM.

Enduring Security Framework is a public/private partnership to address specific SCRM issues (Risk when Managing Outsourced Network Services (RMONS), commercial threat information sharing).

Major Management Priorities and Challenges

- Receiving appropriated funding equal to requested funding.

- Recent statutory and regulatory changes such as NDAA FY 2011 Sec. 806 and NDAA FY 2019Sec. 889.

- In some cases, commercial SCRM risk may not be able to be mitigated. In those cases, the Government must explore Government-unique solutions /capabilities.

Primary Governance Organizations:

Evolving Enterprise Supply Chain Risk Management Governance to include:

- TSN Roundtable

- Joint Federated Assurance Center(JFAC)

- DoD Cyber Strategy LOE In-Progress Reviews; and DSD Cyber / CIO Working Group

Published Performance / Progress Reports: *Classified Reports

Performance Goal Contributing Programs: N/A

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.3.1: Improve Supplier Threat Assessment collection and analyses	Target		25%		33%	50%	60%	NEW
PM 1.3.3.2: Implement methods to mitigate risk: • Blacklisting/Enhanced Procedures • Improved hardware/software assurance testing	Target		25%		33%	50%	60%	NEW
PM 1.3.3.3: Enhancing processes for approved products/ vendors' lists	Target		25%		33%	50%	60%	NEW

PG 1.3.4: Accelerate the Delivery & Adoption of Artificial Intelligence Throughout DoD to Achieve Mission Impact at Scale	**PG Leader:** Director, Joint Artificial Intelligence Center

Performance Goal Overview:

The performance goal focuses on accelerating the delivery of AI-enabled capabilities, scaling the impact of AI throughout the DoD, and synchronizing DoD AI activities to expand Joint Force advantage. The 2018 National Defense Strategy (NDS) foresees that ongoing advances in artificial intelligence (AI) "will change society and, ultimately, the character of war." To preserve and expand our military advantage and enable business reform, we must pursue AI applications with boldness and alacrity while ensuring strong commitment to military ethics and AI safety. A new approach is required to increase the speed and agility with which we deliver AI-enabled capabilities and adapt our way of fighting. Achieving this goal requires close coordination and synchronization among DoD components.

Performance Information Gaps: None

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal:

Defense Innovation Unit (DIU) develops pilots and commercial relationships. Components assist with planning and providing detailed personnel. USD(R&E) develops new technologies for inclusion in JAIC initiatives.

External:

Close partnerships with commercial, academia, and international allies and partners are critical to achieving

Major Management Priorities and Challenges:

The National Defense Strategy and the DoD AI Strategy set JAIC objectives. Challenges include hiring a new workforce, securing funding to maintain momentum, having adequate facilities to support JAIC, IT infrastructure established to enable AI capability development.

Primary Governance Organizations: TBD

Published Performance / Progress Reports: Monthly DoD JAIC Scorecard

Performance Goal Contributing Programs:

National Defense Strategy

Defense Planning Guidance

DoD AI Strategy

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.4.1: Joint Artificial Intelligence Center (JAIC) Full Operational Capability	Target	25%	40%	60%	80%	100%	100%	NEW
PM 1.3.4.2: Predictive Maintenance National Mission Initiative (PMx NMI)	Target	0%	10%	20%	33%	66%	100%	NEW
PM 1.3.4.3: Humanitarian Assistance / Disaster Relief National Mission Initiative (HA/DR NMI)	Target	0%	10%	20%	33%	66%	100%	NEW
PM 1.3.4.4: Cyber Sensing National Mission Initiative (Cyber NMI)	Target	0%	5%	10%	15%	55%	100%	NEW
PM 1.3.4.5: Joint Common Foundation (JCF)	Target	0%	10%	20%	33%	66%	100%	NEW

PG 1.3.5: Award of Joint Enterprise Defense Infrastructure (JEDI) Cloud Contract	**PG Leader:** Program Manager, DoD Cloud Computing Program Office

Performance Goal Overview:

The DepSecDef established an enterprise cloud initiative to competitively acquire the Joint Enterprise Defense Infrastructure (JEDI) Cloud. The RFP was released on July 26, 2018 with bids received on October 12, 2018. The acquisition action is currently in the process of source selection. The scheduled award date is late April 2019.

JEDI Cloud is a pathfinder, General Purpose enterprise-wide cloud. JEDI will allow DoD to take advantage of economies of scale, ensure superiority through data aggregation and analysis, and lay the foundational technology for artificial intelligence and machine learning.

Achievement of the goal is binary to award a contract. The contract will be awarded on time or it will not.

Performance Information Gaps: New Performance Goal

Changed Performance Goals and Indicators: Nothing as this is the first time this Performance Goal has been reported.

Partners (Component Internal and

External): Internal: DoD CIO, WHS, and DoD

OGC External: Not applicable at this time.

Major Management Priorities and Challenges: No major challenges to report at this time.

Primary Governance Organizations:

Governance with regard to implementation and use of JEDI Cloud is still being developed.

Published Performance / Progress Reports: None at this time.

Performance Goal Contributing Programs: None at this time.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.5.1: JEDI Cloud Contract Award	Target			100%	100%	100%	100%	NEW

PG 1.3.6: Roll Out of Account Tracking and Automation Tool (AT-AT) Provisioning Tool	PG Leader: Program Manager, DoD Cloud Computing Program Office

Performance Goal Overview:

Develop and launch the AT-AT self-service automated provisioning tool that will access the compute and storage capabilities of the JEDI Cloud. Said tool is a user management resource for task order management that will create user account and provision resources within the JEDI cloud.

Performance Information Gaps: None

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal: DoD Cloud Computing Program Office (CCPO)

External: The non-traditional contractor who is building the AT-AT provisioning tool on behalf of the DoD CCPO.

Major Management Priorities and Challenges: None at this time.

Primary Governance Organizations:

The Program Execution Group of the DoD Cloud Computing Program Office

Published Performance / Progress Reports: None at this time.

Performance Goal Contributing Programs: None at this time.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.6.1: Roll Out of AT-AT	Target			100%	100%	100%	100%	NEW

PG 1.3.7: Joint Enterprise Defense Infrastructure (JEDI) Environments Open for Business	**PG Leader:** Program Manager, DoD Cloud Computing Program Office

Performance Goal Overview:

When services on JEDI Cloud at all classification levels are available for users to order.

Within 270 days of the conclusion of the post-award kickoff, the vendor will make any remaining unimplemented services available for accreditation. At that point, DoD CIO will assess and accredit those remaining services within 30 days to enable all JEDI Cloud environments to be open for business and ready for users to utilize the capabilities of JEDI cloud.

Performance Information Gaps: None

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal: All appropriate authorizing stakeholders (e.g., DoD CIO, NSA, USD (I), DISA, and

DIA).

External: None at this time.

Major Management Priorities and Challenges:

If the JEDI Cloud contract award date slips, then the date for the environments being open for business will also slip.

Primary Governance Organizations:

Governance with regard to achieving this goal is still being developed as part of the implementation of JEDI Cloud.

Published Performance / Progress Reports: None at this time.

Performance Goal Contributing Programs: None at this time.

Performance Measure		**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**FY 2020**	**FY 2021**	**Prior Year Results**
PM 1.3.7.1: JEDI Cloud Open for Business	Target	N/A	N/A	N/A	N/A	100%		NEW

PG 1.3.8: Modernize Tactical Radio Communications (Waveforms, Radios, Crypto)	**PG Leader:** Department of Defense Chief Information Officer (DoD CIO)

Performance Goal Overview:

This performance goal focuses on Service and United States Special Operations Command (USSOCOM) cryptographic modernization efforts for 2 MHz to 2 GHz tactical radios required to provide warfighters with secure communications capabilities critical to command and control of joint forces in contested environments and leverages the National Security Agency (NSA) Communications Security (COMSEC) Modernization Initiative (CMI) requirement to drive Communications Security (COMSEC) modernization investments. By achieving tactical radio COMSEC modernization, this performance goal supports the National Defense Strategy by increasing warfighter lethality through accelerated investment and greater emphasis in flexible, modular, innovative, and survivable C4 capabilities at the tactical edge.

Partners (Component Internal and External):

Internal: Military Services and USSOCOM contribute to goal achievement and report progress through the RCMP.

External: National Security Agency (NSA) Communications Security (COMSEC) Modernization Initiative (CMI)

Major Management Priorities and Challenges: The DoD CIO has lacked information technology budget certification authorities in the past which has limited the organization's ability to focus military department spending on tactical radio COMSEC modernization.

Primary Governance Organizations: The DoD CIO Radio and COMSEC Strategy Working Group

Published Performance / Progress Reports: DoD CIO published the Radio and COMSEC Modernization Plan v3 in January 2017.

Performance Goal Contributing Programs:

- Organizations: DoD CIO provides guidance and oversight for tactical radio COMSEC modernization and the Services/USSOCOM are responsible for implementation.

- Other Activities:

  o National Security Agency (NSA) Communications Security (COMSEC) Modernization Initiative (CMI)

  o Radio and COMSEC Modernization Plan

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year
PM 1.3.8.1: COMSEC Modernization Ratio (CMR)	Target	Annual Measure			9%	10%	18%	FY 2018: 5%
PM 1.3.8.2: Accelerate Mobile User Objective System (MUOS) Terminal Procurement	Target	3%		5%		8%	23%	NEW

PG 1.3.9: Assured Electromagnetic Spectrum (EMS) Access, Use, & Maneuver	**PG Leader:** DoD CIO C4IIC (SP&IE)

Performance Goal Overview: Evolve the DoD to an Agile Electromagnetic Spectrum Enterprise

Develop a resilient, survivable, secure, distributable, tailorable, and sustainable tactical/operational EMS enterprise capable of operating within a contested, congested, and operationally limited EMS environment while ensuring DoD spectrum access requirements are adequately protected domestically in order to achieve EMS superiority over our adversaries.

Lack of Joint EMS joint functional Capability is hindering DoD ability to successfully execute in contested and congested environments. 5G offers a unique opportunity to leverage emerging technology, in this trade space, offering inherent communication protection features and advanced network capability/capacity for spectrum dependent systems. Also, the Services are configuring electromagnetic battle management (EMBM) to enable C2 of the EMS at deployed locations, but require a joint solution, database support and an architecture capable of servicing networks required by fielded units. Due to increased demands for spectrum to support commercial users (e.g., broadband), spectrum bands currently used by DoD are being examined for reallocation to non-federal usage, putting DoD equities and missions at risk.

This performance goal aligns with DoD CIO objectives to establish C2 superiority, integrate JIE sharing, integrate artificial intelligence (AI) and cloud into all elements of EMS Enterprise (EMSE), and aligns

Performance Information Gaps:

DoD readiness is reported through the Defense Readiness Reporting System (DRRS); a mission-focused application that assesses the U.S. Armed Forces ability to support the National Military Strategy. DRRS validates the probability of a unit's success, identifies its operational capability gaps and associated risks; it does not assess whether or not an adversary could delay, deny or disrupt a unit's ability to accomplish its mission.

The DoD CIO has coordinated with STRATCOM on developing metrics capable of reporting readiness as it pertains to EMS operations in a contested and congested EMS environment. DoD CIO will receive monthly updates on the status of metric development progress in this area at the Electronic Warfare (EW)

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal:

USDs A&S, R&E, I, Joint Staff (J3/J8), and STRATCOM efforts are coordinated through the EW EXCOM. Coordination efforts with P&R, J-6, DoD CIO IE, DISA (DSO) and JAIC are handled one-on-one and require a separate forum for coordination. MILDEPS provide subject matter expertise on component equities and assets, conducts analyses/transition activities.

DISA Defense Spectrum Organization (DSO) – Provides technical expertise and guidance regarding feasibility analyses and studies.

External:

The National Telecommunications and Information Administration (NTIA) – The federal regulator and advocate for federal agency requirements in spectrum repurposing discussions. Member of Technical Panel which approves Transition/Pipeline Act Plans which allow DoD to access the Spectrum Reallocation Fund (SRF) to pay for necessary studies, analyses, R&D, and system relocation activities.

Federal Communications Commission – The non-federal spectrum regulator and advocate for industry requirements in spectrum repurposing discussions. Member of Technical Panel which approves Transition/Pipeline Act Plans which allow DoD to access the SRF to pay for necessary studies, analyses, R&D, and system relocation activities.

Office of Management and Budget – Third member of Technical Panel and lead organization for SRF oversight.

FAA, DHS, and NOAA – Partners in the Spectrum Efficient National Surveillance Radar (SENSR) effort. FAA is lead and responsible for providing tasking on the SENSR study.

NOAA – Lead on 1675-6180 MHz feasibility study and responsible for providing tasking/requirements to DoD.

DoD-specific contributions to government-wide management initiatives, such as priorities or performance goals established through Executive Order or OMB Memoranda in specific management or policy areas, to include:

Contributions to National Spectrum Strategy in accordance with the Presidential Memorandum on Developing a Sustainable Spectrum Strategy for America's Future.

NATO - Work with NATO is primarily focused on evolving NATO Electromagnetic (EM) operations and acquisition strategy/policy to align with US approach through the NATO Electronic Warfare Advisory Committee (NEWAC).

Major Management Priorities and Challenges:

Resilient, survivable secure, distributable, tailorable, sustainable EMS systems and networks are priorities; however, commercial industry continually challenges access necessary for testing and training with new and emerging capabilities.

DoD CIO SP&IE is under resourced to effectively manage department transition and much of the work in this area is contingent on FY 2020-21 POM approval. In addition, intense pressure to reallocate spectrum

Primary Governance Organizations:

EW EXCOM, EMS SSG (Potentially JIE EXCOM) NTIA Plans and Policies Steering Group (PPSG). Electromagnetic Spectrum Senior Steering Group. SRF Resources Oversight Group.

Published Performance / Progress Reports:

Memos are published for record following all governance meetings capturing performance and progress metrics.

JSDR progress reports available through DISA DSO Commercial Spectrum Enhancement Act Annual Progress Report, July 3, 2018
(https://www.ntia.doc.gov/files/ntia/publications/csea_2017_report_june_2018.pdf)

Performance Goal Contributing Programs:

- Primary Programs: Global EMS information system (GEMSIS), Spectrum Access Research and Development Program, EMS enterprise architecture, Joint Spectrum Data Repository, E3 annual program, Electromagnetic Spectrum Operations, EMS Information analysis and Fusion, Electromagnetic Battle Management, Automation of Spectrum Tools, SSRA, HF Modernization.

- Organizations: Senior Spectrum Policy and Action Committee (SSPAC), STRATCOM, Joint Staff, DARPA, USD A&S, R&E, I, Joint Staff (J3/J8), and STRATCOM efforts are coordinated through the EW EXCOM. Coordination efforts with P&R, J-6, regulations, Regulatory Support— DoD Counter UAS (CUAS) Regulatory Guidance Document, CUAS Regulatory Policy Update Review, IRAC, PPSG, EMS Senior Steering Group (SES/GO/FO) on EMS-related matters, EMS Governance, DoD Intelsat/ITSO International Regulatory Assessment

- Program Activities: DoD EMS Technology Roadmap , DoD EMS Domain Study, CJCS EMS Assessment, DoD EMS Organizational Study, DoD EMS Training and Readiness Study, DoD EMS Doctrine, Joint Concept for DoD EMS Operations (EMSO), Joint EMS Operations (JEMSO) Operational Employment Guidance (OEG), JEMSO Joint Doctrine Note (JDN), JP X-XX, JEMSO, JP 3-0, Information in the Joint Environment, JP 3-XX, Information, DoD Capability Planning Guidance (CPG), DoD CIO CPG Inputs to DoD CPG, DoD CIO CPG, Review/Analysis/Recommendation to Service EMS Doctrine, Army CEMA, Navy EMW, USMC IW and MAGTAF JEMSO, USAF EMS EECT

- Policies: 3610.01 EMS Enterprise Policy, 4650.01 Spectrum Management Policy, 4650.ef Spectrum Supportability Risk Assessment (SSRA), Manual (DoDIPS, Stage 2 Pre coordination), 3222.03 Electromagnetic Environmental Effects (E3) Policy, Sustainable Spectrum Strategy, 8320 Electromagnetic Spectrum Data Sharing. DoDD 8320 EMS Data Sharing, DoDD 8330 System interoperability, Bi-Directional Spectrum Sharing Memo (draft), Improving Development of EMS-Dependent Systems Memo, DoDM Spectrum Supportability Risk Assessment (SSRA) Manual, DoD HF Modernization Strategy, DoD EW Strategy and Implementation Plan, DoDD 3222 Electronic Warfare (EW) Policy.

- Commercial Spectrum Enhancement Act, Middle Class Tax Relief Act of 2012, Spectrum Pipeline Act

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.9.1: Joint electromagnetic spectrum information analysis and fusion (JEMSIAF)	Target	0%	33%	75%	100%	X	X	2018 JEMSIAF Report
PM 1.3.9.2: Joint spectrum Data Repository (JSDR)	Target	0	33%	67%	100%	X	X	NEW
PM 1.3.9.3: Electromagnetic Battle Management (EMBM)	Target	0%	33%	75%	100%	X	X	NEW
PM 1.3.9.4: Spectrum Efficient National Surveillance Radar (SENSR) Feasibility Study Phase 2 Pipeline Plan to Technical Panel	Target	5%	50%	100%	N/A			NEW
PM 1.3.9.5: 3450-3550 MHz Feasibility Study Pipeline Plan to Technical Panel	Target	50%	100%			N/A	N/A	NEW
PM 1.3.9.6: SENSR and Non-SENSR Feasibility Studies	Target	35% (SENSR) 0% (non)	50% (SENSR) 5% (non)	55% (SENSR) 15% (non)	65% (SENSR) 35% (non)	80% (SENSR) 65%	100% (both)	2018 (SENSR)
PM 1.3.9.7: Completion of AWS-3 transition activities	Target	30%	35%	50%	50%	70%	75%	NTIA Commercial Spectrum Enhancement Act Report
PM 1.3.9.8: 1675-1680 MHz Feasibility Study	Target	5%	10%	35%	50%	100%		NEW

PG 1.3.10: Modernize and Protect PNT Delivery	**PG Leader:** DoD CIO, C4&IIC

Performance Goal Overview:

The provision of positioning, navigation, and timing information (PNT) has been a significant force multiplier for the Joint Force and key allies for many years. The Global Positioning System (GPS) has been the principal means for providing PNT. As a consequence, GPS has come under adversary duress. In order to maintain the advantages from GPS-based PNT, DoD is modernizing GPS, hardening the system, and developing complements that maintain PNT superiority, when and where, required.

The GPS enterprise consists of three segments: space, control, and user equipment. All three segments have formal Acquisition Program Baselines (APBs) with metrics for cost, schedule, and performance. The latter are traceable to operational requirements developed and validated via the Joint Staff JCIDs process. All of these metrics are tracked, including via the DoD PNT Oversight Council co-chaired by USD (A&S) and the VCJCS. The Council produces an annual Report to Congress in addition to budgetary artifacts and other materials reflecting the status of progress in modernizing/hardening GPS. Additionally, USD(R&E) maintains a PNT S&T Roadmap that tracks the progress and investments in complementary PNT technology. The elements germane to tracking and accomplishing these goals are elaborated below.

Performance Information Gaps:

An update regarding OCX development and MGUE development is essential to understanding how GPS modernization will better protect PNT delivery. In addition, USD(R&E) is working development of a PNT Open Systems Architecture and Modeling & Simulation tool to develop complementary means of PNT delivery. The DoD must aggressively monitor these developments in order to meet strategic goals.

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal: All Services have advanced fielding plans for MGUE consistent with PL 111-383 Section 913. These plans have been collected in an ongoing receiver roadmap. The PNT Oversight Council has also monitored GPS enterprise C2 protection and modernization.

External: USAF has developed lead platform plans with key allies for early adoption of MGUE. These platforms and their management parallel the four Joint Force lead platforms that will provide pathfinders and lessons learned for the rest of the Joint Force and for key allies.

Major Management Priorities and Challenges:

The space and receiver segments of the GPS enterprise have been delegated to the USAF for acquisition oversight. This makes it somewhat difficult to oversee progress towards operational utility. The PNT Oversight Council and its subordinate Executive Management Board (EMB) have engaged in providing that oversight.

OCX modernization and eventual Ready to Turnover (RTO) status are key to enterprise protection. A past OCX Nunn-McCurdy breach requires OSD oversight, provided by USD (A&S).

NSPD-39 recognizes the dual use nature of GPS and has established an interagency mechanism for insuring intragovernmental crosstalk. This mechanism is intended to adopt lessons learned from past experience under NSPD-39 to ensure civilian departments and agencies properly regulate civil/commercial elements of critical infrastructure or provide/mandate complements and backups to protect PNT delivery for critical infrastructure.

Primary Governance Organizations: The PNT Oversight Council and subordinate EMB exist within DoD to oversee the PNT enterprise. These were established by Public Law.

Published Performance / Progress Reports: The DoD PNT Oversight Council is required to submit an annual progress report to Congress. The third edition is presently in draft.

Performance Goal Contributing Programs:

- GPS Enterprise,
- HQ USAF
- DoDD 4650.05 and family of subordinate Issuances,
- GPS Enterprise APBs, CDDs, associated budgets,
- NSPD-39,
- USD(R&E) research and development of complementary means of PNT delivery. Associated Open Systems Architecture and M&S for these complements.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.10.1: PNT Oversight Annual Report to Congress	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 1.3.10.2: MGUE platform integration and installation	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 1.3.10.3: Defense Regional Clock (DRC) Installation	Target			82%		92%	100%	2017 & 2018: 52%

PG 1.3.11: Improve Senior Leadership Communications Resiliency	**PG Leader:** DoD CIO/C4IIC

Performance Goal Overview:

Improve Senior Leadership Communications resiliency by ensuring those critical DoD communication nodes that support Senior Leadership conferencing are resilient, survivable, and endurable.

Performance Information Gaps:

Current DoD readiness is reported through the Defense Readiness Reporting System (DRRS). DRRS is a mission-focused application that assesses the U.S. Armed Forces ability to support the National Military Strategy. DRRS validates the probability of a unit's success, identifies its operational capability gaps and associated risks. What it does not assess is whether or not an adversary could delay, deny or disrupt a unit's ability to accomplish its mission.

The DoD CIO has coordinated with the Defense Threat Reduction Agency to provide an independent team that emulates an adversary tactics to validate and verify whether or not a commander is able to accomplish its mission during all phases of conflict. In this case specifically, whether or not those critical senior leadership communications nodes are resilient enough to withstand an adversary's tactical efforts.

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

Internal: Partners include DTRA, the USAF, USN, USA, DISA (Defense Information System Agency), and the combatant commanders.

External: None.

Major Management Priorities and Challenges:

Secure, survivable and resilient infrastructure is a priority within the DoD to ensure compliance with multiple presidential policy directives.

Primary Governance Organizations: The Council on Oversight of the National Leadership Command, Control, and Communications System, "The Council," is the governance forum where the assessments are nominated, approved, reviewed and prioritized for resolution.

Published Performance / Progress Reports: The annual Council report to Congress will include the DTRA team assessment results.

Performance Goal Contributing Programs:

- Defense Threat Reduction Agency
- USAF, USN, USA, DISA and the combatant commanders
- DoDI 3020.45, Mission Assurance; DoDI 3150.09, Chemical, Biological, Radiological, and Nuclear (CBRN) Survivability Policy; CJCSI 6510.01, Information Assurance

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.3.11.1: Assess 5 critical senior leadership communications nodes yearly	Target	Measured Annually			5	5	5	NEW
PM 1.3.11.2: Develop 5 Plan Of Action and Milestones (POAMs) to resolve each location's findings.	Target	Measured Annually			5	5	5	NEW
PM 1.3.11.3: Annual report that captures DTRA assessments	Target	Measured Annually			1	1	1	NEW

SO 1.4: Deliver timely and relevant intelligence to warfighters and decision makers to provide decisive and dominant advantage over adversaries	
SO Leader: OUSD(I)	
PG 1.4.1: Provide Advantages in Competitive and Contested environments	**PG Leader:** Director for Defense Intelligence (Intelligence Strategy, Programs & Resources)
Reported in Classified Appendix	
PG 1.4.2: Leverage Commercial Technologies and Innovation Solutions	**PG Leader:** Director for Defense Intelligence (Warfighter Support)
Reported in Classified Appendix	
PG 1.4.3: Elevate Defense Security	**PG Leader:** Director for Defense Intelligence (Intelligence and Security)
Reported in Classified Appendix	
PG 1.4.4: Deepen Alliances and Foreign Partnerships	**PG Leader:** Director for Defense Intelligence (Warfighter Support)
Reported in Classified Appendix	
PG 1.4.5: Increase Enterprise Integration	**PG Leader:** Director for Defense Intelligence (Intelligence Strategy, Programs & Resources)
Reported in Classified Appendix	

SO 1.5: Implement initiatives to recruit and retain the best Total Force to bolster capabilities and readiness.	
SO Leader: USD(P&R)	
PG 1.5.1: Ensure the Total Force mix of military, federal civilian, and contracted support provides the best talent and capabilities at the right cost for each set of requirements	**PG Leader:** Director, Total Force Manpower & Resources Services (TFM&RS), OASD(M&RA), OUSD(P&R)

Performance Goal Overview: As the Department seeks to maximize lethality, improve and sustain readiness, grow the force, and increase capability and capacity, we must improve the overall management of our Total Force of active and reserve military, federal (appropriated and non-appropriated) civilians, and contracted services. That means we must have the right manpower and human capital resources in the right places, at the right time, at the right levels, and with the right skills to provide for the nation's defense, while simultaneously being good stewards of taxpayer dollars. The National Defense Strategy recognizes that "[a] modern, agile, information-advantaged Department also requires a motivated, diverse, and highly skilled civilian workforce, sufficiently sized and appropriately resourced. DoD civilians are an essential enabler of our mission capabilities and operational readiness. The Department must undertake a sustained effort to build an appropriate, cost-informed civilian workforce that best serves mission requirements, while freeing up uniformed personnel for military essential needs and scarce resources for recapitalization, modernization, and readiness."

DoD's workforce rationalization efforts, in lieu of long-term civilian workforce reductions recognize the uniquely complex nature of the Department's missions and Total Force. It is not enough to have a sufficient number of uniformed personnel—they must be complemented by a well-reasoned, balanced, and appropriately sized cadre of federal civilians and contracted support. This means aligning our uniformed personnel to only military essential requirements, maintaining sufficient levels of federal civilians to perform critical enabling and readiness functions, and providing for the most cost-effective and economical solution for all other work. Moreover, workforce rationalization recognizes that DoD is unlike other Federal departments and agencies--our civilian workforce is in the business of protecting the American way of life. Although it may be appropriate for other federal agencies to reduce their civilian workforce, For DoD, right sizing necessitates targeted growth to both restore readiness and increase the lethality, capability, and capacity of our military force.

Performance Information Gaps: The FY 2018-22 APP contained milestone based metrics predicated on implementation of workforce rationalization. Measurable metrics and goals, while notionally developed, have yet to be coordinated and determined to be measurable/achievable.

Changed Performance Goals and Indicators:

PG 1.5.1: Set favorable conditions and provide framework for DoD components such that the Total Force mix of military, federal civilian, and contracted support provides the best talent and capabilities at the right cost for each set of requirements, including:

- Delineation of missions, tasks, and functions necessary to deliver capabilities, achieve mission, and sustain force readiness;

- Assessment of Total Force (military and civilian manpower, contracted services) distribution; and

- Identification of opportunities for optimizing manpower mix (e.g., in-sourcing contracted services, military-to civilian conversions, Active/Reserve and Officer/Enlisted force mix tradeoff) to maximize lethality, readiness, and efficiency

Partners (Component Internal and External):

Internal: Office of the Chief Management Officer (CMO); Office of the Director, Cost Assessment and Program Evaluation (CAPE); Office of the Under Secretary of Defense, Comptroller; Office of the Assistant Secretary of Defense for Legislative Affairs; Office of the Assistant to the Secretary of Defense for Public Affairs; MilDeps and Services; Joint Chiefs of Staff; and other DoD Components

External: Congress, Office of Management and Budget (OMB), and Office of Personnel Management (OPM).

Major Management Priorities and Challenges: As set forth in the WRP, DoD must avoid artificial constraints on civilians (e.g., de facto caps) or arbitrary reductions to the civilian workforce. Such constraints or reductions generally result in the use of military manpower or contracted services to assume workload more appropriately performed by civilians. The effect is often borrowed military manpower to fill installation-level requirements, which can increase the likelihood of hollowing the force, or the use of more costly contractor work-arounds, diverting already scarce resources from key readiness recovery, recapitalization, and modernization accounts. We must guard against the creation of a hollow force—one that is theoretically sufficient, but lacking the right number and distribution of personnel with the right skills.

Implementation of the WRP requires extensive coordination both within DoD and with external partners, such as Congress and OMB.

Statutory, Regulatory, and Administrative Analysis:

- Statutory requirements: Sections 129, 129a, 2330a, 2461, and 2463 of title 10, U.S. Code (U.S.C.)

- Federal regulations: Office of Federal Procurement Policy Letter 11-01, Performance of Inherently Governmental and Critical Functions; Office of Management and Budget Circular A-76

DoD policies: DoD Directive 1100.4, "Guidance for Manpower Management"; DoD Instruction 1100.22, "Policy and Procedures for Determining Workforce Mix"; DoD Instruction 7041.04, "Estimating and Comparing the Full Costs of Civilian and Active Duty Military Manpower and Contract Support"; Deputy Secretary of Defense Memorandum, Implementation of Section 324 of the National Defense Authorization Act for Fiscal Year 2008 (FY 2008 NDAA)-Guidelines and Procedures on In-sourcing New and Contracted Out Functions. April 04, 2008; Deputy Secretary of Defense Memorandum, In-sourcing Contracted Services- Implementation Guidance, May 28, 2009; and other applicable memoranda.

Primary Governance Organizations:

USD(P&R)-chaired Defense Human Resources Board (DHRB); CAPE-led program & budget review issue teams and 3-star programmers; 4- Star Forum; Deputy's Management Action Group (DMAG)

Published Performance / Progress Reports: N/A

Performance Goal Contributing Programs:

- All Military Departments, Defense Agencies, Field Activities, Combatant Commands, OSD and JS

- Program Objective Memorandum development

- Program & Budget Review

- Statutory requirements: Sections 129, 129a, 235, 2330a, 2329, 2461, and 2463 of Title 10, U.S. Code (U.S.C.)

- Federal regulations: Office of Federal Procurement Policy Letter 11-01, Performance of Inherently Governmental and Critical Functions; Office of Management and Budget Circular A-76

- DoD policies: DoD Workforce Rationalization Plan, September 2017; DoD Directive 1100.4, "Guidance for Manpower Management;" DoD Instruction 1100.22, "Policy and Procedures for Determining Workforce Mix;" DoD Instruction 7041.04, "Estimating and Comparing the Full Costs of Civilian and Active Duty Military Manpower and Contract Support;" Deputy Secretary of Defense Memorandum, Implementation of Section 324 of the National Defense Authorization Act for Fiscal Year 2008 (FY 2008 NDAA)-Guidelines and Procedures on In-sourcing New and Contracted Out Functions. April 04, 2008; Deputy Secretary of Defense Memorandum, In-sourcing Contracted Services-Implementation Guidance, May 28, 2009; and other applicable memoranda.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.5.1.1: Secretaries of the MilDeps and the DoD Chief Management Officer submit annual reports, in accordance with 10 USC 129(c), to Congress, beginning February 1, 2019 delineating workforce rationalization efforts.	Target		X			X	X	

PG 1.5.2: Improve recruitment and retention of the civilian workforce	**PG Leader:** OUSD, P&R (DASD(CPP)

Performance Goal Overview: DoD is working to improve civilian hiring by establishing and monitoring Component-level Hiring Improvement Initiative (HII) Action Plans and fostering ongoing collaboration to accomplish the objective of improving the efficiency and effectiveness of civilian hiring.

This strategy directly supports NDBOP Strategic Objective 1.5, "Implement initiatives to recruit and retain the best total force to bolster capabilities and readiness".

Challenges include: insufficient HR resources to support hiring initiatives; limited understanding of variety of hiring authorities and flexibilities on the part of HR professionals and hiring officials; Component level policies that dilute available flexibilities.

Congress provided several new hiring authorities in FYs 2016, 2017 and 2018 which offer DoD a great degree of flexibility, but also introduce a great degree of complexity and confusion for HR professionals and hiring officials in application of the new authorities.

The established performance goal of improving civilian hiring addresses major management challenges that are faced by all Components, as civilian hiring is an ongoing concern. Areas that are being considered in addressing hiring improvement include: policy/process shortfalls, insufficient resources, system/technical inefficiencies, and training deficiencies.

Performance Information Gaps: No performance information gaps have been determined at this point.

Changed Performance Goals and Indicators: Since the initial publication of the initial APP, two performance measures have been successfully met and are no longer included in this update. Those met include "PM 1.5.2.1: By March 31, 2018, require Components to submit action plans, including appropriate targets and goals (both general and for specified priority occupations), to improve time and quality of hiring" and "PM 1.5.2.2: Starting April 1, 2018, oversee Components' execution of their plans, including milestones and measures (quarterly progress/performance reviews)." Remaining performance measures are captured in this update.

Partners (Component Internal and External):

Internal: CPP and DCPAS are working with Component HR Leaders and their Action Officers to monitor HII Action Plans and facilitate collaboration to support hiring goals. Performance Goal leaders also utilize the Civilian Personnel Policy Council, made up of executive representatives who are responsible for civilian human capital management within their respective components/agencies. Their role is to effectively identify strategies and ensure implemented initiatives are effective through quarterly HRStat reviews.

External: DoD continues to work with other federal partners in identifying shared hiring practices and improvements to civilian human capital management, to include time to hire insights and lessons learned, as part of the PMA CAP Goals.

Major Management Priorities and Challenges: Hiring improvement is a top priority throughout the federal sector, as human resources continues to be identified as a GAO High Risk area. DoD is a key partner in the PMA CAP Goal "Workforce for the 21st Century" and serves as joint lead agency in its efforts, which focuses on "actively manage the workforce", "develop agile operations" and "acquire top talent". The last of these ("acquire top talent") focuses on a more simplistic and strategic hiring approach, which includes considerations on timeliness and quality of hiring. As DoD works to improve civilian hiring, challenges will be ensuring collaborative partnerships with those who influence supporting programs, which include considerations in effective policies/processes, adequate resources, effective system/technical support, and effective training for HR practitioners. Ensuring that effective communication also reaches DoD's hiring managers and that the quality of hire is positively impacted by the work in this performance goal is also

Primary Governance Organizations: The efforts of this performance goal are captured in DoD's Civilian Human Capital Operating Plan, which is briefed on a monthly basis to the Civilian Personnel Policy Council. This governance is chaired by the DASD (CPP) (political appointee) and co-chaired by the Defense Civilian Personnel Advisory Service (DCPAS) Executive Director (Tier 2 executive).

Published Performance / Progress Reports: None

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	FY 2020	Prior Year Result
PM 1.5.2.1: Civilian Time to Hire: Number of days for all civilian hiring actions (Internal and External).	Target	85 days	85 days	85 days	85 days	85 days	85 days	100 days
PM 1.5.2.2: By June 30, 2019, establish quality measures for manager/customer satisfaction with hiring process.	Target	Develop quality survey	Notify Components of requirement	Implement survey; establish 6-month baseline	Continue baseline			
PM 1.5.2.3: By October 1, 2019, implement customer satisfaction tracking program.	Target	Pending completion of 1.5.2.2						
PM 1.5.2.5: By October 1, 2019, conduct quarterly performance reviews of Components' hiring efficiency (time to hire) and effectiveness (manager satisfaction/ applicant quality).	Target	Pending completion of 1.5.2.2						

PG 1.5.3: Enhance recruitment and sustainment of the All-Volunteer Force (AVF)	**PG Leader:** Chief of Staff, OUSD(P&R)

Performance Goal Overview: The recruiting environment is becoming increasingly difficult for recruiters. The improving economy (low unemployment), limited pool of eligible youth (29 percent of 17-24 year olds), and a clear disconnect in the perceptions of a large part of our society regarding what it means to serve in the military pose significant challenges. The Services must consistently provide sufficient resources (recruiters, incentives, and marketing) to ensure they are able to sustain the AVF.

Performance Information Gaps: No performance information gaps have been determined at this point

Changed Performance Goals and Indicators: First installment of the Joint Advertising, Market Research and Studies (JAMRS) marketing campaign has recently run its course – initial data show a positive impact to the campaign (e.g., within the first few weeks of airing the campaign, total website traffic to TodaysMilitary.com was up 183% over the same period last year). More detailed data will be available in the near future.

Partners (Component Internal and External):

Internal: Military Personnel Policy staff, Service Recruiting Commands, and the Defense Human Resources Agency's (DHRA) Office of Program Analytics, Joint Advertising Market Research and Studies directorate have worked together in an attempt to improve the recruiting environment by sending a consistent and clear message regarding the benefits of service. Each of these entities has ongoing efforts focused on ensuring their individual successes while collectively improving recruiting for all.

External: Veteran Service Organizations have been asked to help further share the message of service and the benefits available to those who serve.

Major Management Priorities and Challenges: Receiving funding for Marketing and Advertising at the level requested. Additionally, JAMRS is in the process of a major contract "re-compete" which is expected to be finalized Q1 FY 2019.

Primary Governance Organizations: Defense Human Resources Board (DHRB)

Published Performance / Progress Reports: Monthly Reform Initiative updates to the DSD; monthly recruiting and retention reports

Performance Goal Contributing Programs: Joint Advertising Market Research and Studies (JAMRS) and the Service recruiting commands

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.5.3.1: *By the end of FY 2021, increase percent of youth who say they have considered military service by two points to 60%.	Target	Annual Measure			58.5%	59%	60%	Ongoing Measure
PM 1.5.3.2: *By the end of FY 2021, increase enlisted annual accession percentages from non-top 10 states by one-half point to 72.4%.	Target				72.0%	72.2%	72.4%	Ongoing Measure
PM 1.5.3.3: *By the end of FY 2021, increase influencers who have seen a JAMRS ad by five points to 10%.	Target				6%	8%	10%	Ongoing Measure
* Results are contingent on receiving projected funding for JAMRS marketing efforts.								

PG 1.5.4: Ensure implementation of organizational initiatives to promote diversity and inclusion	PG Leader: OUSD(PR)

Performance Goal Overview: It is the Department's policy to provide an environment that is safe, inclusive, and free of harassment and unlawful discrimination. Furthermore, the Department believes that we gain a strategic advantage through the diversity of our Total Force and by creating a culture of inclusion where individuals are drawn to serve, are valued, and actively contribute to overall mission success.

Leadership commitment and accountability are at the cornerstone of those policies and provide a DoD- wide sustainment framework and a renewed ability for senior leaders to champion diversity and inclusion program priorities through objective assessment processes and strategic communication messaging.

The Department's equal opportunity, diversity, and inclusion policies and programs are designed to promote an environment free from personal, social, or institutional barriers that prevent Service members from rising to the highest level of responsibility. The genesis of these policies and programs are set in law, executive order, and Department or government-wide regulations.

Performance Information Gaps: N/A

Changed Performance Goals and Indicators: PM 1.5.4.1 is completed and added new measure

Partners (Component Internal and External):

Internal: OUSD(P&R) entities (with ODEI as the lead); Military Services, Defense Agencies and DoD Field Activities and including OSD/LA, OSD/PA, DoD OGC, and DoD IG.

External: Primary external factors include GAO, OPM, EEOC, and federally funded research and development centers (RAND, CNA, etc.), and various affinity outreach organizations.

Major Management Priorities and Challenges: N/A

Primary Governance Organizations: ODEI will closely monitor progress of implementation of DoDI 1020.03 by continuing to collaborate with the Military Services representatives. The Defense Equal Opportunity Reform Group (DEORG) will serve as the governing body to oversee timely and successful implementation of DoDI 1020.03. The DEORG will identify areas of improvement within the policy and provide courses of action for resolving policy issues.

Published Performance / Progress Reports: Department of Defense Instruction (DoDI) 1020.03, "Harassment Prevention and Response in the Armed Forces." http://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/102003.pdf

Performance Goal Contributing Programs:

- PRIMARY PROGRAMS: The Office of People Analytics (OPA) and the Services Military Equal Opportunity (MEO), Sexual Harassment Prevention and Response, and Diversity and Inclusion offices and programs.

- ORGANZIATION: Military Services Defense Agencies and DoD Field Activities

- POLICIES: Title 10, U.S.C., 481(a)(2), NDAA for FY 2013, Section 579(b); NDAA for FY 2014, Sec 1721, NDAA for FY 2017, Sections 543, 548, and 549.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.5.4.1: Assessment of Military Services implementation of DoDI 1020.03 Report.	Target	Annual Measure			X			NEW

SO 1.6: Ensure the U.S. technological advantage

SO Leader: OUSD (R&E)

PG 1.6.1: Focus the Department's technology development in key modernization areas	**PG Leader:** OUSD (R&E)

Performance Goal Overview: The OUSD(R&E) aims to focus the Department's investments in key priority areas to restore battlefront dominance by 2028 with the goal to bolster and maintain U.S. technological superiority. It aligns with the three NDS lines of effort in increasing lethality, building alliances by working with allied nations in common research and development areas, and fostering reform through delivery of capability at the speed of relevance; through increasing use of prototyping, demonstration, experimentation, and red teaming.

Key barriers and challenges include: the acceleration of global technology development; globalization of technical expertise that challenge DoD technical innovation and product delivery processes; and the convergence of capabilities between the military and commercial sectors where, for example, access to processes, intellectual property, and technology is an issue.

NDAA FY 2017, Section 901, Established the Under Secretary of Defense for Research and Engineering, such that the Under Secretary would serve as the chief technology officer of the DoD with the mission of advancing technology and innovation for the joint force and the Department.

Performance Information Gaps: N/A

Changed Performance Goals and Indicators: N/A

Partners (Component Internal and External):

Internal:

The Department's Research and Engineering (R&E) community, which includes the MilDeps and their laboratories, all other DoD laboratories and product centers, and the defense agencies, is focused on delivering new and innovative capabilities to the warfighter. The R&E community must work together to ensure that technology development is aligned with the Road to Dominance (RTD) strategies in hypersonic, directed energy, fully networked command, control, and communications, space, cyber, artificial intelligence and machine learning, microelectronics, quantum science, and autonomy.

External:

DoD scientists and engineers engage and collaborate with researchers at federally funded research and development centers, university affiliated research centers, U.S. and allied universities, our allied and partner government laboratories, small to large businesses, and non-traditional performers within the U.S. industrial base. The Department will encourage and rely on this community to support the technology development efforts.

Major Management Priorities and Challenges: Once the RTD strategies are complete, the Department will work as a whole to see what investments can be made within the DoD Topline and in future budget requests.								
Primary Governance Organizations: TBD								
Published Performance / Progress Reports: The DOD Components, particularly the Services, Agencies, and OSD must work together to maintain technological superiority.								
Performance Goal Contributing Programs: The DOD Components, particularly the Services, Agencies, and OSD must work together to maintain technological superiority.								

Performance Measures		**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**FY 2020**	**FY 2021**	**Prior Year Result**
PM 1.6.1.1: Recruit technology leads in the OUSD(R&E) for the key priority areas, and establish a cross-cutting forum with key stakeholders to address the strategies.	Target		X					NEW
PM 1.6.1.2: Develop the Road to Dominance strategies for the key priority areas.	Target		X					NEW
PM 1.6.1.3: Leverage strategic partnerships to ensure the Department's investments are appropriately focused on the modernization priorities and address issues during the FY 2021 Program and Budget Review, as needed, to address remaining investment gaps.	Target				X			NEW
PM 1.6.1.4: Mature R&E Organization; finalize transitions from heritage AT&L manpower and processes.	Target					X		NEW

SO 1.7: Evolve Innovative Operational Concepts

SO Leader: OUSD (A&S)

PG 1.7.1: Continue to be responsive to the Combatant Commanders in response to validated urgent operational needs.	PG Leader: OUSD(A&S)

Performance Goal Overview:

Lead and facilitate agile and rapid responses to combatant command urgent operational needs, and to recognize, respond to, and mitigate the risk of operational surprise associated with ongoing or anticipated near-term contingency operations.

Changed Performance Goals and Indicators: N/A. This is a new performance goal.

Partners (Component Internal and External):

The military departments, the Joint Staff, the combatant commands.

Major Management Priorities and Challenges: The MilDeps can be slow to implement the supporting changes to organization, training, and doctrine needed to greatly increase the effectiveness of rapidly developed materiel solutions.

Primary Governance Organizations: The Warfighter Senior Integration Group.

Published Performance / Progress Reports: Progress is briefed monthly to the Warfighter Senior Integration Group.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 1.7.1.1: Develop and deploy integrated Counter – Unmanned Aircraft System (C-UAS) command and control systems to the U.S. Central Command (USCENTCOM) area of responsibility (AOR) which link multiple sensors, provide target quality data, and clear fires to enable kinetic kills.	Target		X					NEW
PM 1.7.1.2: Deploy capabilities to the USCENTCOM AOR that can counter and defeat our adversary's use of Group 3 unmanned aerial systems.	Target			X				NEW
PM 1.7.1.3: Deploy material solutions which mitigate the effect of observed electromagnetic interference in the USCENTCOM AOR.	Target			X				NEW

STRATEGIC GOAL 2
Strengthen Our Alliances & Attract New Partners

Strategic Objective (SO) 2.1: Reform the Security Cooperation Enterprise

SO Leader: OUSD(P)

PG 2.1.1: Develop a certified DoD Security Cooperation workforce with the training, experience and resources necessary to meet mission requirements	**PG Leader:** DSCA

Performance Goal Overview: DSCA is leading a Congressionally-mandated Security Cooperation Workforce Development Program (SCWDP) to professionalize the DoD SC workforce. Initiatives include identifying the size and composition of the workforce; identifying required workforce competencies; developing curricula and identifying educational opportunities; establishing governance structures; and identifying and tracking key billets. The DoD SC workforce is made up of approximately 20,000 positions worldwide. The SCWDP is being developed in phases, with full implementation of the program by the end of 2023.

Performance Information Gaps: None identified at this time.

Changed Performance Goals and Indicators:

In FY 2018, DSCA had three performance indicators:

- PM 2.1.1.1: Identify the size and composition of the workforce
  - Status: Complete; has been removed for FY2019
- PM 2.1.1.2: Establish guidance to create a trained, certified, and resourced workforce
  - Status: Complete; has been removed for FY2019
- PM 2.1.1.2.1: Personnel with required SC skills and experience are assigned to DoD SC workforce positions
  - Status: 30% complete; will remain for FY2019
  - We are modifying language for clarity: task will now read "Provide a mechanism to assign personnel with required SC skills and experience to DoD SC workforce positions"
  - SC competencies are developed for validation, scheduled for December 2018

DSCA has decided to add one additional performance indicator for FY2019:

- Issue implementation guidance for the SC Workforce Certification Program
  - Status: currently 15% complete

Partners (Component Internal and External):

Internal: In support of SCWDP efforts, the agency collaborates and coordinates throughout the Office of the Secretary of Defense (OSD), the Military Services, the Combatant Commands, Joint Staff, and Defense Agencies/Field Activities and National Guard Bureau.

External: Department of State (to synchronize training with the Foreign Service Institute).

Major Management Priorities and Challenges:

- Enhancements to existing DoD and Service personnel systems to reflect SC training and experience requirements

Mitigation: DSCA is working with Defense Human Resources Agency (DHRA), OSD Office of Personnel & Readiness and Joint Staff J1 on this issue, and has requested funding to support required system updates.

Primary Governance Organizations: DSCA convenes recurring working group meetings with stakeholders from relevant DoD components to provide working-level progress updates and collect input.

The Director, DSCA will convene a Senior Steering Board to provide program direction and oversight of the SC Workforce Development Program.

Published Performance / Progress Reports: DSCA reports monthly progress on SCWDP efforts to the Director through a standard reporting template and risk measures. DSCA is also required to submit a congressional report on SCWDP funding, skill and competency gaps analysis, and recruitment and retention incentives programs annually until 2021.

Performance Goal Contributing Programs:

- Primary program: The DoD SCWDP, as required by 10 U.S.C.§384.

- Organizations: OSD, the Military Services, the Combatant Commands, Joint Staff, and Defense Agencies/Field Activities.

- 10 U.S.C. chapter 1, §384.

- Policies: The DoD Interim Guidance for the SCWDP, signed July 26, 2017. DoD Final Guidance will be signed in the December, 2017 timeframe.

- National Guard Bureau

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 2.1.1.1: Develop a procedure the enterprise can utilize while hiring personnel with the required SC skills and experiences to the DoD SC workforce.	Target	40%	50%	75%	100%	N/A	N/A	30% complete
PM 2.1.1.2: Issue implementation guidance for the SC Workforce Certification Program.	Target	30%	40%	60%	80%	100%	N/A	NEW

PG 2.1.2: Develop coordinated policy that aligns Security Cooperation throughout the enterprise to better support global strategic priorities.	**PG Leader:** DSCA

Performance Goal Overview: *Synchronize U.S. planning and resourcing efforts to develop full-spectrum capabilities for partner nations*: DSCA is developing and piloting planning frameworks that will focus DoD attention on developing partner capabilities that best support partner security roles tied to NDS objectives. This "Strategy to Capability" approach provides the Department an improved mechanism to support security cooperation planning. To further improve security cooperation planning DSCA will develop and pilot a planning framework that ensures important challenges faced by partner nations are considered by U.S. planners. These challenges include, but are not limited to security assistance (equipment), Human Capital Development, Institutional Capacity Building needs, inadequate Command and Control, Intelligence and Information Sharing gaps, and comprehensive approaches to security functions that involve or overlap with a partner nation's civil sector. This will enable the Department to focus and prioritize efforts throughout all security cooperation activities.

DSCA will institutionalize a consistent approach to capability development that allows for sufficient flexibility with each partner relationship. The Strategy to Capability methodology is based on three levels:

- Level 1 is a current state analysis linking strategic plans to capabilities of mutual benefit to the United States and the partner nation.

- Level 2 is the plan for the future state. This analysis represents the entirety of the planning and resourcing process for SC programs in a particular country.

- Level 3 is a deep dive into specific systems or areas of support that help to execute the plan, and allows senior leaders to identify challenges and opportunities at the granular level, such as with acquisition.

Synchronize Title 10 and Title 22 planning and execution: DSCA is collaborating with the Department of State (and other DoD stakeholders to coordinate decision making on security sector programming and budgeting. DoD and DoS will establish an annual Joint Security Sector Assistance (SSA) Review to allow applicable interagency stakeholders to discuss out-year program plans, including anticipated activities and budget levels, identify gaps and realignment opportunities, and coordinate activities under appropriate authorities.
This effort will allow DoD and State to better align grant funding decisions based on the discussion of gaps, identification of duplicative or complementary efforts, opportunities, and potential re-alignment areas. The event will inform any updates to the DSCA 5-Year Plan. The first event will occur in April 2019.

Performance Information Gaps:

Achieving higher standards of security cooperation planning and implementation will require significant adaptation of training and education programs, increased and targeted staffing in key organizations, and improved understanding of and institutionalization of important roles and responsibilities among key security cooperation organizations. In the Strategy to Capability Level 2 five-year plan build, much of the necessary information is still estimated or in draft form. In particular, GCCs are currently estimating funding requirements for future years.

The efficacy of the Joint Security Sector Assistance Review depends upon interagency preparation, participation, and follow through with actions from the after-report. In addition, success will be dependent upon the maintenance of this event on an annual basis. To mitigate this, DSCA will work with DoD and State stakeholders to encourage pre-work, and maintain continuous lines of communication following the event to track incorporation into planning and budgeting materials.

Changed Performance Goals and Indicators:

In FY 2018, 2.1.2 had the following performance indicators:

- Approval of multi-year comprehensive security cooperation planning guidance (removed; DASD(SC) is the lead)

- Coordinated guidance for execution for all program authorities within Chapter 16 (remove; this has been made part of the previous indicator)

- Approval and issuance of multi-year SC integrated planning guidance (remove; complete)

- Quarterly execution reports and alignment to SNaP data inputs (remove; complete)

This year, DSCA will add one new indicator to this goal: synchronize Title 10 and Title 22 planning and execution. DSCA will also move one indicator (synchronize U.S. planning and resourcing efforts to develop full-spectrum capabilities for partner nations) from 2.1.4 to 2.1.2 due to this indicator's reorganization under Strategic Guidance in DSCA's SC Reform framework.

Partners (Component Internal and External):

Internal:

- DSCA: hub of expertise; support to GCCs and other stakeholders through additional capacity for conduct of Initial Assessments, development of Initiative Design Documents, security cooperation logic frameworks, theories of change, and detailed implementation and monitoring plans; develop Strategy to Capability products
- OUSD (P): responsible for strategic, independent evaluation of significant SC initiatives; oversight of SC planning and AM&E; decision-making through Policy SC Oversight Council for country-level resource allocation; policy guidance of multi-year integrated SC planning.
- GCCs: lead on SC planning, coordination, and integration; IDD submission; assessment and monitoring.
- OSD, Security Cooperation Offices, Joint Staff, Military Departments, Functional Combatant Commands, Defense Agencies, National Guard Bureau, and Combat Support Agencies: make available subject matter expertise to support GCCCs in the development of assessments and IDDs for significant SC initiatives; develop Strategy to Capability products.
- Military Departments
- Defense and Field Agencies

External:

- Embassy Country Teams: identification of country priorities through Integrated Country Strategies

Primary Governance Organizations: The primary forum for high-level decision-making is the Policy SC Oversight Council, responsible for review and approval of program guidance

Major Management Priorities and Challenges:

- The priority area of this goal is to develop and pilot a model for comprehensive security cooperation planning, to ensure adequate manning in key organizations to support the framework, and to clarify and institutionalize roles and responsibilities for security cooperation planning, utilizing the Strategy to Capability framework.

- Attempting to synchronize State and DoD budget cycles to have a productive discussion in the spring on the same fiscal year and out year content is a major challenge.

Primary Governance Organizations: DSCA SPP is the primary governance organization for these reform efforts. Within SPP, the Strategic Planning and Integration (SPI) Division is the lead for synchronizing U.S. planning and resourcing efforts to develop full-spectrum capabilities for partner nation. Also within SPP, the Planning and Program Design (PPD) Division leads synchronization efforts for Title 10 and Title 22 planning and execution of security assistance.

Published Performance / Progress Reports:
Each Combatant Commands (CCMD) reports progress on Strategy to Capability initiatives during its annual Security Cooperation Working Group. During that forum, SCOs present Strategy to Capability products that DSCA maintains and distributes throughout the Interagency, in line with development of Initiative Design Documents.
For synchronization of title 10 and title 22 funding, DSCA will publish a set of recommendations for State

Performance Goal Contributing Programs:
DSCA is currently working to capitalize the Center for Civil Military Relations. This will allow DSCA to add capacity to implement a number of key functions and processes.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 2.1.2.1: Synchronize U.S. planning and resourcing efforts to develop full-spectrum capabilities for partner nations.	Target		25%	50%	100%	N/A	N/A	NEW
PM 2.1.2.2: Synchronize both Title 10 and Title 22 planning and execution.	Target			X		X	N/A	NEW

PG 2.1.3: Responsive and innovative processes and authorities for effective execution developed	**PG Leader:** DSCA

Performance Goal Overview: *Establish non-standard and non-program of record policies and practices*:

A Program of Record (POR) is an acquisition program recorded in the Future Years Defense Program. Non-Program of Record (NPOR) solutions align with U.S. national security interests by furthering the U.S. industrial base; providing coalition forces expedited and flexible capabilities; and delivering capabilities that were not, or could not have been, foreseen even months earlier. NPOR sales provide the U.S. Government a needed tool in the event a partner nation opts not to purchase a U.S. POR or their requirements cannot be fulfilled by POR solutions. At times, NPOR sales potentially offer a more comprehensive, cost effective, and logistically supportable solution for a foreign customer.

Task 2.10 of the Conventional Arms Transfer Policy Implementation Plan charges the DoD, with State and Commerce support, to identify processes to consider and authorize Non-Programs of Record solutions as a method for addressing security cooperation priorities, and to identify and analyze the challenges and opportunities for increased support of Non-Programs of Record.

Create standard LOR checklists and assist SCOs with requirements gathering:

GAO found that LORs developed using system-specific checklists resulted in greater timeliness in offering cases, and recommended DSCA issue department-wide guidance for program offices to expand the use of checklists to aid FMS customers in specifying their requirements in a way that DoD can act upon in a timely manner. Checklists identify the complete set of requirements for a specific weapon system to inform SCOs and partner nations to the unique specifications that must be identified to complete an LOR. This can reduce the number of iterations between a SCO and an Implementing Agency and the partner nation, especially when the system is outside of the SCO's area of expertise.

In accordance with GAO's recommendation, DSCA issued guidance directing Implementing Agencies to develop system-specific checklists and post to a website. DSCA recommended Implementing Agencies develop checklists for all major defense articles no later than 30 July 2023.

The deliverable for this task is LOR checklists produced by the Implementing Agencies for use by the SCOs. These checklists are intended to reduce LOR to LOA timelines an increase transparency for industry and partners to better understand specific weapons system requirements.

Performance Information Gaps: The success of the NPOR feasibility study will depend upon obtaining information throughout the interagency, including information on delivery timelines, releasability, resource requirements, and interoperability.

Changed Performance Goals and Indicators:

The FY 2018 tasks were as follows:

- Analyze data of current timelines for contract award

- Develop milestones for contract award

- Quarterly reports on FMS (section 887)

- Further implement the section 830 pilot program

The quarterly reports on FMS task is complete. The other three tasks are A&S owned. For FY 2019, DSCA will focus on two DSCA-led tasks:

- Establish non-standard and non-program of record policies and practices

- Create standard LOR checklists

Partners (Component Internal and External):
Internal:
- A&S MIBP
- Service Program Offices
- Implementing Agencies: SAF/IA, DASA DE&C, and NIPO
- SCOs
  Externa:
- Industry
- Department of State
- Department of Commerce

Major Management Priorities and Challenges: Developing LOR checklists for all major systems continues to be a priority for 2023.   -

Primary Governance Organizations: DSCA DSA

Published Performance / Progress Reports: DoD will publish the NPOR feasibility study in December. Services publish LOR checklists to their public websites.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 2.1.3.1: Establish non-standard and non-program of record policies and practices.	Target		X					N/A

PG 2.1.4: Provide full-spectrum capabilities for partner nations	**PG Leader:** DSCA

Performance Goal Overview: *Pilot new processes and engagement mechanisms to better support Combatant Command Security Cooperation planning*: DSCA provides support to Geographic Combatant Command (GCC) to assess, plan, design, and monitor SC initiatives with clearly articulated outcomes. This level of planning requires capabilities and functional expertise not typically found in the GCCs. DSCA will implement an enhanced logical, integrated capability development process, which requires stakeholders from throughout DoD and the interagency to support the GCCs early and often during their planning cycles. DSCA serves as the hub of and provider of expertise to support comprehensive partner nation capability assessments and SC planning.

The deliverables for this task are published IAs and IDDs, Logic Frameworks, and detailed monitoring plans for priority countries as determined by OUSD(P). Other deliverables include program-level pre-design assessments of train and equip concepts, as well as post-activity evaluations on certain train and equip security cooperation programs. The quality of GCC Initiative Design Documents will inform resource allocations.

Establish ICB processes: DSCA is operationalizing congressionally-mandated reforms to integrate and streamlining institutional capacity building (ICB) in DoD security cooperation planning and implementation to maximize return on investment throughout security cooperation. ICB enhances the capacity of a partner nation to exercise responsible civilian control of its state security providers, contribute to collective security, and absorb, employ, and sustain national security capabilities. ICB planning will include deliberate focus on a partner nation's Human Capital Development, Institutional Capacity Building needs, Command and Control processes, Intelligence and Information Sharing gaps, and approaches to security functions that involve or overlap with the nation's civil sector.

Performance Information Gaps: The effectiveness of the AM&E and ICB efforts is largely dependent on improvements to security cooperation planning and a better trained workforce.

Global ICB requirements exceed the current workforce trained to address governance and management challenges with partner nations. To mitigate this gap, the Department is establishing mechanisms to grow and develop the ICB workforce, including through capitalization of the Center for Civil Military Relations.

Changed Performance Goals and Indicators: DSCA has kept PM 2.1.4.1: Pilot new processes and engagement mechanisms to better support Combatant Command Security Cooperation planning.

Because the other previous PM from this section, Synchronize U.S. planning and resourcing efforts to develop full-spectrum capabilities for partner nation, has moved to 2.1.2, Strategic Guidance, DSCA has also added an additional performance indicator: Establish ICB processes.

Partners (Component Internal and External):
Internal:
- DSCA: hub of expertise; support to GCCs and other stakeholders; support to planning, program design, and Initial Assessment (IA)/ Initiative Design Document (IDD) template development, and program-level assessments.
- OUSD (P): responsible for evaluation of significant SC initiatives; oversight of SC planning; decision-making through Policy SC Oversight Council; policy guidance of multi-year integrated SC planning.
- GCCs: lead SC planning, coordination, and integration; initial assessments; IDD submission, and performance monitoring.
- OSD, Security Cooperation Offices, Joint Staff, Military Departments, Functional Combatant Commands, Defense Agencies, National Guard Bureau, and Combat Support Agencies: make available subject matter expertise to support GCCs in the development of assessments and IDDs for significant SC initiatives.

External:
- Embassy Country Teams: identification of country priorities through Integrated Country Strategies (ICSs); on-the-ground support to assessments, planning, program design, and monitoring.
- Department of State: joint development and planning of full-spectrum SC initiatives, foreign policy guidance, statutory concurrence of planned initiatives, support to implementation with non-defense security sectors.

Other Interagency partners as required: support to implementation with non-defense security sectors.

Major Management Priorities and Challenges: A major challenge is conducting targeted assessments given limited bandwidth.

Primary Governance Organizations: DSCA provides the hub of full-spectrum SC planning and program-level assessments expertise within the Strategy, Plans, and Programs Directorate, and also leads ICB planning processes through the Building Partner Capacity Directorate.

Published Performance / Progress Reports: DSCA is the repository for fully developed Initiative Design Documents which will reflect the quality and adequacy of DoD SC planning. Strategic security cooperation evaluations will also indicate growing performance over time. DSCA also publishes program-level train and equip assessment reports following each visit to the GCCs.

Performance Goal Contributing Programs: GCC program design.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 2.1.4.1: Pilot new processes and engagement mechanisms to better support Combatant Command Security Cooperation planning.	Target		50%		100%			N/A

Strategic Objective (SO) 2.2: Expand regional consultative mechanisms and collaborative planning.	
SO Leader: OUSD(A&S)	
PG 2.2.1: Expand OUSD(A&S)' collaboration with international partners	**PG Leader:** OUSD(A&S)

Performance Goal Overview: We will enhance key bilateral and multilateral relationships and will develop new partnerships around shared interests to reinforce regional coalitions and security cooperation objectives. A&S will provide allies and partners with clear and consistent messaging to encourage alliance and coalition commitments in pursuing shared objectives, increase partners' military capability, advance greater defense armaments cooperation, and increase military investment.

Performance Information Gaps: N/A

Changed Performance Goals and Indicators: N/A. This is a new performance goal.

Partners (Component Internal and External):
Internal:
 OSD Policy, DSCA, DTSA, the Services, AFRICOM, CENTCOM, INDOPACOM, EUCOM, SOUTHCOM, NORTHCOM, NATO
External:
 Dept. of State, Commerce, NSC, Respective Ministries of Defense of Allies and Partners Nations

Major Management Priorities and Challenges: A&S will focus on formalizing reforms to improve DoD planning for, and pursuit of, exportability activities to enable international sales earlier in the acquisition process through updates to DoD governing documents. This effort will require a significant amount of work and close coordination with the Joint Staff, CAPE, and Military Department stakeholders to incorporate the changes into the Department's policy and procedure guidance documents. A&S will also work with Combatant Commanders to shape their country engagement papers to include International Armaments Cooperation objectives as part of Security Cooperation Goals Theater Campaign Plans, as well as work to advance cooperative activities with emerging partners in Asia, the Middle East and South America. Engage with Allies and partners to leverage and develop international cooperation mechanisms that will counter actions by strategic competitors such as China and Russia.

Primary Governance Organizations: None

Published Performance / Progress Reports: None

Performance Goal Contributing Programs: Defense Exportability Feature (DEF) Coalition Warfare Program (CWP)

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 2.2.1.1: Deliver recommendations to the Secretary of Defense on ways to improve DoD support for non-standard/non-programs of record arms transfers to allies/partners and build exportability into DoD acquisition programs early in the acquisition process positions.	Target	X						NEW
PM 2.2.1.2: Complete negotiation of multilateral framework for Research, Development, Technology and Engineering (RDT&E) with Australia, Japan and Korea in the Asia-Pacific to allow for armaments cooperation on future technologies and create a positive operational impact.	Target			X				NEW
PM 2.2.1.3: Complete and promulgate strategic guidance for international armaments cooperation in European and Indo-Pacific regions to guide future cooperation with allies and partners.	Target				X			NEW

STRATEGIC GOAL 3
Reform the Department's Business Practices for Greater Performance and Affordability

SO 3.1: Improve and strengthen business operations through a move to DoD-enterprise or shared services; reduce administrative and regulatory burden

SO Leaders: CMO

PG 3.1.1: Create a long-lasting culture of innovation, empowerment and improvement to reduce the cost of doing business throughout the Department	**PG Leader:** CMO

Performance Goal Overview:

Business reform goes beyond efficiencies and reductions: it includes improving business processes, systems, or policies that increase effectiveness, efficiency, and reliability; improving innovation or processes for weapon system acquisition; and better alignment of resources to support the National Defense Strategy. Reforming business operations to improve the lethality of the Department is one of the three pillars of the National Defense Strategy: 1) Build a More Lethal Force; 2) Strengthen alliances and Attract New Partners; and 3) Reform the Department for Greater Performance and Affordability. Current defense enterprise business reform efforts in the Department are being led by the Office of the Chief Management Officer (OCMO).

The OCMO is charged with establishing policies for, and directing, all enterprise business operations of the Department, including planning and processes, business transformation, performance measurement and management, and business information technology management and improvement. The Transformation directorate is leading reform efforts to improve enterprise business operations across the Department, establishing a culture of continuous improvement focused on results and accountability. The Transformation directorate serves as the Executive Secretariat for the Reform Management Group (RMG) and maintains the rigor and oversight of reform initiatives and decisions impacting the Department's business operations.

The RMG is a deliberative body with the seniority and authority to make decisions affecting the business of the Department, directly supporting the Secretary of Defense's third line of effort. The RMG is comprised of representatives from the Offices of the Principal Staff Assistants, under the Secretary of Defense, and the Military Departments. This governance body guides the reform business processes of the Department and promotes responsible use of federal resources by allowing organizations to reallocate savings to increase lethality and improve readiness.

Performance Measure		**Q1 201**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**FY 2020**	**FY 2021**	**Prior Year Results**
PM 3.1.1.1: Achieve DoD-wide reform savings to meet OMB annual reform savings targets with validation from Comptroller. Savings targets for FY 2019 – FY 2023 meet or exceed $46.6B. The $4.7B 2017/2018 achievements are in addition to the OMB target of $46.6B.	Target				FY 2019 $6B	FY 2020 $7B	FY 2021 $9B	FY 2017/2018: $4.7B

PM 3.1.1.2: The execution of all RMG Reform initiatives are ensured through the use of charters, Balanced Score Cards (BSCs)/Key Performance Indicators (KPIs), project plans utilized to track achievements of project targets and monthly milestones. Results aggregated quarterly	Target		60%	100%	100%	100%	100%	
PM 3.1.1.3: Establish new annual functional and financial RMG Reform targets through FYDP (FY21-FY25) by Q3 annually	Target			X	X	X	X	

PG 3.1.2: Lead the integration and optimization of enterprise business operations throughout the Department	PG Leader: CMO - Transformation / AOM

Performance Goal Overview:

In 2017, the Reform Management Group (RMG) was established to manage the Secretary of Defense's third line of effort, reform the business functions of the DoD. The RMG governs the reform of business processes of the Department, and ensures responsible use of federal resources by reallocating savings to increase lethality and improve readiness.

The discipline used to fulfill the reform requirements is a Reform Management Framework. This framework aligns reform initiatives to strategic reform objectives using standard processes, coupled with a balanced scorecards and key performance indicators (KPIs), to ensure success.   Further, this approach leverages a cross-functional perspective and enterprise data analytics to support greater efficiency and effectiveness across the Department. The financial savings are monitored through a validation process supported by the framework and in collaboration with the Under Secretary of Defense (Comptroller) (USD(C)).

In supporting the Framework, process improvement and process redesign training methodologies are provided and utilized to support both RMG and non-RMG reform efforts. In addition, transformation BPR experts are facilitating large-scale, end-to-end process redesign opportunities with a primary focus on the 4th Estate.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.2.1: Implement the Reform Management framework as governing process for all RMG reform by Q3 FY2019. Manage and track quarterly reform progress in accordance with established CMO Reform Engagement events attended by senior DoD leadership including the OCMO and USD(C), with the outcomes presented to the RMG for final ratification.	Target			X	100%	100%	100%	
PM 3.1.2.2: RMG-supporting reform team members and applicable stakeholders are trained to create and utilize Balanced Score Cards (BSCs), Key Performance Indicators (KPIs), project charters, project plans, and business process improvement.	Target			80%	90%	100%	100%	

PM 3.1.2.3: Ensure all CMO related requirements and milestones to stand up and codify SDA and other Space organizations are in compliance with law and guidance	Target				6B for FY19	TBD	TBD	
PM 3.1.2.4: Finalize the inaugural DoD Chartering Directives on 3 key OSD PSAs reflecting recent reorganizations	Target							
PM 3.1.2.5: Initiate and finalize the DoD issuance on DoD MHA policy	Target							
PM 3.1.2.6: Obtain DSD approval of a re-set baseline for DoD EA designations	Target							
PM 3.1.2.7: Finalize DoDD 5105.79, "DoD Senior Governance Councils"	Target							

PG 3.1.3: Deliver performance-driven shared services and an exceptional customer experience	PG Leader: CMO

Performance Goal Overview: Oversee Defense Agency and Field Activity regarding management of Business Mission Area objectives, requirements, priorities and Information Technology investments. Review business processes, establishing firm shared services strategy, increase effectiveness, efficiency, and reliability.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.3.1: Pentagon Counter-Small UAS Program: Install, test, and operationalize emerging electronic and kinetic capabilities to maximize defenses against small Unmanned Aircraft System (UAS) threats on the Pentagon Reservation (PFPA). Provide a minimum of one incremental capability above Initial Operational	Target	X						NEW
PM 3.1.3.2: Pentagon Physical Security Information Management: Complete selection of the next generation of PFPA's Physical Security Information Management (PSIM) software. This software will be used to merge critical physical security platforms and provide unified situational awareness throughout the Pentagon Reservation and select	Target			X				NEW
PM 3.1.3.3: OSD Insider Threat Program: Implement and integrate User Activity Monitoring (UAM) on all classified networks into the OSD Insider Threat Program. This requirement is the national minimum standard per Presidential mandate and enforced by the National Insider Threat Task Force (NITTF).	Target				X			NEW
PM 3.1.3.4: Safeguarding of Classified Information: Conduct security inspections for unauthorized wireless devices in classified processing spaces in the Pentagon.	Target				2600 Inspections	2600 Inspections		NEW

PM 3.1.3.5: Streamline Recruitment: Initiate use of Salesforce Cloud as two-way communication portal between PFPA recruiters and Pentagon Police applicants, and thereby reduce the recruitment timeline and improve the PFPA's police applicant evaluation process.	Target				X			NEW
PM 3.1.3.6: Pentagon Mail Screening Program: Transition the Pentagon Mail Screening Program to a purpose-built facility at the Mark Center, allowing for the effective implementation of new technological solutions for mail screening, HAZMAT response and CBRN surveillance to meet emerging CBRN threats to the Pentagon	Target				X			NEW
PM 3.1.3.7: WHS – Reduce the cost of WHS operations throughout all shared services 1% to 5% per year	Target				1-5%	1-5%	1-5%	12.5%
PM 3.1.3.8: WHS – Achieve a 99.9% financial obligation rate by FY-end (DoD Goal: 80% by July-end)	Target				99.90%	99.90%	99.90%	99.99%
PM 3.1.3.9 WHS – Acquisition competition rate (DoD Goal: 57%)	Target				58%	58%	58%	58%
PM 3.1.3.10: WHS – Average days to close Senior Executive Service (SES) hiring actions - excluding hiring freeze (OPM Goal: 90 days)	Target	80 days	80 days	80 days	80 days	75 days	75 days	85 days
PM 3.1.3.11: WHS – Average days to close General Schedule (GS)-15 and below or equivalent hiring actions - excluding hiring freeze (OPM Goal: 80 days)	Target	70 days	70 days	70 days	70 days	65 days	65 days	72 days

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PG 3.1.4: Decrease overlap and duplication to increase mission-focused funding					**PG Leader:** CMO			

Performance Goal Overview: Fulfill responsibility to oversee Defense Agency and DoD Field Activity spending, budgets, effectiveness and efficiencies, and determine duplication, overlap, and termination recommendations, on a recurring basis. Optimize the business operational stewardship of integral service and supply organizations and functions.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.4.1: Conduct DAFA budget reviews (beginning FY20).	Target			X	X			
PM 3.1.4.2: Complete Budget Certification Report.	Target		Jan 1, 2019					
PM 3.1.4.3: Complete Budget Report, Certifications, Improvement Plans & Legislative Requirements.	Target		Mar 31, 2019					
PM 3.1.4.4: Complete Assessment of Cost & Expertise Report.	Target			April 1, 2019				
PM 3.1.4.5: Publish Business Operations Guidance to Fourth Estate.	Target				Sep 1, 2019			
PM 3.1.4.6: Execute efficiency & effectiveness business operation reviews of all 29 DAFAs by Jan 2020 IAW FY19 NDAA (and every four years thereafter).	Target	2	5	10	12	Jan 1, 2020 All 29 complete		
PM 3.1.4.7: Complete Business Operations Review and Recommendation Report to Congress.	Target					April 1, 2020		
PM 3.1.4.8: Complete Notice of Termination & Legislative Actions Report to Congress Actions.	Target					Feb 1, 2010		
PM 3.1.4.9: Consolidate DAFA business operations resources under single fund authority (if determined efficient & effective).	Target					Sep 30, 2020		

PG 3.1.5: Develop & implement metrics that measure the accuracy of maintenance planning (schedule, bill of materials, replacement factors), while simultaneously measuring disruption costs created by lack of parts.	**PG Leader:** CMO and Logistics and Supply Chain Reform Leader

Performance Goal Overview:

The primary goal of this initiative is to improve military readiness by reducing depot maintenance repair time in order to quickly and efficiently return weapon systems to the operating forces. Maintenance work packages include the scope, overall content, and required tasks and procedures for depot level repair, while the corresponding bills of material (BOMs) serve as the "shopping list" for the supply community. Substantial opportunities exist to improve materiel readiness and reduce costs by improving the accuracy of the Department's depot maintenance work packages. Inaccuracies and/or inconsistencies in these products drive increased repair turnaround times, inaccurate supply planning, and increased customer wait times. DoD-wide anecdotal evidence over the past 10-15 years suggests that various factors, including the difficulty in maintaining configuration control of heavily tasked and highly modified legacy weapon systems, have resulted in a growing divergence between the depot maintenance work packages and the actual repairs or upgrades required. This situation may have serious availability and cost ramifications throughout the supply chain for the weapon systems being sustained both now and in the future.

Performance Information Gaps:

The Logistics Reform Team (LRT) issued a data call on November 5, 2018 requesting the Military Services provide an overview of the depot maintenance planning process, maintenance budget plans, depot maintenance plan data, and work package details. This data will be used to conduct the analysis of planned work packages and BOMs to actual work packages and BOMs and recommend improvements. The suspense for responding to the data call is November 30, 2018.

Partners (Component Internal and External):

Internal: The LRT is working closely with each of the Military Services to conduct the analysis.

External: The LRT has contracted with Guide house to conduct the proof-of-concept efforts on select weapon systems throughout the Services to assess the accuracy and alignment of depot maintenance work packages and BOMs.

Primary Governance Organizations:

The LRT provides biweekly updates on all reform initiatives and briefs an executive council on a monthly basis. The executive council consists of the Assistant Secretary of Defense for Sustainment, the Military Service senior logisticians, the Defense Logistics Agency, and the Joint Staff. Upon conclusion of the proof of concept, the LRT will brief the initiative to the executive council and will then present recommendations to the Reform Management Group (RMG) for approval.

Published Performance / Progress Reports: N/A

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.5.1: By end of 3Q FY 2019, identify draft recommendations for selected weapon systems to improve materiel availability and reduce costs, as well as methods to improve maintenance work package/BOM accuracy.	Target			X				NEW
PM 3.1.5.2: By end of 4Q FY 2019, complete an implementation plan to institutionalize required improvements in maintenance work packages/BOM development and application.	Target				X			NEW

DoD Priority Goal 3.1.6: Reduce Regulatory Burden by eliminating unnecessary Federal Rules (E.O. 13771)	**Priority Goal Leader:** CMO

Performance Goal Overview: On January 30, 2017 and February 24, 2017, the President issued two Executive Orders on regulatory reform –Executive Order 13771 "Reducing Regulation and Controlling Regulatory Costs," and Executive Order 13777 "Enforcing the Regulatory Reform Agenda." To implement DoD's regulatory reform agenda, DoD established a Regulatory Reform Task Force and is reviewing DoD's 716 regulations in the Code of Federal Regulations to identify regulations for repeal, replacement, or modification with the goal to reduce the regulatory burden on the American people. This review will also streamline DoD's regulatory process and promote agency accountability of our regulations.

Changed Performance Goals and Indicators: Removed performance measures 3.1.6.1, 2, 6, &7. These measures address the evaluation phase of this initiative, and the cost/cost savings is still being identified in this phase of the process. Modified performance measures 3.1.6.3, 4, & 5 to establish implementation goals. Added new performance goal for issuing updated regulatory guidance.

Partners (Component Internal and External):

Internal: During the implementation phase of this initiative, DoD Component actions officers will draft, coordinate, adjudicate comments, and obtain appropriate approval for the Federal regulations under their components cognizance. Mandatory coordinators: Chief Management Officer of the Department of Defense, General Counsel of the Department of Defense, and Inspector General of the Department of Defense.

Consideration will be given to the recommendations of the Advisory Panel on Streamlining and Codifying Acquisition Regulations. The Panel, in accordance with section 809 of the NDAA for FY 2016, reviewed the acquisition regulations applicable to the Department with a view toward streamlining and improving the efficiency and effectiveness of the defense acquisition process and maintaining defense technology advantage.

External: Departmental rules will be submitted to the Office of Management and Budget (OMB) for review and approval in accordance with the requirements of Executive Order 12866, "Regulatory Planning and Review," dated September 30, 1993. During the OMB review period, OMB will forward the rules for interagency coordination. The DoD Component action officers must adjudicate OMB and interagency comments within a 90-day timeframe. Additionally, action officers will adjudicate public comments received during the proposed and interim final rule stages.

Primary Governance Organizations: The DoD Regulatory Reform Task Force. The Task Force met on a bi- weekly basis to review the existing 716 DoD regulations and make recommendations to the Secretary or Deputy Secretary of Defense regarding their repeal, replacement, or modification, with a goal of reducing the Department's existing regulations by 25 percent.

Published Performance / Progress Reports: Agency Priority Goal Action Plan, published quarterly at https://www.performance.gov/about/APG_about.html

Performance Goal Contributing Programs:

Retrospective review of regulations is a part of the normal regulatory process performed under the DoD Regulatory Program within the Directorate for Oversight and Compliance. Currently, policies are covered in Administrative Instruction (AI) 102, "Office of the Secretary of Defense Federal Register System" dated November 6, 2006. AI 102 will be replaced by a new DoD Instruction 5025.xx, "DoD Regulatory Program" that will provide more process details and policy updates.

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.6.1: Implement 50 or more regulatory actions that address recommendations by the Regulatory Reform Task Force.	Target	12.5 regs	12.5 regs	12.5 regs	12.5 regs			NEW
PM 3.1.6.2: Offset EO 13771 significant regulatory actions issued after January 20, 2017.	Target	1%	1%	1%	1%			NEW
PM 3.1.6.3: Increase number EO 13771 deregulatory actions issued after January 20, 2017.	Target	2%	2%	2%	2%			NEW
PM 3.1.6.4: Issue updated regulatory guidance that streamlines process and promotes accountability.	Target	Draft guidance	Coordinate guidance	Adjudicate comments	Obtain PSA Approval			NEW

PG 3.1.7: Increase shared service delivery of medical benefits between DoD and Department of Veterans Affairs	**PG Leaders:** Under Secretary of Defense for Personnel and Readiness, OASD (Health Affairs)

Performance Goal Overview:

On August 15, 2017, the Deputy Secretary of Defense (DepSecDef) met with the Secretary of Veterans Affairs (VA) to discuss a shared goal of expanding DoD/VA resource sharing in order to enhance the services we provide to Service members and Veterans. As a result, the DepSecDef directed that we work with VA to assess the viability of expanding and enhancing DoD and VA collaboration in a number of areas. With readiness as our top priority, DoD seeks to increase the volume and complexity of VA patients seen in our system. Concurrently, the services that DoD provides could improve the VA's access to timely, quality care. Expansion of key resource sharing initiatives may lead to significant cost savings and retention of providers and warfighters. OSD collaborates with VA and the MilDeps to identify potential opportunities between VA and DoD that promote and facilitate the efficient use of limited federal health care resources. This may also result in reducing reliance on private sector, fee-based care.

Performance Information Gaps:

There is no well-defined mechanism or requirement for DoD and VA to leverage each other as the "first choice" for providing health care.

Differing Uniform Business Office/Patient Administration functions (e.g., billing and reimbursement processes) between Departments historically has been an impediment to care reciprocity.

The Departments currently do not allow reciprocity of credentialing and prime source verification; however, this is expected to be resolved in FY 2020.

Joint Medical Record implementation timelines do not match, and although sharing of DoD and VA health information has improved dramatically in recent years, there will be some information exchange issues.

VA MISSION Act will impact the goals and challenges presented above. Legislative relief could be required in order to implement measures.

Changed Performance Goals and Indicators: N/A

Partners (Component Internal and External):

Internal:

The Assistant Secretary of Defense for Health Affairs (ASD) (HA) is working collaboratively with Under Secretary of Defense for Acquisition & Sustainment regarding the new electronic health record.

External:

The Department of Veterans Affairs is the partner in these initiatives and will have an equal responsibility and contribution to the success of the performance goals, and Federal Bureau of Prisons.

Major Management Priorities and Challenges:

DoD seeks to increase the volume and complexity of VA patients seen in our system to aid in our medical readiness. Concurrently, the services that DoD provides could improve the VA's access to timely, quality care. The performance information gaps outlined above are the challenges to meeting this strategic priority.

Primary Governance Organizations:

- Joint Executive Committee (JEC), co-chaired by the USD(P&R) and the Deputy Secretary of Veterans Affairs

- Policy Coordination Committee (PCC), led by the White House Domestic Policy Council (DCP)

Published Performance / Progress Reports: MHS P4I dashboard: VA and DoD JEC, Joint Strategic Plan

Performance Goal Contributing Programs: This determination continues to be developed by JEC Co-Chairs and PCC/DCP and will be made available as the timelines are developed.

Performance Measures		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.1.7.1: Common purchased care (Integrated Purchased Care Network): Determine feasibility of combining elements of TRICARE and VA purchase care to increase purchasing power and decrease costs as part of VA's Domestic Policy Council TRICARE Integration initiative. NLT the end of 3rd quarter FY 2019, Health Affairs in conjunction with VA will present Analysis of Alternatives regarding the way forward on integration options.	Target			X				New

PG 3.1.8: Fundamentally transform how the Department delivers a secure, stable, and resilient IT infrastructure in support of Warfighter lethality. Exploit enterprise IT as a force multiplier. Improve the efficiency of IT operations and ensure the Warfighter uncompromised, undenied information at mission speed.	**PG Leader:** IT Reform Leader (DCIO-IE)

Performance Goal Overview: To execute IT reform to create operational effectiveness while realizing savings within the FYDP.

Performance Information Gaps: Lack of authoritative configuration data for "DoD IT Enterprise" IT, including staffing, software, networking, and IT personnel.

Changed Performance Goals and Indicators: New Performance Goal

Partners (Component Internal and External):

DSD, CMO, A&S, Joint Staff, MILDEPS, Combatant Commands, Fourth Estate, Industry

Major Management Priorities and Challenges:

1. The creation of DoD-wide enterprise IT culture and solution.

2. The perceived loss of autonomy by Fourth Estate and MILDEP IT leaders over control of agency IT

Primary Governance Organizations: DSD

Published Performance / Progress Reports:

- Reform Management Group (RMG) quarterly updates

- IT Reform Senior Working Group weekly updates

Performance Goal Contributing Programs: Defense Enterprise Office Suite (DEOS), MILCLOUD 2.0, Fourth Estate Network Optimization (4ENO)

Performance Measure		**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**FY 2020**	**FY 2021**	**Prior Year Results**
PM 3.1.8.1: IT Infrastructure – Network & Circuit Optimization – Complete Fourth Estate DoDNET 1.0 Assessment; Migration Plans and Phase I migration.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 3.1.8.2: IT Infrastructure – Network & Circuit Optimization – Prepare and release DoDNET 2.0 Draft RFP. Contract Award 4QFY 2020.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 3.1.8.3: IT Infrastructure – Network & Circuit Optimization – Assess & transition Fourth Estate to a common service support environment 2QFY 2020.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW

PM 3.1.8.4: Cloud & Data Center Optimization – Migrate Fourth Estate workloads to Enterprise/Cloud. Objective pace is 5.2k workloads per quarter.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 3.1.8.5: Cloud & Data Center Optimization – DoD-Wide Migration – Migrate MilDeps workloads to Enterprise/Cloud. Objective pace is 9.6k workloads per quarter.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 3.1.8.6: Enterprise Collaboration – Migrate ~3M NIPR users & ~600k SIPR Email users to DEOS - 4QFY 2022.	Target	TBD	TBD	TBD	TBD	20	45	NEW
PM 3.1.8.7: License Consolidation – Core Enterprise Technology Agreements -- Award BPAs to DoD top five vendors.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW
PM 3.1.8.8: License Consolidation -- IT Commodity Management – Leverage IT Purchasing Request (ITPR) capability and processes to control & manage Fourth Estate IT expenditures to ensure alignment with IT reform directed efficiencies.	Target	TBD	TBD	TBD	TBD	TBD	TBD	NEW

Strategic Objective (SO) 3.2: Expand our data analytics capability and cultivate data-driven solutions

SO Leaders: CMO	
PG 3.2.1: Expand the Department's data analytics capability and cultivate data-driven solutions	**Priority Goal Leader**: CMO, Data Insights Directorate

Performance Goal Overview:

In 2018 Congress tasked the OCMO with a number of specific responsibilities for Data Management and Analytics, summarized as follows:

i. Establish policy and governance for Common Enterprise Data related to business operations and management.

ii. Conduct pilot programs to extract Common Enterprise Data from relevant systems.

iii. Analyze that data to generate operational insights that answer critical business questions from Defense executives and leaders.

iv. Evolve the pilots into a Data Management and Analytics Shared Services for the purposes of supporting enhanced oversight and management of the Defense Agencies and DoD Field Activities, by September 30, 2020.

v. Organize the whole effort under an Implementation Plan.

vi. Report the plan, along with gaps and progress against it, to Congress in December of 2018, and December of 2020.

As a result, the CMO established a Chief Data Officer (CDO), who is tasked with meeting these responsibilities by expanding the Department's data analytics capabilities to drive the success of today's initiatives, and ensure that the Department is positioned for the future. The CDO is the Director of the Data Insights Directorate as well as the Chair of the Data Management and Analytics Steering Committee which is the Department-wide governance system for Data Management and Analytics.

In following the NDAA, the OCMO was guided by the National Defense Strategy (NDS) which calls for reforming the Department's business practices for greater performance and affordability in support of rebuilding military readiness as we build a more lethal Joint Force. Accomplishing these changes requires accurate, up-to-date assessments of our actual performance, costs of performance, efficiency, productivity, and ultimately, effectiveness in generating measurable improvements in readiness and lethality. In other

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.2.1.1: Establish Policy on Defense Business System Data related to Business Operations and Management per the FY 2018 National Defense Authorization Act, Section 911, Subtitle B – Data Management and Analytics by December 2018.	Target	X						
PM 3.2.1.2: Complete 4 new pilot programs to extract Common Enterprise Data from relevant systems; Update 4 existing pilot programs by migrating them into the Defense Repository of Common Enterprise Data (DRCED)and automating the data feeds.	Target					X		
PM 3.2.1.3: Attract 10 senior commercial sector data scientists and 10 junior data scientists (1 senior and 1 junior data scientist for each Line of Business), along with 3 data scientists from leading universities into the Department by leveraging the Public-Private Talent Exchange program by October 31 2019.	Target				X		X	
PM 3.2.1.4: Establish a data science developmental program for career government employees by October 31 2019.	Target				X		X	
PM 3.2.1.5: Establish the DMASC by December 2018.	Target	X						
PM 3.2.1.6: Establish a governance body to support the DMASC on oversight of enterprise data management processes within Defense Agencies and DoD Field Activities by February 2019.	Target		X					

Strategic Objective (SO) 3.3: Improve the quality of budgetary and financial information that is most valuable in managing the DoD	
SO Leaders: USD(C)/CFO	
DoD Priority Goal 3.3.1: Complete yearly audits, gain actionable feedback, and remediate findings toward achieving a clean audit opinion for the DoD.	**Priority Goal Leader:** USD(C)/CFO

Performance Goal Overview:

- The Department will be able to capitalize on opportunities presented from audit findings, including access to better quality data for decision making, more transparency and accountability, and cost savings to help drive reforms throughout the Department.

- Completing the annual audits, implementing remediation actions and closing NFRs will directly improve the quality and transparency of the Department's financials.

- The Department faces major audit challenges ranging from the lack of documentation, cultural changes (change of focus from just mission to improving financial management practices to drive proper accounting for resources) to major system impediments including use of legacy systems that lack the transactional details necessary to support the financial statement audit. Given our size and complexity, auditors may not be able to complete detailed testing on all critical assessable units in the first year. Consequently, Notice of Findings and Recommendations (NFRs) will continue to increase in the initial years. As we mature and remediate findings, we will be able to demonstrate progress by tracking/increasing the number of findings closed by the auditors and improve business processes.

Performance Information Gap: None

Changed Performance Goals and Indicators:

Since the previous publication of the Annual Performance Plan (APP), USD(C)/CFO has completed performance measures PM 3.3.1.1 through PM 3.3.1.5 from the FY 2017 APP, these tasks include notifications/assertions to Congress regarding the readiness of the Department for the full financial statement audit, development of a consolidated NFR tracking tool and FY 2017 full-scope audit reports, etc.

The previously reported metrics were revised to provide a more direct focus on the priority areas for the annual financial statement audit. This includes focusing on remediation audit findings and providing the auditors requested information timely.

Partners (Component Internal and External):

Internal: Improving our operations and ultimately attaining a clean audit opinion is the responsibility of all PSAs and all DoD Components.

External: The Department is working with OMB and Treasury to identify solutions to some of our major challenges to a clean audit. In addition, the Department is working directly with FASAB to determine standard updates necessary for DoD to comply with all guidance and regulations.

Major Management Priorities and Challenges:

The Department faces major audit challenges ranging from the lack of documentation, cultural changes (change of focus from just mission to improving financial management practices to drive proper accounting for resources) to major system impediments including use of legacy systems that lack the transactional details necessary to support the financial statement audit. Given our size and complexity, auditors may not be able to complete detailed testing on all critical assessable units in the first year. Consequently, Notice of Findings and Recommendations (NFRs) will continue to increase in the initial years. As we mature and remediate findings, we will be able to demonstrate progress by tracking/increasing the number of findings closed by the auditors and improve business processes.

Primary Governance Organizations:

The Department established a Financial Improvement and Audit Remediation (FIAR) Governance Board as well as functional councils to address high priority areas (financial reporting, property, and information technology) to assist with driving key decisions related to their respective areas.

Published Performance / Progress Reports: Agency Priority Goal Action Plan, published quarterly at https://www.performance.gov/about/APG about.html

Performance Goal Contributing Programs:

Identify the following that contribute to the performance goal:

- Annual financial statement audit
- A-123 internal controls program

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.3.1.1: Percentage of notice of findings and recommendations conditions closed in support of a clean audit opinion for the Department.	Target				10%	20%	30%	FY 2018: 6%
PM 3.3.1.2: Percentage of components completed and established Go-Forward Asset Valuation.	Target				60%	80%	100%	NEW
PM 3.3.1.3: Percentage of universes of transactions (UOT) provided the auditors using the Defense Repository of Common Enterprise Data (DRCED) tool for the Fourth Estate.	Target				99%	100%	100%	FY 2018: 98%
PM 3.3.1.4: Percentage of reconciliations completed at the transaction level between general ledger and feeder systems for the Fourth Estate.	Target				50%	80%	100%	FY 2018: 40%

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	2020	2021	Prior Year Results
PM 3.3.1.5: Percentage of service provider audit reports with an unmodified (clean) opinion.	Target				75%	75%	75%	FY 2018: 70%
PM 3.3.1.6: NFRs entered into tracking tool by IPAs.	Target		X			Q1	Q1	
PM 3.3.1.7: Percentage reduction of unsupported Journal Vouchers (over FY 2017) recorded in the Defense Departmental Reporting System.	Target				62%	90%	95%	
PM 3.3.1.8: Provide report to Congress on Audit results status to include Audit findings and remediation statistics (Recurring in Q1 and Q3) of each fiscal year.	Target	X		X				NEW

PG 3.3.2: Establish a DoD enterprise cost management information framework that will allow the Department to find more cost effective ways of managing the various lines of business.	**PG Leader:** OCMO (Primary) and USD(C)/CFO (Secondary)

Performance Goal Overview

The purpose of this initiative is to develop an enterprise cost management (ECM) framework that will help the Department better predict expenditures, execute budgets, and maximize resources. Cost management is the management of information used for budgeting, estimating, forecasting, and monitoring costs. In today's resource-competitive environment, the ability to reduce and manage costs strategically is critical. Cost management directly supports the third line of effort in the National Defense Strategy, Reform.

Performance Information Gaps: N/A

Partners (Component Internal and External):

Organization Name	Description of efforts, responsibilities, and the nature of expected contribution
OCMO	• Oversee implementation and deployment cost framework • Manage Service specific cross functional activities to support cost framework • Collaborate with Service functional and comptroller leadership on cost framework
OUSD-C	• Support improving the effectiveness and efficiency of Service business operations • Drive vision of enterprise-wide cost management model throughout organization • Lead governance process, with DCMO facilitating • Serve as escalation points of contact for enterprise-wide issues • Provide decision-making for enterprise-wide considerations • Oversight and management of Service budget execution

Organization Name	Description of efforts, responsibilities, and the nature of expected contribution
CAPE	• Establish/Support new policies setting cost data model as authoritative single source for cost management – questions, inquiries, data requests, cost studies and analysis • Provide oversight, strategic guidance, and DoD cost insights, particular lyon alignment to Planning, Programming, Budget & Execution
OSD Functional's	• Increase emphasis on cross-Service sharing of cost data and best practices to support continued adoption of model • Assist Services with identifying major cost trends and potential performance issues related to business line portfolio
Service Functional's	• Increase emphasis on cross-Service sharing of cost data and best practices to support continued adoption of model • Assist Services with identifying major cost trends and potential performance issues related to business line portfolio
Service Comptrollers	• Support OUSD(C)/ODCMO with cost framework model implementation and sustainment • Engage with Service functional community on cost data model usage and deployment • Foster demand of Is-cost model by incorporating its use into ongoing processes (e.g., quarterly reviews, in lieu of ad hocdata calls) • Support ODCFO and ODCMO in improving the effectiveness and efficiency of Service business operations
Service CMOs	• Oversee implementation and deployment of cost data model Service-wide • Manage Service specific cross functional activities to support cost data model deployment • Collaborate with Service functional and comptroller leadership on CODE data model deployment • Support ODCFO and ODCMO in improving the effectiveness and efficiency of Service business operations
Vendor	• Devise innovative and improved methods of identifying all-in costs in a simple but holistic manner • Apply a modern commercial lens to DoD operational costs • Implement best practices for decision support throughout all lines of business

Major Management Priorities and Challenges:

Priorities:

- E2E funds traceability between budget and execution

- Cost effective business environment

- Strengthened mission capabilities

- Informed and productive workforce

- Timely, accurate, and reliable data for decision makers

Challenges:

- Budget constraints

- FM system environment complex, non-agile, and non-compliant

- Lack of legacy data migration strategies

- Full use of FM ERP capabilities

- Not all FM and time and labor systems have cost management capabilities

- Cost management is not an inherent skill set in the Department

Primary Governance Organizations:

DoD Data Management and Analytics Steering Committee (DMASC) is the primary governing body for enterprise Cost Management which is supported by an executive steering committee for each functional line of business.

Published Performance / Progress Reports: N/A

Performance Goal Contributing Programs:

Programs involved in this effort represent the following functional communities: Real Property, Medical, Information Technology, Financial Management, Logistics & Maintenance Supply Chain, Acquisition, Human Resources, and Readiness

Policies and Regulations:

Enterprise Cost Management – July 13, 2017, Deputy Secretary of Defense Memo SFFAS 4: Managerial Cost Accounting Standards

DOD FMR 7000.14-R, Volume 1, Chapter 4, Standard Financial Information Structure (SFIS) DOD FMR 7000.14-R, Volume 4, Chapter 19, Managerial Cost Accounting

DOD FMR 7000.14-R, Volume 4, Chapter 20, Job Order Cost Accounting Government Performance and Results Act (GPRA) of 1993

GPRA Modernization Act 2010

DFAS 37-1, Finance & Accounting Policy Implementation, Chapter 15, Cost Accounting Chief Financial Officers (CFO) Act of 1990

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.3.2.1: Define LOB cost frameworks.	Target	FM	X	Acquisition, Supply Chain/ Maintenance & Human Resource	Readiness	X	X	2016 – 2018 Real Property, Medical, Information Technology , Supply
PM 3.3.2.2: Sustain LOB cost frameworks.	Target	FY18 Data Collection	X	X	X	FY19 Data Collection	FY20 Data Collection	2016 – 2018 FY15, FY16 & FY17 Data Collection

PG 3.3.3: Sustain a Professional Certified Financial Management Workforce	**Goal Leader:** USD(C)/CFO

Performance Goal Overview:

The Department needs a well-trained financial workforce, which has the knowledge, skills and abilities necessary to provide decision support and analysis that is crucial in supporting the Departments efforts to achieve auditable financial statements. The goal of the FM workforce portfolio is to make a strong workforce better by improving DoD financial management capabilities through training and development that is focused on DoD Financial Management (FM) competencies, to include decision support and analysis competencies. FM OSD Functional Community Manager supports the Department's efforts to educate, train, and retain a qualified FM workforce.

OUSD(C)/(CFO), in consultation with the Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)) and the DoD Components, developed a mandatory financial management training and development program to effectively educate, train, and certify financial management personnel (civilian and military). The DoD Financial Management Certification Program (DFMCP) includes key Financial Management (FM) and leadership competencies as its foundational framework. The DFMCP ensures that the FM workforce has the requisite FM knowledge, skills, and abilities to perform effectively in all FM career series. The DFMCP also provides a mechanism to ensure that the FM workforce is meeting critical training requirements in areas such as auditable financial statements, fiscal law, and decision analytics to better assist commanders and managers in using information to make decisions.

The DFMCP consists of three levels of certification (Levels 1, 2, and 3) and is based on FM and leadership competencies. Attainment of FM Certification is a requirement for all FM workforce members. The DFMCP continues to be the mechanism to ensure that the FM workforce receives required FM and leadership focused training and development.

The DoD FM workforce is comprised of approximately 54K civilian and military personnel of various FM disciplines. The Department has many FM workforce initiatives to further develop and sustain a well-trained FM workforce with the requisite FM knowledge, skills, and abilities to effectively meet the Department's strategic objectives, which are captured in the FY 2019-2023 SWP. The FM workforce provides critical enabling support to the Department's FY 2018 National Defense Strategy (NDS) line of effort one (Rebuild military readiness as we build a more lethal Joint Force), and line of effort three (Reform the Department's business practices for greater performance and affordability). Both lines of effort are aligned to the FY 2019-2023 SWP. The FM workforce supports line of effort one of the NDS through strategies and initiatives in the Office of the Under Secretary of Defense (Personnel and Readiness) (OUSD(P&R)) Human Capital Operating Plan, such as the number of days it takes to hire FM personnel. Additionally, the FM workforce supports the Department's strategic objective 3.5 (Improve the quality of the budgetary and financial information that is most valuable in managing the DoD). Key initiatives in the FM workforce portfolio align with the guidance in the President's Management Agenda (PMA) and DoD Agency Reform Plan.

Performance Information Gap: None

Changed Performance Goals and Indicators: N/A

Partners (Component Internal and External):

Internal: OUSD(C) has consistent and continuous engagement with DoD FM senior leaders, DoD technical experts, and the DoD Components to execute various programs and initiatives in the FM workforce development portfolio.

External: OUSD(C) collaborates with federal agencies, to include the Chief Financial Officer's Council, the federal Budget Line of Business program office, and the Office of Personnel Management to maintain and further develop programs and projects in the FM workforce development portfolio and inform the overall FM human capital strategy.

Major Management Priorities and Challenges:

- OUSD(C) leads the effort throughout the Department to sustain the percentage of FM members certified at or above the FY 2018 goal of 68%.

- OUSD(C) published a DoD FY 2019-2023 FM Strategic Workforce Plan (SWP) in September 2018. The implementation of the SWP, the Strategic Workforce Implementation Plan (SWIP), will include the FM performance goals and action plans associated with the DoD FM goals and objectives. Implementation of the SWIP will commence in FY 2019.

- OUSD(C) also will to seek approval to move FM STARs from a pilot to an official program upon completion of the pilot in 2nd Quarter, FY 2019.

Process improvements derived from ongoing internal controls are expected to continue.

Primary Governance Organizations:

- FM Certification Program Senior FM Leadership Group

- FM Component Functional Community Manager Advisory Board

- FM Component Functional Community Manager Working Group

Published Performance / Progress Reports:

- FY 2018-FY 2022 National Defense Business Operations Plan

- DoD Agency Financial Report (in Manager's Discussion and Analysis)

- FY 2019-2023 DoD FM Strategic Workforce Plan

Performance Goal Contributing Programs:

- Pub. L. 112-81 provided the Secretary of Defense with the authority to prescribe professional certification and credentialing standards.

- The DoD FM Certification Program, DoDI 1300.26, "Operation of the DoD Financial Management Certification Program," January 31, 2017 incorporating Change 1 on May 17, 2018.

- FY 2019-2023 DoD FM Strategic Workforce Plan.

- Pub. L. 111-84 123 Stat. 2496 sec 1112 (Department of Defense Civilian Leadership Program).

- Pub. L. 115-91 131 Stat 1629, sec. 1106 (Direct hire authority for financial management experts in the Department of Defense Workforce).

- USD(C) Financial Management Awards Program, "Financial Management Regulations (FMR)," Vol 1, Ch. 6.

- The FM Learning Management System, the system of record for the DFMCP.

- FM Online: https://fmonline.ousdc.osd.mil/

- DoD FM Individual Development Plan. A web-based tool integrated with both the DoD FM civilian career roadmaps and the DoD FM Certification Program

- 80 Web-based courses with 24 hour access

- FM career roadmaps, which are competency-based and provide detailed, comprehensive professional development guidance for the FM civilian occupational series

- Information supporting the DFMCP, FM continuing education and workforce development

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.3.3.1: % of Financial Management workforce members certified.	Target	Annual Measure			68%	70%	70%	FY18: 70%

Strategic Objective (SO) 3.4: Streamline rapid, iterative approaches from development to fielding		

SO Leaders: USD (A&S)

PG 3.4.1: Implement Acquisition Reform by simplifying, delivering faster and becoming more data driven	**Priority Goal Leader:** USD (A&S)

Performance Goal Overview:

We will continue to implement the legislative initiatives from the FY16-19 NDAAs, which represent the largest body of acquisition reforms since Goldwater-Nichols, designed to improve the defense acquisition system and delegate decision-making to lower levels. Specifically, we will further develop the Middle Tier of Acquisition pathway using data-driven governance and encourage use of rapid prototyping and rapid fielding authorities. We will also issue new guidance for the use of Other Transactions (OTs), encouraging proper and expanded use of OT authorities.

Partners (Component Internal and External): USD(R&E), Services, Defense Agencies, Defense Acquisition University (DAU)

Primary Governance Organizations: USD(A&S) – including Office of Strategy, Data, and Design (SDD); the Assistant Secretary of Defense for Acquisition (ASD(A)); and ASD for Sustainment (ASD(S))

Performance Goal Contributing Programs:

All three services have several programs that are a part of this performance goal. In addition to the 16 Agile programs, there are 25 programs participating in the Middle Tier of Acquisition process.

Performance Measure		**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**FY 2020**	**FY 2021**	**Prior Year Results**
PM 3.4.1.1: Execute 16 Agile pilot programs to garner best practices and lessons learned to align and ensure weapons systems and business systems are developed more effectively and efficiently • Establish a Community of Practice around secure software platforms FY19 Qtr1 • Develop contracting language to ensure security is a pillar of software within the National Security System FY19 Qtr1 • Build Defense Acquisition University curriculum to train program developers and program managers FY19 Qtr2	Target	X	X					NEW
PM 3.4.1.2: Issue a final Middle Tier of Acquisition Policy.	Target			X				NEW
PM: 3.4.1.3: Complete Prototype of Digitizing Acquisition Policy Documentation.	Target				X			NEW

Strategic Objective (SO) 3.5: Harness and protect the National Security Base

SO Leaders: USD (A&S)

PG 3.5.1: Continuing efforts to assess and strengthen the National Defense Industrial Base and Supply Chain	Priority Goal Leader: OUSD(A&S)

Performance Goal Overview:

Executive Order (EO) 13806 on Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States provided DoD and its interagency partners a unique opportunity to assess the manufacturing and defense industrial base–one of the most critical assets to our national security. The work conducted by the over 300 members of the DoD-led Interagency Task Force lays the groundwork for important actions, mitigations, and ongoing monitoring that will result in America's ability to continue supporting a secure, robust, resilient, and ready industrial base.

Changed Performance Goals and Indicators: This is a new performance goal.

Partners (Component Internal and External):

This effort was directed through the EO and directs the Secretary of Defense to conduct a whole-of-government effort. As a result, this effort involves the Departments of Commerce, Labor, Energy, and Homeland Security, and in consultation with the Department of the Interior, the Department of Health and Human Services, the Director of the Office of Management and Budget, the Director of National Intelligence, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and the Assistant to the President for Trade & Manufacturing Policy. This performance goal is only related to the DoD work

Major Management Priorities and Challenges:

America's manufacturing and defense industrial base ("the industrial base") supports economic prosperity and global competitiveness, and arms the military with capabilities to defend the national interests. Currently, the industrial base faces an unprecedented set of challenges: sequestration and uncertainty of government spending; the decline of critical markets and suppliers; unintended consequences of U.S. Government acquisition behavior; aggressive industrial policies of competitor nations; and the loss of vital skills in the domestic workforce.

Combined, these challenges–or macro forces–erode the capabilities of the manufacturing and defense industrial base and threaten the Department of Defense's (DoD) ability to be ready for the "fight tonight," and to retool for great power competition.

Performance Goal Contributing Programs: Defense Production Act and Committee on Foreign Investment in the United States

Performance Measure		Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2020	FY 2021	Prior Year Results
PM 3.5.1.1: Receive Defense Production Act Title III Presidential Determination for Energetics, Critical Materials and Fuel Cells.	Target	X						NEW
PM 3.5.1.2: Fully support the Indian Rapid Reaction Cell (IRRC) to expand the partnership with the Ministry of Defense India, Indian Defense Industrial base organizations and firms.	Target		X					NEW

APPENDIX B

FY 2018
DOD ANNUAL PERFORMANCE REPORT

STRATEGIC GOAL 1

Rebuild Military Readiness as We Build a More Lethal Joint Force

STRATEGIC GOAL 1
Rebuild Military Readiness as We Build a More Lethal Joint Force
Strategic Objective (SO) 1.1: Restore Military Readiness to Build a More Lethal Force
SO Leaders: USD(P&R)

STRATEGIC OBJECTIVE OVERVIEW:

In a January 31, 2017, memo to the Department, the Secretary of Defense outlined a multi-year effort to strengthen the U.S. Armed Forces. The Secretary stressed the Administration's commitment to improving warfighting readiness, "with the ultimate objective to build a larger, more capable, and more lethal joint force." The Department will continue to rebuild warfighting readiness through "buying more critical munitions, funding facilities sustainment at a higher rate, building programs for promising advanced capability demonstrations, investing in critical enablers, and growing force structure at the maximum responsible rate."

Combat capability of the Services is a direct outcome of the quality of our Service members, the Department of Defense is implementing a fundamental change in Service member personal and professional development opportunities. In order to attract and retain the nation's top talent, we have embarked on integrating voluntary education opportunities, credentialing/licensure attainment, and the Department's apprenticeship program so that skills attained during a Service member's lifecycle will not only benefit the time on active duty, but will also better prepare Service members for their eventual transition to the civilian workforce. The Department recognizes that investing in the personal development of our Service members is of inordinate value in attracting and retaining talented individuals.

In addition, the preservation of personnel and strategic assets throughout our joint force is essential to building warfighting capacity and increasing lethality. Serious accidents resulting in fatalities, injuries and/or equipment loss degrade the readiness and lethality of the force. From FY 2007 to FY 2016, the most severe accidents (Class 'A' Mishaps) declined by approximately 50 percent; however, this trend reversed in FY 2017. FY 2017 was a difficult year, with a total of 369 Class 'A' events resulting in 294 DoD fatalities, an increase of 18 percent and 23 percent, respectively from FY 2016. To prevent further loss of life and assets, the office of the Under Secretary of Defense Personnel and Readiness (P&R) initiated an effort to improve the understanding of the root cause of Class 'A' mishaps through a Safety and Readiness Action Plan. The resulting dual-signed Assistant Secretary of Defense (ASD) (Readiness (R)) and ASD (Acquisition & Sustainment (A&S)) Safety and Readiness Action Plan was signed on November 16, 2017, and it is being executed to determine overarching mishap drivers. This review will identify gaps and recommend actions to prevent loss of personnel, equipment, and combat systems that degrade war fighter readiness.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

Improve the Department's ability to measure, assess, and understand readiness: On May 30, 2018, the Under Secretary of Defense for Personnel and Readiness submitted the Defense Planning Guidance (DPG)-directed 45-Day Readiness Review to the Deputy Secretary of Defense. In the June Readiness Management Group (RMG), the existing Readiness Recovery Framework (R2F) metrics were revalidated and aligned to the findings of the 45-Day Readiness Review. The RMG forum will monitor, assess, and manage readiness recovery progress moving forward.

By the end of FY18, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility: In accordance with the Secretary's guidance to seek Departmental level reforms, and legislation in the National Defense Authorization Act (NDAA) for FY 2019, the Office of the Chief Management Officer's (OCMO) reform team, who is guided by the Defense Management Analytic Steering Committee (DMASC), was levied to assist in the consolidation of Service Defense Readiness Reporting System (DRRS) variants and further streamline readiness data and interfaces. The Plan of Action and Milestones was updated in light of new information and understanding of requirements. A survey of readiness data sources and close coordination with the Services was initiated to ensure all data and functionality is captured as the consolidation effort works towards completion. As further streamlining and consolidation occur, efforts will inform the DMASC for inclusion into the Defense Common Repository of Enterprise Data.

By the end of FY18, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility: The Department made progress rebuilding readiness through investing additional Fiscal Year (FY) 2018-2019 planned resources in readiness and readiness enablers, including weapons procurement and facilities sustainment in the FY 2018 DoD Omnibus Appropriation and the FY 2019 Budget request. The FY 2018 Omnibus set aside $550M in Operations and Maintenance (O&M) funds, for the Department to use to restore readiness. After approval by the Deputy Secretary of Defense (DSD), these funds will be used by the Services to restore selected O&M readiness requirements. The FY 2019 DoD budget request sought an additional $4B above the FY 2018 request for DoD core readiness budget accounts.

Improve Credentialing Opportunities: DoD has improved credentialing opportunities with the establishment of re-occurring interagency meetings on a permanent basis. We have expanded the number of engagements with trade associations, and other stakeholders to increase awareness, develop partnerships, and increase Service member credentialing opportunities.

Improve understanding of root causes of Class A mishaps and implications to readiness recovery: The Safety and Readiness Action Plan review is a three-phased plan to better understand the contributing factors leading to accidental fatalities throughout all operational disciplines, starting with aviation, and

to include off-duty events such as private motor vehicle mishaps, which comprise the majority of the accidental military fatalities each year. This plan is intended to prevent further loss of life and assets and to address any readiness recovery implications hindering the strategic objective to restore military readiness.

STRATEGIC OBJECTIVE NEXT STEPS:

<u>Improve the Department's ability to measure, assess, and understand readiness</u>: The results of the DPG-directed 45-day Readiness Review, incorporated into the R2F, was reported in the April – June 2018 Quarterly Readiness Report to Congress (QRRC), and will continue to form the basis for the semi-annual mitigation QRRC. The R2F will be updated Semi-Annually in the RMG venue and will undergo continued validation as conditions and readiness levels evolve, to include expansion of Major Force Elements (MFE) and readiness metrics.

<u>By the end of FY18, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility:</u> Next steps focus on the future role of DRRS-S as a consolidated readiness reporting tool for use by the department, including 1) consolidating Service requirements and functionality needed, 2) determine resources, funding, and milestones for a successful consolidation of Service DRRS variants; and 3) deliver an implementation plan to Congress as required by the FY 2019 NDAA.

<u>By the end of FY18, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility:</u> Key subsequent milestones include further unprecedented levels of coordination and engagement between the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), Comptroller, Cost Assessment and Program Evaluation (CAPE), and the Services. This coordination addressed readiness recovery funding requirements as part of the FY 2018 Omnibus Reprogramming action (June 2018), and the development of the FY 2020 Program Budget.

<u>Improve Credentialing Opportunities:</u> The Department will soon publish overarching DoD Credentialing policy through a DoD Instruction. In addition, the Department is launching a Service Member Outcomes Portal to align the Department's tuition assistance, certification/licensure, and apprenticeship programs to post-active duty employment opportunities in collaboration with the Departments of Labor (DoL) and Veterans Affairs (VA).

<u>Improve understanding of root causes of Class A mishaps and implications to readiness recovery:</u> Convene biannual DSOC meetings chaired by the USD(P&R) to address the importance of a DoD safety culture and making safe risk driven decisions so the military can focus on what it is trained to do, while building a more lethal force. This forum will also collaborate on Department wide initiatives to include identifying leading indicators, reviewing the way mishaps are classified, tying mishaps closer to contributing factors and readiness, and leading a data reform effort in the safety and

occupational health area. Other areas include strategic safety communications throughout the Department, lessons learned management, as well as a Department wide motorcycle training requirements. In addition, the DSOC Integration Group will convene, chaired by ASD(R), and meet quarterly to vet topics for the DSOC, ensure timely and relevant activities of the Working Groups and Task Forces.

FY 2018 Summary of Results

DoD Priority Goal 1.1.1: Improve the Department's ability to measure, assess, and understand readiness		Priority Goal Leader: USD(P&R)					

Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 1.1.1.1: Refine and Improve Readiness Recovery Framework Program Metrics/Goals Build-Up (Overall # of Force Elements (FEs) with a minimum of 3 metrics / FE).	Target	18 / 54 FE	28 / 84 FE	N/A	50 / 150 FE	100 / 300 FE	125 / 375 FE	18 FEs
	Actual	23 / 83 FE	48 / 231 FE		67 / 285 FE			
PM 1.1.1.2: Refine Air Force Readiness Recovery Framework Program Metrics/Goals.	Target	6 / 18 FE	7 / 21 FE	N/A	10 / 30 FE	20 / 60 FE	25 / 75 FE	6 FEs
	Actual	6 / 21 FE	12 / 85 FE		31 / 132 FE			
PM 1.1.1.3: Refine Army Readiness Recovery Framework Program Metrics/Goals.	Target	4 / 12 FE	5 / 15 FE	N/A	10 / 30 FE	20 / 60 FE	25 / 75 FE	4 FEs
	Actual	4 / 23	9 / 42		9 / 44 FE			
PM 1.1.1.4: Refine Marine Corps Readiness Recovery Framework Program Metrics/Goals.	Target	2 / 6 FE	5 / 15 FE	N/A	10 / 30 FE	20 / 60 FE	25 / 75 FE	2 FEs
	Actual	7 / 18 FE	11 / 46 FE		11 / 58 FE			
PM 1.1.1.5: Refine Navy Readiness Recovery Framework Program Metrics/Goals.	Target	5 / 15 FE	6 / 18 FE	N/A	10 / 30 FE	20 / 60 FE	25 / 75 FE	5 FEs
	Actual	5 / 18 FE	7 / 55 FE		7 / 44 FE			
PM 1.1.1.6: Refine USSOCOM Readiness Recovery Framework Program Metrics/Goals.	Target	1 / 3 FE	5 / 15 FE	N/A	10 / 30 FE	20 / 60 FE	25 / 75 FE	1 FE
	Actual	1 / 3 FE	9 / 3 FE		9 / 7 FE			

FY 2018 PERFORMANCE GOAL OVERVIEW:

The metrics identified in the R2F measure the Military Services progress to rebuild warfighting readiness by tracking key programs such as personnel accessions and retention, training, equipment availability, maintenance shortfalls, etc. Each metric is tailored to a specific challenge and readiness inhibitor in the identified MFEs and designed to be leading indicators of larger, systemic readiness recovery.

FY 2018 PERFORMANCE PROGRESS UPDATE:

DPG 1.1.1 was achieved through the DPG-directed 45-Day Review, and incorporation of the resulting critical elements that drive readiness into the R2F metrics. However, continued validation, refinement, and updates must be made through the RMG venue and reported to the Deputy Secretary of Defense/Secretary of Defense and Congress.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The R2F programmed metrics and goals are DoD official method for tracking and communicating readiness recovery, both internally and externally.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The 45-Day Review identified each Military Services' MFEs critical to meeting the demands of the new National Defense Strategy and their shortfalls. Each MFE's readiness and force generation ability is impacted by different factors. As such, every identified MFE in the review has tailored and targeted actions, with associated metrics, to accelerate readiness recovery through the Future Years Defense Program.

NEXT STEPS:

The results of the DPG-directed 45-day Readiness Review, incorporated into the R2F, was reported in the April – June 2018 QRRC. The R2F will continue to be updated Semi-Annually in the RMG venue and reported in the semi-annual QRRC mitigation report.

FY 2018 Summary of Results

<table>
<tr><td colspan="3">PG 1.1.2: By the end of FY18, reform Automated Defense Readiness Reporting to increase the functionality, integrity and utility</td><td colspan="6">PG Leader: USD(P&R)</td></tr>
<tr><td colspan="2">Performance Measures</td><td>Q1 2018</td><td>Q2 2018</td><td>Q3 2018</td><td>Q4 2018</td><td>2019</td><td>2020</td><td>Prior Year Results</td></tr>
<tr><td rowspan="2">PM 1.1.2.1: Establish Automated Readiness Reporting Working Group</td><td>Target</td><td>X</td><td></td><td></td><td></td><td></td><td></td><td rowspan="2">Working groups continue to support all aspects of reporting system consolidation and data streamlining</td></tr>
<tr><td>Actual</td><td></td><td></td><td>Yes</td><td></td><td></td><td></td></tr>
<tr><td rowspan="2">PM 1.1.2.2: Submit report on the utility of existing Automated Readiness Reporting Systems and analysis of alternatives</td><td>Target</td><td></td><td>X</td><td></td><td></td><td></td><td></td><td rowspan="2">Requirement was re-scoped and OCMO reform efforts were levied to assist</td></tr>
<tr><td>Actual</td><td></td><td>No</td><td>Yes</td><td></td><td></td><td></td></tr>
<tr><td rowspan="2">PM 1.1.2.3: Recommend policy that improves Readiness Reporting</td><td>Target</td><td></td><td></td><td>X</td><td></td><td></td><td></td><td rowspan="2">Due to re-scope of requirement as stated in PM 1.1.2.2 this measure is no longer applicable</td></tr>
<tr><td>Actual</td><td></td><td></td><td>N/A</td><td></td><td></td><td></td></tr>
<tr><td rowspan="2">PM 1.1.2.4: Assess and report on initiatives</td><td>Target</td><td colspan="2" rowspan="2">Measured Annually</td><td></td><td>X</td><td></td><td></td><td rowspan="2">The Executive Readiness Management Group continues to assess and report on readiness and related initiatives</td></tr>
<tr><td>Actual</td><td></td><td>Yes</td><td></td><td></td></tr>
</table>

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2018
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.

FY 2018 PERFORMANCE GOAL OVERVIEW:

This performance goal supports business reform and impacts information used for decision-making on efforts to restore readiness and build lethality. The performance goal seeks to improve end user needs and experiences, and take advantage of modern data structures and data science to improve readiness reporting value for decision makers.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

All Performance Measures were either achieved by year end. Continuation of working groups, and senior level steering committees will facilitate success. The group meets regularly to understand several closely-related Department efforts that have bearing on this task and ensure clear expectations of requirements and deliverables.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The re-scoping of DRRS consolidation and streamlining of data began in Q4 FY 2018. As such, this effort, and its relationship with the OCMO reform team will ensure compliance with the FY

2019 NDAA. Similarly, this effort will incorporate private sector expertise in modern database management systems, application programming interface development, data science, and application development and design.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The successful onboarding of contract support in Q4 FY 2019 has positioned the Department for success with DRRS-S consolidation and the streamlining of readiness data.

IDENTIFY KNOWN RISKS:

Schedule risk is the primary known risk. This may be mitigated by association with closely related efforts in the Department.

MITIGATION EFFORTS:

Contingency plans are a critical part of the consolidation effort. These plans include funding and resource considerations should the timeline be put at risk due to unforeseen reasons.

NEXT STEPS:

Publish the transition plan to include funding and resources required not later than February 1, 2019.

FY 2018 Summary of Results

PG 1.1.3: Improve Linkage Between Resources and Readiness			PG Leader: USD(P&R)				
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.1.3.1: Stand-up Cross-functional resource team with stakeholders	Target	X						NEW
	Actual	X						
PM 1.1.3.2: Develop taxonomy linking selected readiness metrics to resource levels	Target		X					NEW
	Actual		X					
PM 1.1.3.3: Assess FY18 budget execution relation to taxonomy	Target			X				NEW
	Actual			X				
PM 1.1.3.4: Apply taxonomy to assess FY20 PB between resources and readiness	Target	Measured Annually			X			NEW
	Actual				X			
PM 1.1.3.5: Refine taxonomy to capture additional metrics	Target	Measured Annually			X	FY19		NEW
	Actual				X			

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2018
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

FY 2018 PERFORMANCE GOAL (PG) OVERVIEW:

The scope of the performance goal initially focused on resources and core readiness accounts, but it was quickly expanded to also assess readiness enabler accounts, with the intent to more closely tie funding impacts to total force readiness improvement. The National Defense Strategy and Defense Planning Guidance provided key initiatives in accomplishing PG 1.1.3.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

There was significant progress achieved during Q1 and Q2. Cross functional teams were established to link program and budget resources to readiness metrics and these teams consisted of budget and programmers from the Office of the Assistant Secretary of Defense for Readiness, Comptroller, CAPE, Joint Staff, and the Services. The outcomes were provided to the DSD and

will be out-briefed (beginning in Q3) at classified 3- and 4-Star level forums. The established Readiness Recovery Metrics were utilized and expanded into other readiness related "areas" (e.g., military end strength and investment). These same teams accomplished additional analysis by focusing on how the proposed allocation of Service FY 2018 DoD appropriation contributes to restoring readiness (as directed and reportable to Congress). The significant results include production of formal reports and briefs to the senior leadership and the Congress, and identification of specific areas (such as procurement accounts outside O&M) where additional metrics would be useful to assess readiness. This work will continue into Qs 3 and 4. Over this period, the significant challenges included multiple continuing DoD budget resolutions, late passage of the FY 2018 appropriations, and Service challenges to identify specific funding applications to various readiness targets.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:
Significant progress was achieved during Q3 and Q4 of FY 2018. The Office of the Assistant Secretary of Defense for Readiness' Readiness Programming and Assessment (RPA) coordinated with the Services, CAPE, Joint Staff, and Comptroller to provide the 30 Day Readiness Review. This review showed how the additional funding provided by Congress in FY 2017, FY 2018, and President's Budget 2019 was invested in the most critical readiness shortfalls that were identified as part of the 45 Day Readiness Review and the National Defense Strategy. The results of this work were briefed out to Senior Leaders at the three and four star forums and provided input into the recently-published "Readiness Receipt to Congress." The RPA team also provided valuable insights into how the Department could track how investments in spares and maintenance personnel could result in real readiness gains. Finally, the RPA team has begun a collaborative project with OUSD(Acquisition and Sustainment), CAPE, and Comptroller to assess facilities investments in relation to the National Defense Strategy. The results are expected to inform the 2021 Program Review Budget Cycle.

IDENTIFY KNOWN RISKS:
Process to identify risk, etc., requires convening the cross-functional teams (Service 3/5/7/8/9) representatives to identify needed mitigation strategies. Groups have been meeting since December 2017 to set/achieve milestones and complete projects relating resourcing to readiness. Productions to date have including periodic reports to the Secretary of Defense.

NEXT STEPS:
Reviewed the Program Budget Review 2020 submissions assessing balance and sufficiency of

Readiness funding equities. This will be conducted via the Planning, Programming, Budgeting, and Execution process and results will be reflected in the FY 2020 President's Budget request. Additionally, track and assess Service Program Objective Memorandum 2021 funding utilizing metrics derived from the National Defense Strategy (NDS) and as captured in the ongoing 45-day readiness review to ensure the most effective use of readiness funding. (FY 2019 Q3, Q4). Finally, ensure facilities investments for the total force are aligned with the NDS using data-driven analysis (FY 2019 Q3, Q4).

1.1.4: Improve Credentialing Opportunities						Leader: USD(P&R)		
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
1.1.4.1: By the end of FY18, create an overarching D credentialing policy through a new DoDI.	Target	Measured Annually			X			NEW
	Actual				X			
1.1.4.2: Expand number of engagements with ustries, trade associations and other relevant eholders in order to increase program awareness, internship collaboration and Service member or unities (Goal: 8 per year minimum).	Target		**2**	2	2 (Min FY18 total=8)	8	8	NEW
	Actual	20	20	5	19			
1.1.4.3: Establish scheduled, recurring collaboration stings with Department of Labor and Department of errand Affairs (Goal: 8 per year total).	Target	2	2	2	2	8	8	NEW
	Actual	4 (VA)	4 (Labor)	5	7			
PG title changed from "Improve Tradespeople Credentialing" to "Improve Credentialing Opportunities" to better reflect PMs								

FY 2018 Summary of Results

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The FY 2018 performance goals were 100 percent accomplished and two exceeded the performance target numbers. DoD has improved credentialing opportunities with the establishment of re-occurring interagency meetings on a permanent basis. We have significantly expanded the number of engagements with trade associations, and other stakeholders to increase awareness, develop partnerships, and increase Service member credentialing opportunities.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

ODASD (FE&T) created a draft issuance for credentialing policy. The draft instruction is in Stage 1A of the DoD Issuance process. The document is in internal review and approval. Upon completion the draft Instruction will enter the unclassified Issuance portal for Department-wide coordination. For FY 2019, the draft stand-alone credentialing instruction will be incorporated into a larger "Career Investment Programs" DoDI, along with Voluntary Education programs and possibly apprenticeships. The career investment program DoDI is a new FY 2019.

ODASD (FE&T) far exceeded this performance measure. The total number of engagements in FY 2018 with trade associations, industry, and stakeholders was 64.

Examples include meetings and events with the US Chamber of Commerce, the American Legion, the White House, labor unions such as The American Federation of Labor and Congress of Industrial Organizations and the Teamsters, the Department of Commerce, and the Veterans of Foreign Wars.

ODASD (FE&T) far exceeded this performance measure. The total number of engagements/meetings with DoL and VA for FY 2018 was 20. Collaboration meetings are now scheduled on a re-occurring basis. In October 2018, ODASD(FE&T) was asked (by DoL) to speak to internal staff from DoL VETS on emerging technology applications in DoD. The DoL VETS office prepares America's veterans, Service members and their spouses for meaningful careers as transitioning Service members, provides them with employment resources and expertise, protects their employment rights, and promotes their employment opportunities.

FY 2018 Summary of Results

PG 1.1.5: Improve understanding of root causes of Class A mishaps and implications to readiness recovery.		PG Leader: USD(P&R)						
Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 1.1.5.1: Develop a Safety Awareness Campaign with a memo signed both by the Assistant Secretary of Defense for Energy, Installations and Environment (ASD(EI&E)) and by the Assistant Secretary of Defense for Readiness (ASD(R))	Target	X						NEW
	Actual	X						
PM 1.1.5.2: Provide database tools, analysis, and manpower for ASD(EI&E) led Safety Review of MilDeps Class A and Mishaps root cause of past investigations	Target		X					NEW
	Actual		X					
PM 1.1.5.3: Report on root causes of Class A Mishaps and loss of strategic assets throughout all operational disciplines and private motor vehicle mishaps	Target			X				NEW
	Actual			Not Met				
PM 1.1.5.4: Provide database tools, analysis, and manpower for ASD(R) led Readiness Recovery Framework to inform on viable risk mitigation measures as required by the DMAG	Target				X			
	Actual				Not Met			

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FY 2018 PERFORMANCE GOAL OVERVIEW

The scope of Performance Goal 1.1.5 focuses on identifying and categorizing the root causes and contributing factors that result in accidental mishaps, and better quantifying how these mishaps degrade readiness of the force. This includes improving risk mitigation tactics that do not impede force lethality but rather reduce loss of personnel and equipment, ensuring our military readiness. The key initiatives included in the Safety and Readiness Action Plan include: (1) Develop a Safety Awareness Campaign (2) Identification and categorization of root causes of loss in warfighter readiness (3) Correlation between readiness indicators, mishaps, and connections to the Readiness Recovery Framework (4) Collection and sharing of causal factors, lessons learned, and recommendations throughout the Department to address mishaps before they occur.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

While the Safety and Readiness Action Plan was signed by ASD(R) and ASD(A&S) in November 2017, only the Safety Awareness Campaign has gained traction, primarily due to support from P&R leaders. Completion of an adequate safety data review leading to actionable recommendations to reduce mishaps based on the root causes was hampered by several factors:

- Data Accessibility – MilDeps are often unwilling to share accident investigation details with OSD or with other Military Services and prefer to address issues internally.

- Data Quality and Comparability – The Military Services are not totally compliant with agreed upon standardized Mishap Data Elements, which are directed in DoD Instruction 6055.07,Mishap Notification, Investigation, Reporting, and Record Keeping. This makes comparing data throughout Services challenging, requiring extensive effort to align the data received to ensure commonality for analysis at the aggregate level. Often the data is also lacking critical details, creating obstacles to identifying root causes. "The Military Departments often "cite" safety privilege as a justification for not providing certain data that would be beneficial to better understand mishap contributing factors."

- Safety Investigations – The safety investigation process can take years to complete, therefore the findings and recommendations can come years after the mishap occurred" to read: "Safety Investigations – most mishap investigations are completed within 30-45 days. There can be some delays in closing mishap recommendations due to resourcing challenges within the Military Departments.

- Distribution – It is challenging to ensure the Safety Awareness Campaign products intended for distribution throughout the Department are disseminated in an appropriate and effective method. The objective is to ensure an embedded culture emphasizing the importance of keeping our personnel safe. There does not seem to be a readily available, all-encompassing distribution list(s). There are existing resources such as a DoD Facebook page and Military OneSource, but it is not always clear how to use those resources to ensure messaging reaches the target audience in a timely and meaningful manner.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The scope of this Q4 measure is to provide database tools, analysis, and manpower for ASD(R) led Readiness Recovery Framework to inform on viable risk mitigation measures as required by the Deputy's Management Action Group. However, as previously reported, the Q3 measure to understand the root causes of FY 2017 Class 'A' aviation and motorcycle mishaps, was overtaken by multiple efforts related

to P&R's new Principal Enterprise Safety Official (PESO) role. These time-sensitive activities included, but were not limited to: (1) conducting a manpower and resource analysis of the consolidated PESO mission, and, (2) leading a 90-day in-depth review with USD(A&S), the Office of the Chief Management Officer and the MilDeps to rationalize the governance, resources, policies and data sets and standards that define and support the operational and occupational safety and health portfolios. These efforts establish P&R's lead role as the senior policy advisor to the Secretary of Defense for integrated safety assessment and reporting, trend analysis, and accident reduction and mitigation activities. Moving forward, P&R now has the authority to lead efforts in support of the overall performance goal to improve understanding of mishap causes and implications to readiness in order to identify mitigations.

IDENTIFY KNOWN RISKS:

The risks to meeting our Q3 and Q4 targets and milestones were identified upfront. The MilDeps need to provide full mishap reports for analysis in order to identify and understand the root causes and identify any training and readiness gaps. Without this critical information, this goal will never be met. Analysis on the root causes of mishaps cannot be performed without shared information from the Military Departments.

MITIGATION EFFORTS:

With the USD(P&R) designation as the PESO, P&R is establishing the governance and resources required, and will be updating relevant policies to clarify its role. This realignment, along with relaunching the DSOC, give P&R the authority moving forward to collaborate with the Military Services to identify mishap causes and inform on viable risk mitigation measures, thereby reducing mishaps that degrade operational readiness

NEXT STEPS:

As the PESO, P&R is in a much better position to lead the Department's accident reduction and mitigation efforts. P&R drafted FY 2019 performance goals that are more aligned with its new responsibilities and specific efforts to focus on identifying leading indicators, review and updating the mishap classification system to better tie to readiness and causal factors, instituting data reform, and sharing lessons learned throughout the Department. The Defense Safety Oversight Council (DSOC), Chaired by USD(P&R) will provide the governance to oversee these activities.

STRATEGIC GOAL 1
Rebuild Military Readiness as We Build a More Lethal Joint Force

Strategic Objective (SO) 1.2: Lay the foundation for future readiness through recapitalization, innovation, and modernization

SO Leaders: USD(A&S)

STRATEGIC OBJECTIVE OVERVIEW:

The technological superiority of the United States is being challenged by potential adversaries in ways not seen since the Cold War. For this reason, it is paramount that the Department provide our warfighters with dominant military capabilities. The quality of this force is dependent on our efforts and those in the industrial base to innovate, test, and field advanced capabilities against a broad spectrum of potential threats. We will assess and balance risk between recapitalization and innovation, in certain cases forgoing large-scale procurement of capabilities that provide incremental improvements in favor of developing leap-ahead technologies. This includes bolstering our focus on science and technology, advanced components, and early prototypes. With a renewed focus on productivity of in-house laboratories, external research efforts funded through contracts and grants, and the independent research and development by private industry, the Department is working to maximize warfighter capability and effectiveness while driving down costs through reform efforts. The Department is encouraging greater innovation and investments in industry with a science and technology budget request aligned with priorities and investments focused on the development and demonstration of technologies required to prepare DoD for an increasingly competitive global security environment.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

The Department continues to make targeted and disciplined increases to platforms that meet key capability and capacity needs as shown in the planned budgets.

STRATEGIC OBJECTIVE NEXT STEPS:

The focus remains on improving the F-35 program, modernizing the nuclear arsenal and implementing Acquisition Reform.

FY 2018 Summary of Results

PG 1.2.1: Significantly improve the F-35 Joint Strike Fighter Program execution			PG Leader: USD(A&S)					
Performance Measures			**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.2.1.1: Create a Tiger Team that will conduct an extensive review of the F-35 Program	Target	X						NEW
	Actual	X						
PM 1.2.1.2: Set Sustainment Affordability Targets for the F-35	Target		X		Met in Q4			NEW
	Actual		X					
PM 1.2.1.3: Revise sustainment strategy to utilize organic management and sustainment capabilities, in the right balance with industry	Target			X	Met in Q4			NEW
	Actual			Delayed				
PM 1.2.1.4: Determine Autonomic Logistics Information System (ALIS) end state for cybersecurity, network stability and capabilities	Target			X				NEW
	Actual			X				
PM 1.2.1.5: Complete an extensive Joint Strike Fighter (JSF) Cost Deep Dive led jointly by A&S and CAPE to understand in detail what JSF costs, why it costs what it costs, and what we can do to improve cost performance up and down the supply chain targeting 10-15 percent	Target		Measured Annually		X			NEW
	Actual				X			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The F-35 Program is the Department of Defense's focal point for defining affordable next generation strike aircraft weapon systems for the Navy, Air Force, Marines, and our allies. The F-35 will bring cutting-edge technologies to the battlespace of the future. The JSFs advanced airframe, autonomic logistics, avionics, propulsion systems, stealth, and firepower will ensure that the F-35 is the most affordable, lethal, supportable and survivable aircraft ever to be used by so many warfighters throughout the globe.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

The Department's efforts have been and will continue to be focused toward improving affordability

and program execution throughout three lines of F-35 Program; Development, Production and Sustainment. An F-35 Coordination Cell was stood up and conducted an extensive review of the F-35 Program while also refocusing Defense Acquisition Executive oversight of F-35 program. Additionally, an F-35 Executive Steering Group was established to ensure senior levels of the Office of the Secretary of Defense, Joint Staff, U.S. Services and F-35 Joint Program Office remain aligned on F-35 requirements, resourcing, acquisition strategy, sustainment strategy, and program.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The F-35 Executive Steering Group is where all major decisions are discussed and issues presented.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The updated F-35 Acquisition Strategy (Ver. 5.0) and affordability targets approved by the USD (A&S) on October 16, 2018, presents an executable program directed towards achieving warfighter requirements within cost, schedule, and performance parameters. As a result of the work preparing the Acquisition Strategy and Affordability targets, the Air Force and Marine Corps delivered their budget-informed affordability targets to OSD, along with the supporting analysis.

Collaboration is underway with the Joint Program Office and sustainment stakeholders to update the Life Cycle Sustainment Plan (LCSP). The LCSP will define the Services' availability and affordability goals, and the F-35 Lightning II Program Executive Officer's (PEO) plan to achieve these by 2024. The LCSP scope will specifically address supply chain and maintenance shortfalls, software maintenance, Block 4 sustainment planning, resolution of technical data issues, and sustainment for operational test.

The Acquisition Strategy also presents an ALIS Stabilization Plan that will fix defects affecting current Fleet operations, meet threshold Cyber Security requirements, and provide new capabilities to support mission generation requirements in operational development scenarios. The strategy also outlines the scope of the future system re-architecture along with new intellectual property business approach to improve performance and affordability outcomes in the next generation system.

NEXT STEPS:

With the Acquisition Strategy approved, focus can now turn towards formal Operational Testing and the subsequent results.

FY 2018 Summary of Results

PG 1.2.2: Ensure Nuclear Enterprise is enabled		PG Leader: USD(A&S)						
Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 1.2.2.1: Improve the Infrastructure and ensure that the materiel is secured and available Conduct exercises testing interagency policies/procedures and response to a potential Nuclear Weapon Accident/Incident, and identify resolutions to potential security vulnerabilities to nuclear weapons sites	Target		X					NEW
	Actual		X					
PM 1.2.2.2: Ensure that critical programs proceed on schedule:								
PM 1.2.2.2.1: Delivering GPS Next Generation Operational Control System (OCS) Nunn-McCurdy +6 month follow on memorandum tracking issues found in the Nunn-McCurdy Root Cause Analysis.	Target		X					NEW
	Actual		X					
PM 1.2.2.2.2: Expand capabilities to detect, degrade, disrupt, secure, and eliminate WMD and improvised threats by delivering small Unmanned Aircraft Systems (UAS) detection and data extraction / exploitation capabilities.	Target		X					NEW
	Actual		X					
PM 1.2.2.2.3: Ensure that critical programs are proceeding on schedule by expanding capabilities to detect, degrade, disrupt, secure and eliminate WMD and improvised threats by delivering small UAS detection and data extraction / exploitation capabilities.	Target			X				NEW
	Actual			X				
No update available due to increase in classification for PM 1.2.2.2.3								

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The Department will modernize the nuclear triad – including nuclear command, control, and communications and supporting infrastructure. Modernization of the nuclear force includes developing options to counter competitors' coercive strategies, predicated on the threatened use of nuclear or strategic non-nuclear attacks (NDS).

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

All PMs were executed on schedule in FY 2018.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

All performance measures were delivered on time.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

In June 2018, an Interagency team successfully executed the testing of interagency policies/procedures and response to a potential Nuclear Weapon Accident/Incident, and identify resolutions to potential security vulnerabilities to nuclear weapons sites.

Recapitalization of the nation's nuclear deterrent has also commenced with the President's budget. Significant investment will be made to improve/replace the nation's nuclear deterrent. This includes $862M for Columbia-class Submarines, $451M (370% increase) in Long Range Standoff Weapon, $216M (95% increase) in Ground-Based Strategic Deterrent, $112M (35% increase) in B-52 modernization and $98M (42% increase) in Nuclear Command, Control and Communications (NC3) modernization.

DTRA successfully demonstrated the Deep Purple, ACoRNS, and CDM technologies in two separate events: 1) Modular Autonomous CWMD System (MACS) technology demonstration at the Bluegrass underground facility near Louisville, KY in March 2018 and the Maneuver Support Sustainment Protection Integration Experiment (MSSPIX) hosted by the Army's Maneuver Support Center of Excellence (MSCoE) Battle Lab at Ft. Leonard Wood, MO in April2018.

NEXT STEPS:

There will be a continued focus on the recapitalization of America's nuclear deterrent through numerous programs as well as a focus on the work identified in the 2018 Nuclear Posture Review.

FY 2018 Summary of Results

PG 1.2.3: Focus S&T efforts to mature critical technology domains		PG Leader: USD(R&E) and USD(A&S)						
Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 1.2.3.1: Emphasis on hardened electronic, hypersonic, cyber, etc.								
PM 1.2.3.1.1: Deploy Howler kinetic defeat Counter Small UAS capability for Operation Inherent Resolve	Target		X					NEW
	Actual		X					
PM 1.2.3.1.2: Engage Joint and interagency partners to address Joint Force and Combatant Command capability gaps, by deciding on at least 65 new projects to develop, demonstrate and field emerging capabilities, transition new systems to the Services, and leverage new technologies discovered by the government, industry and academia	Target			65				NEW
	Actual			67				
PM 1.2.3.1.3: Deploy fixed and mobile Counter Small UAS capability in the United States and in selected NATO countries	Target	Measured Annually			X			NEW
	Actual				100%			

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FY 2018 PERFORMANCE GOAL OVERVIEW:
PG 1.2.3 seeks to focus science and technology efforts to mature critical technology domains.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:
PM 1.2.3.1.1 as well as PM 1.2.3.1.3 were completed on-target (Q2 FY 2018) by USD(A&S).

FY 2018 PERFORMANCE MEASURE OVERVIEW:

PM 1.2.3.1.1 seeks to deploy Howler kinetic defeat Counter Small UAS capabilities for Operation

Inherent Resolve.

PM 1.2.3.1.3 seeks to deploy fixed and mobile Counter Small UAS capabilities in the United States

as well as select NATO countries.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:
PM 1.2.3.1.1: Testing demonstrated 16/17 effective defeats. Deploying systems to Iraq this quarter.

PM 1.2.3.1.3: 9 of 9 CONUS facilities receiving equipment and approvals. Equipment is ready for six

OCONUS sites but approvals for each individual country are being worked with GCC country teams.

STRATEGIC GOAL 1
Rebuild Military Readiness as We Build a More Lethal Joint Force
Strategic Objective (SO) 1.3:   Enhance information technology and cybersecurity defense capabilities
SO Leaders: DoD CIO

Deployment of fully integrated, open architecture, multi-sensor, kinetic kill enabled Counter small Unmanned Aerial System equipment for Central Command, European Command and Strategic Command.

STRATEGIC OBJECTIVE OVERVIEW:

To maintain advantage over our adversaries, DoD must provide a secure, worldwide, resilient information environment for our warfighters by enhancing our Information Technology (IT) and cybersecurity capabilities. To support the Department's goal of increasing cyber readiness and hold all stakeholders accountable, DoD has established the DoD Cybersecurity Scorecard to measure critical cybersecurity metrics specified within the DoD Cybersecurity Discipline Implementation Plan. Achieving 90%+ ratings for all 11 cybersecurity scorecard metrics enables DoD to measure progress in achieving strong authentication, hardening IT, and reducing the attack surface – all efforts ensure the wide spectrum of DoD missions can be accomplished in the contested cyberspace domain.

Expanding and refining DoD Defense Industrial Base (DIB) Cybersecurity (CS) activities, both mandatory and voluntary, enables better protection of DoD unclassified information residing on or transiting DIB unclassified information networks or systems.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

By prioritizing efforts and engaging leadership at the highest levels, DoD was able to improve performance related to all three cybersecurity performance goals. All performance measures are currently projected to be completed within the established deadlines for each measure. The DoD Cybersecurity Scorecard is classified SECRET. The DoD Chief Information Officer (CIO) submits the scorecard to the Office of the Deputy Secretary of Defense monthly, the Office of Management and Budget quarterly, and those congressional committees specified in the Federal Information Security Modernization Act annually.

DoD CIO, in coordination with DoD Components, continues to meet or exceed Fiscal Year (FY) 2018 performance measure targets on DIB CS activities in the following areas: expansion of the voluntary program, engaging with industry on Defense Federal Acquisition Regulation Supplement (DFARS)

Clause 252.204-7012, "Safeguarding Covered Defense Information and Cyber Incident Reporting," development of an engagement strategy for engaging in cyber threat information sharing with Non-Cleared Contractors, initiation of a pilot activity to implement this effort, and the DoD Cyber Crime Center (DC3) providing unclassified and classified cyber threat information products to DIB CS participants.

STRATEGIC OBJECTIVE NEXT STEPS:

DoD CIO will sustain its progress on current cybersecurity scorecard metric efforts and expand beyond those areas to adjust to threats, and vulnerabilities found within an ever-changing cyber environment.

The DIB CS Program continues to engage with industry to promote robust participation in the voluntary partnership and provide cyber threat information to industry participants. Additionally, the DIB CS Program continues to engage in pilot activity to extend cyber threat information sharing to all DoD contractors.

FY 2018 Summary of Results

PG 1.3.1: Improve cybersecurity. Improve adoption of security practices, and reduce exposure to 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.		**PG Leader:** DoD CIO					
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.3.1.1: Ensure every privileged user logs on via Public Key Infrastructure (PKI) on NIPRNet.	Target	80%	85%	90%	95%	100%	100%	*
	Actual	*	*	*	*			
PM 1.3.1.2: Move all internet-facing servers to approved Demilitarized Zones (DMZs) on NIPRNet.	Target	80%	90%	100%	100%	100%	100%	*
	Actual	*	*	*	*			
PM 1.3.1.3: Upgrade entire inventory of Windows workstations to Windows 10 Secure Host Baseline on NIPRNet.	Target	58%	92%	95%	100%	100%	100%	*
	Actual	55%	87%	98%	99%			
Updated Performance Measure (PM 1.3.1.3) since publication of the FY18-22 Annual Performance Plan.								
Note: * Specific details of the DoD Cybersecurity Scorecard metrics when aggregated are classified SECRET. DoD CIO submits the scorecard to the Office of the Deputy Secretary of Defense monthly, the Office of Management and Budget quarterly, and those congressional committees specified in the Federal Information Security Modernization Act annually.								

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The DoD Cybersecurity Discipline Implementation Plan is grouped into four Lines of Effort: Strong Authentication, Device Hardening, Reduce Attack Surface, and Alignment to Cybersecurity Service Providers. The requirements within each Line of Effort represent a prioritization of all existing DoD cybersecurity requirements. In response to vulnerabilities being exploited by our adversaries to gain access to DoD information networks, each Line of Effort focuses on implementing a different aspect of cybersecurity defense-in-depth to close those vulnerabilities.

The DoD Cybersecurity Discipline Implementation Plan is located at: https://dodcio.defense.gov/Portals/0/Documents/Cyber/CyberDis-ImpPlan.pdf

Efforts are ongoing to further evolve the DoD Cybersecurity Scorecard to better integrate threat into the assessment tool that will enable leaders to assess their cybersecurity posture for mission accomplishment based upon their networks' compliance to DoD's top cybersecurity goals and current threats.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

DoD improved performance related to all three cybersecurity performance goals. DoD CIO, in coordination with DoD Components, plans to continue efforts to maintain the Department's reduced exposure to known threats in the operating environment – the cyberspace domain. Additionally, efforts are underway to increase scope and evolve the DoD Cybersecurity Scorecard to account for the ever-changing threats in the cyberspace domain.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

To track progress in achieving compliance for each of the performance measures, DoD uses the Cybersecurity Scorecard to measure compliance of cybersecurity hygiene metrics specified within the DoD Cybersecurity Discipline Implementation Plan. These metrics ensure the Department is implementing cybersecurity basics to protect our networks and users from malicious activity. This effort is coordinated with all DoD Components and tracked on a monthly basis. Data is collected and reported by both automated and manual means.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

DoD made significant progress by migrating over 2.1M endpoint devices to Windows 10 (PM 1.3.1.3) in a 21-month span. DoD is closely tracking the migration of the remaining devices to be fully migrated to Windows 10. For progress updates on the other two performance

measures, see classified DoD Cybersecurity Scorecard. The DoD Chief Information Officer (CIO) submits the scorecard to the Office of the Deputy Secretary of Defense monthly, the Office of Management and Budget quarterly, and those congressional committees specified in the Federal Information Security Modernization Act annually.

IDENTIFY KNOWN RISKS:

Failure to achieve performance measure targets could result in adversarial exploits of weak authentication mechanisms, malicious attacks to our internal network, and a heterogeneous operating environment that complicates proper patching and configuration efforts.

MITIGATION EFFORTS:

DoD CIO has provided interim digital authentication guidelines for DoD PKI and identity authentication for privileged and authorized user-authentication, which will be incorporated in future revisions of DoD Instruction 8520.02, *"Public Key Infrastructure (PKI) and Public Key (PK) Enabling"* and DoD Instruction 8520.03, *"Identity Authentication for Information Systems."*

These interim guidelines identify the current approved list of alternative multifactor authentication mechanisms that can be used within the Department where PKI authentication is not feasible. The guidance defines the process for obtaining the required approval to use a new alternative mechanism, lists the requirements for implementing an identity federation service solution, and provides a limited list of DoD-approved exceptions where username and password may be used in place of PKI or other multi-factor authentication mechanism.

See classified DoD Cybersecurity Scorecard for more information regarding performance measures (PM) PM 1.3.1.1 (Every User PKI on NIPRNet) and PM 1.3.1.2 (Internet-facing Servers to Demilitarized Zones).

NEXT STEPS:

DoD CIO will continue to work with the Services, Agencies, and Field Activities to drive towards 100% compliance for each of these performance measures. DoD will shift focus to other areas to address the ever-changing threats in the cyberspace domain. Reporting of the DoD Cybersecurity Scorecard will continue on a monthly basis to hold all stakeholders accountable.

FY 2018 Summary of Results

PG 1.3.2: Implement Joint Regional Security Stack (JRSS) capabilities. The JRSS capabilities include modernizing the Department's information transport capabilities through installation of high throughput Multiprotocol Label Switching (MPLS) routers and fiber optic links; enhanced network security stacks; management of the enhanced network stacks; and a comprehensive analytics capability that synchronizes defensive cyber operations throughout the DoD Information Network (DoDIN). The JRSS effort is driving dramatic changes to IT networking and security throughout the DoDIN. It collapses disparate security solutions and complex duplicative networking connections into a dynamic, flexible, and upgradeable future DoD IT environment.	**PG Leader:** DoD CIO

Updated PG 1.3.2 working to reflect updated FY for future DoD IT environment.

Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 1.3.2.1: Implement Joint Regional Security Stack (JRSS) capabilities.								
Cumulative percentage of NIPRNet/SIPRNet JRSS installed with operational traffic.	Target		Measured Annually		70% / 60%	85% / 30%	100%/ 60%	New
	Actual				65% / 0%			
Cumulative percentage of locations whose network communications are behind JRSS on NIPRNet and SIPRNet	Target		Measured Annually		39% / 20%	60% / 25%	80% / 50%	New
	Actual				40% / 0%			
Note: First number reflects NIPR JRSS; second number reflects SIPR JRSS								

FY 2018 PERFORMANCE GOAL OVERVIEW:

The JRSS effort is a high priority initiative under the Department's Joint Information Environment (JIE) capability framework. It addresses the need to secure, operate and defend the cyber warfighting domain. JRSS capabilities include modernizing the Department's information transport capabilities through installation of high throughput Multiprotocol Label Switching (MPLS) routers and fiber optic links; enhanced network security stacks based on Commercial-Off-the-Shelf (COTS) products; management of the enhanced network stacks; and an analytics capability that

synchronizes defensive cyber operations throughout the DoD Information Network (DoDIN). JRSS capabilities improve the ability to defend the DoDIN and resolve gaps in mid-point security for Internet Protocol (IP)-based traffic on the Non-classified IP Router Network (NIPRNet) and Secret IP Router Network (SIPRNet). JRSS implementation is driving dramatic changes to Information Technology (IT) networking and security throughout the DoDIN by collapsing disparate security solutions and complex duplicative networking connections into a dynamic, flexible, and upgradeable future DoD IT environment.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

The Department met FY 2018 performance targets for migrating Component sites to JRSS on NIPRNet, but missed the target for transitioning JRSS NIPR to operations by 5% due to circuit availability in Southwest Asia. That issue will be resolved in January 2019. JRSS implementation on NIPRNet remains complex due to the magnitude of all DoD Components migrating to a common physical infrastructure, varying complexities of legacy network security solutions that JRSS will replace, external dependencies on actions by the Military Services to upgrade base-level management systems, and site-specific technical and operational issues. Lessons learned during JRSS NIPRNet site migrations, post-migration operations, and formal test events have collectively highlighted risks and issues that are being mitigated to achieve the desired end-state for JRSS. Migration to JRSS on SIPRNet remains on hold pending completion of ongoing actions by the JRSS Program Management Office (PMO) to mitigate pre-migration concerns identified by the Components and the DISA Global Operations Command. Consequently, the Department did not meet FY 2018 performance targets for JRSS on SIPRNet.

The JRSS PMO is executing actions directed by the JIE Executive Committee (EXCOM) and JRSS Senior Advisory Group (SAG) in order to reduce operational and performance risk, and mature the migration planning and execution processes to better position the Department to achieve established goals for JRSS. As a result, the pace of NIPRNet migrations remains slower than initially projected, and transition to JRSS on SIPRNet was deferred until 2nd Quarter FY 2019. The JRSS governance structure is actively tracking completion of the directed actions and plans to conduct Operational Assessments in 2nd and 4th Quarter FY 2019 to verify the efficacy of on-going mitigations. Once verified, the Department may adjust the completion date for JRSS migrations on NIPRNet and SIPRNet.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The JRSS performance measures are scoped to assess progress in two areas: 1) JRSS installation and transition to operations, and 2) migration from DoD Component-owned and operated network security solutions to the JRSS capability set delivered as an enterprise service. The first measure is focused on regional delivery, installation and configuration of JRSS capabilities by the Defense Information Systems Agency (DISA) JRSS Program Management Office (PMO) at 20 sites for NIPRNet and 25 sites for SIPRNet, and subsequent transition of JRSS to DISA Global Operations Command for operations; including operational traffic traversing the stack. The second measure is focused on the actual migration of network security contexts by Joint Migration Teams (JMT) and Service Migration Teams (SMT) from legacy solutions to JRSS as an enterprise service at 336 Defense Information Systems Network (DISN) Subscription Service (DSS) sites. Key initiatives internal to DISA that support goal accomplishment include optical network upgrades and build-out of the MPLS mesh throughout the DoDIN. External initiatives that support the goal include Component-level efforts to upgrade network and management system capabilities at bases, camps, posts, and stations that will migrate to JRSS. On-going efforts by U.S. Cyber Command to establish and mature operational policies and processes related to JRSS similarly support the Department's goal for JRSS.

IDENTIFY KNOWN RISKS:

The primary risks to achieving the Department's goal for JRSS include system stability, migration site preparedness, and user proficiency issues that may impact the pace of migration and extend the timeline for achieving the desired end-state for JRSS. Specific risks are identified through lessons learned during site migrations, operator feedback from the DoD Components, and formal test and evaluation events conducted by the Joint Interoperability Test Command (JITC). Risk mitigation is controlled through proactive and frequent engagements with all stakeholders through appropriate working groups and boards identified in the JRSS governance framework under direction of the JIE EXCOM. Technical issues may be submitted through a Trouble Ticket process established for JRSS and addressed by DISA Global Operations Command as the enterprise service provider. Technical issues that require an engineering change are submitted through Requests for Change (RFCs) for vetting through the JRSS Engineering Review Board and the JRSS Change Control Board. Operational and training issues are addressed through the JRSS Joint Operations Board and Training Operational Process Team (OPT), respectively. JRSS Test Incident and Problem Reports (TIPR) identified by JITC are similarly tracked for resolution through the JRSS Test and Evaluation

Working Integrated Product Team (WIPT) and the JRSS SAG. The JRSS PMO also provides status of risk and issues impacting JRSS to the JIE EXCOM on a monthly basis, with actions tracked through resolution.

MITIGATION EFFORTS

The JIE Executive Committee (EXCOM) conducted a JRSS Strategic Review in May 2018 and directed implementation of five lines of effort to mitigate issues impacting the pace of migration and to improve post-migration operational performance. The lines of effort conducted over a six-month period (July-Dec 2018) include actions under the direction of the JRSS PMO to address known issues with training, migration planning, system performance, and operationalization of JRSS on SIPRNet. They also include actions under direction of Joint Force Headquarters-DoDIN to address joint operational policies, processes, and procedures. The efficacy of these actions will be assessed during operational assessments planned for 2nd and 4th Quarter FY 2019. The overall intent of these mitigation actions is to increase confidence in system performance and pace of migration to JRSS.

NEXT STEPS:

The primary focus during the next quarter will be on completion of mitigation actions to address performance issues impacting migration to JRSS. The Department will continue to migrate designated Component bases, posts, camps, and stations to JRSS on NIPRNet, but at a reduced pace based on direction from the JIE EXCOM. Operationalization and subsequent migration to JRSS on SIPRNet will not begin until 2nd Quarter FY 2019.

FY 2018 Summary of Results

PG 1.3.3: Expand and refine DIB CS activities, both mandatory and voluntary, to better protect DoD unclassified information residing on or transiting DIB information networks or systems.		PG Leader: DoD CIO						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.3.3.1: Encourage defense contractors to join the voluntary DIB Cybersecurity Program. (Metric: # of new participants)	Target	4	4	4	4	TBD	TBD	NEW
	Actual	31	40	25	26			
PM 1.3.3.2: Develop a plan to extend cyber threat information sharing to non- cleared defense contractors.	Target	50%	100%	100%	N/A	TBD	TBD	NEW
	Actual	50%	90%	100%				
PM 1.3.3.3: Pilot cyber threat information sharing activities with non- cleared defense contractors.	Target	50%	75%	100%	N/A	TBD	TBD	NEW
	Actual	50%	80%	100%				
PM 1.3.3.4: Provide expertise in support of the implementation of the Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.204-7012 in defense contracts. (# of engagements with industry and government)	Target	3	3	3	3	TBD	TBD	NEW
	Actual	13	6	12	9			
PM 1.3.3.5: Through the DoD Cyber Crime Center, continue to develop meaningful cyber threat information products to share with DIB CS participants.	Target	37	37	37	37	150	150	NEW
	Actual	294	324	968	416			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The goal is to enhance and supplement the Defense Industrial Base (DIB) capabilities to safeguard DoD information that resides on or transits DIB unclassified networks or information systems, through the DoD DIB Cybersecurity (CS) Program.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

DoD improved performance and has met or exceeded the quarterly goal for all five DIB performance measures (PM).

- PM 1.3.3.1. Encourage defense contractors to join the voluntary DIB Cybersecurity program (Metric # of new participants).

    o In FY 2018 Q4, the DIB CS Program had 26 new participants join the program.

- PM 1.3.3.2. Develop a plan to extend cyber threat information sharing to non-cleared defense contractors.

    o The plan was developed and will involve a phased series of pilots engaging small, medium, and large non-cleared defense contractors over FY 2018 and FY2019.

- PM 1.3.3.3. Conduct cyber threat information sharing pilot activities with non-cleared defense contractors in accordance with approved DoD CIO plan.

    o In FY 2018 Q4, DC3 prepared and disseminated tailored unclassified cyber threat information in support of the pilot activity. Currently, DIB CS Program is gathering feedback to help tailor products to best suit the needs of the pilot participants.

- PM 1.3.3.4. Provide expertise in support of the implementation of the Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.204-7012.

    o In FY 2018 Q4, DoD CIO, in coordination with representatives from OUSD(A&S) and OUSD(R&E), attended six events to provide expertise in support of the implementation of the Defense Acquisition Regulation Supplement Clause 252.204-7012. In addition to providing guidance on DFARS, the DIB CS Program attended three events to encourage eligible cleared defense contractors to participate in the program.

- PM 1.3.3.5. Through the DoD Cyber Crime Center, continue to develop meaningful cyber threat information products to share with DIB CS Participants.

    o In FY 2018 Q4, DC3 developed 416 cyber threat products. The DoD Cyber Crime Center (DC3) produced 106 Customer Response Forms, 7 Customer Response Form Supplements, 3 Threat Activity Reports, 267 Threat Information Products, 5 Defense Industrial Base Collaborative Information Sharing Environment (DCISE) "tippers" announcements, 2 Compromise Notifications, 19 Cyber Threat Bulletin, and 7 Advisories.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Addresses expanding and refining DIB CS activities, both mandatory and voluntary, to better protect DoD unclassified information residing on or transiting DIB information networks or systems.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

During FY 2018, DIB Cybersecurity Activities, Performance Goal 1.3.3, exceeded targets in five out of five performance measures.

IDENTIFY KNOWN RISKS:

A potential risk is lack of interest from non-cleared defense contractors invited to participate in the pilot activity for sharing cyber threat information.

MITIGATION EFFORTS:

DIB CS Program will continue to engage with non-cleared defense contractors and encourage their participation in the pilot activity.

NEXT STEPS:

Sustain a steady expansion of the DIB CS voluntary program, continue engagement efforts with industry and government, and maintain the production and dissemination of tailored cyber threat products to DIB CS participants by DC3. The DIB CS Program will continue engaging with non-cleared defense contractors providing tailored cyber threat products and developing lessons learned for incorporation into appropriate regulatory action.

STRATEGIC GOAL 1

Rebuild Military Readiness as We Build a More Lethal Joint Force

Strategic Objective (SO) 1.4   Deliver timely and relevant intelligence to warfighters and decision makers to provide decisive and dominant advantage over adversaries

SO Leaders: OUSD (I)

Reported in classified appendix to the FY18 Annual Performance Report.

STRATEGIC GOAL 1
Rebuild Military Readiness as We Build a More Lethal Joint Force

Strategic Objective (SO) 1.5   Implement initiatives to recruit and retain the best Total Force to bolster capabilities and readiness.
SO Leaders: OUSD (P&R)

STRATEGIC OBJECTIVE OVERVIEW:

In order to increase lethality, improve readiness, and grow the capability and capacity of our forces, it is imperative to improve the overall management of our Total Force of Active and Reserve military personnel, federal civilians, and contracted services. Section 129a of Title 10, United States Code requires the Secretary of Defense to establish policies and procedures for determining "the most appropriate and cost efficient mix of military, civilian, and contractor personnel to perform the mission of the Department of Defense." The outcome is to attain "a Department of Defense workforce sufficiently sized and comprised of the appropriate mix of personnel necessary to carry out the mission of the Department and the core mission areas of the Armed Forces."

The Department spends significant resources on labor costs: for example, in 2018, military and civilian personnel pay and benefits accounted for more than $260B of the Department's top-line. At the same time, our Total Force is the key enabler for all operational and critical support functions. We must continuously review and better rationalize how we choose among Total Force alternatives in determining how to do our work, and reinvest cost savings in force readiness and modernization.

The Department's lethality and readiness are not just a function of our Service members. DoD's civilian workforce is essential to sustaining the viability and capabilities of the All-Volunteer Force – providing the critical equipment maintenance, base support, logistics and engineering expertise, family programs, and medical care that ensure our Soldiers, Sailors, Airmen, and Marines are ready to deploy, world-wide, and answer the call of our operational Commanders. DoD's civilian workforce is in the business of protecting the American way of life, not regulating or governing it. While it may be appropriate for other federal agencies to reduce their civilian workforce, for the DoD, right-sizing will necessitate targeted growth to both restore readiness and increase the lethality, capability, and capacity of our military force.

In addition, the DoD will go beyond optimization of the Total Force to address critical areas to support Service members and civilians. DoD provides numerous programs and initiatives to ensure it maintains a highly skilled military and civilian workforce shaped for today and prepared for tomorrow's needs. These programs deliver critical skill training to support the mission, provide more flexible measures to recruit quality people, and encourage young citizens to pursue technical, competitive DoD careers. The Department's ability to replace the loss of skills and experience with new talent depends on efficiently and effectively recruiting, hiring, and retaining high-performing employees.

STRATEGIC PROGRESS UPDATE:

DoD's ability to replace the loss of skills and experience with new talent depends on the capability to efficiently (Time to Hire) and effectively (Quality of Hire) recruit, hire, and retain high performing employees. DoD's goal is not merely to hire individuals as quickly as possible, but to recruit and hire a diverse group of top-quality candidates with the skills for DoD's mission needs today and in the future. To date, the current Federal hiring process can result in the loss of prime talent to competing Agencies due to prolonged hiring times, thus lending to less qualified talent pools. In addition, the longer it takes to fill vacancies, the longer managers must operate with inadequate resources, which could strain existing resources or result in failure to accomplish the mission. The newly established Hiring Improvement Initiatives (HII) Working Group (WG) is working in conjunction with the Time to Hire (TTH) WG to monitor/report Component-Level Hiring Initiatives designed to decrease TTH and measure/track Quality of Hire. Furthermore, a Hiring Improvement Workshop was conducted in August 2018 to facilitate and support Component implementation of their hiring improvement plans. Monthly TTH WG meetings and monthly HII WG meetings have generated good insight to best practices in recruiting and maximizing available tools and flexibilities to appropriately target recruitment efforts and hire civilian talent needed for the Defense mission. Collaboration has highlighted the need to move towards non-traditional recruitment methods and provide resources to support such activities, the realization of which is shifting DoD's civilian recruitment paradigm from traditional, passive recruitment (posting vacancy announcements on USAJOBS.gov) to more active, targeted recruitment throughout functional communities to find and acquire the skilled talent that DoD needs.

STRATEGIC OBJECTIVE NEXT STEPS:

As of April 2018, Component-Level - HII Actions Plans are monitored through Monthly HII WG teleconferences and Quarterly WG meetings. These plans serve as a method to identify ongoing hiring efforts throughout the Department; determine what warrants enterprise level focus; and what should continue as decentralized. The initial HII/TTH WG aims to identify how quarterly tracking of progress will be managed as well as identify TTH program improvement areas.

Next steps are to: establish quality measures for manager/customer satisfaction with hiring process/applicant quality by June 30, 2019; implement customer satisfaction tracking program by October 1, 2019; and conduct quarterly performance reviews of Components' hiring efficiency (time to hire) and effectiveness (manager satisfaction/applicant quality) by October 1, 2019.

On February 12, 2018, Under Secretary of Defense for Personnel and Readiness (USD(P&R)) Policy Memorandum, "Implementation of Department of Defense Instruction 1020.03, Harassment Prevention and Response in the Armed Forces," directed the Secretaries of each Military Department and other DoD

Component Heads to provide a plan to implement DoDI 1020.03. The MilDeps and Defense Components

had until April 27, 2018, to provide their proposed implementation plan.

Furthermore, to address the need for additional guidance regarding equal opportunity and related programs and policies within the Department, the February 12, 2018, USD(P&R) Memorandum, "Implementation of Department of Defense Instruction 1020.03, Harassment Prevention and Response in the Armed Forces," states that a Defense Equal Opportunity Reform Group will be established to: review military and civilian policies related to harassment to determine gaps, identify areas for improvement, and make recommended changes to improve programs; determine the framework required to ensure senior leader accountability; and review education and training requirements for equal opportunity professionals including required competencies, knowledge, and skill levels.

FY 2018 Summary of Results

PG 1.5.1: Ensure the Total Force mix of military, federal civilian, and contracted support provides the best talent and capabilities at the right cost for each set of requirements						PG Leader: Director, TFM&RS, OASD(M&RA), OUSD(P&R)		
Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	**Prior Year Results**
PM 1.5.1.1: Establish tiger teams to review and consider workforce rationalization opportunities and impediments.	Target							NEW
	Actual							
DepSecDef decision was made to not establish further tiger teams; direction to USD P&R was to operationalize workforce rationalization through a series of policy and directive memoranda and potential workforce rationalization pilot programs.								
PM 1.5.1.2: Develop a comprehensive strategic communications plan and legislative engagement strategy.	Target							NEW
	Actual							
Comprehensive strategic communications plan and legislative engagement strategy are pending further leadership direction								
PM 1.5.1.3: Develop DoD workforce rationalization guidance for DoD Components.	Target							NEW
	Actual							
Guidance remains under development and pending leadership direction.								
PM 1.5.1.4: Informed by the workforce rationalization plan, Secretaries of the MilDeps and the DoD Chief Management Officer submit annual reports, in accordance with 10 USC 129(c), to Congress, beginning February 1, 2019.	Target	Measured in FY19				4 reports, Q2	4 reports, Q2	NEW

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FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

A Deputy Secretary of Defense decision was made to not establish further tiger teams; direction to the Under Secretary of Defense for Personnel and Readiness was to operationalize workforce rationalization through a series of policy and directive memoranda and potential workforce rationalization pilot programs.

As a result, a comprehensive strategic communications plan and legislative engagement strategy are pending further leadership direction. Similarly, workforce rationalization guidance remains under development and pending leadership direction.

FY 2018 Summary of Results

PG 1.5.2: Improve recruitment and retention of the civilian workforce							PG Leader: OUSD, P&R (DASD(CPP))	
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.5.2.1: By March 31, 2018, require Components to submit action plans, including appropriate targets and goals (both general and for specified priority occupations), to improve time and quality of hiring.	Target		X	6 of 6	6 of 6	TBD	TBD	NEW
	Actual		No (67%)	Yes (100%)	Yes (100%)			
PM 1.5.2.2: Starting April 1, 2018, oversee Components' execution of their plans, including milestones and measures (quarterly progress/ performance reviews).	Target			X				NEW
	Actual			X				
PM 1.5.2.3: By June 30, 2019, establish quality measures for manager/customer satisfaction with hiring process.	Target	Measured in FY19				FY19		NEW
	Actual							
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.5.2.4: By October 1, 2019, implement customer satisfaction tracking program.	Target	Measured in FY20					FY20	NEW
	Actual							
PM 1.5.2.5: By October 1, 2019, conduct quarterly performance reviews of Components' hiring efficiency (time to hire) and effectiveness (manager satisfaction/ applicant quality).	Target	Measured in FY20					FY20	NEW

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The role of the civilian workforce is critical to DoD mission accomplishment. Through their continuity, unique skills and competencies, and dedicated commitment to the mission, the civilian employees free the military to concentrate on and execute its operational role in "fighting and winning our Nation's wars." Civilians bring to the fight specific capabilities that the military does not have, but that are necessary to win. From depots to ship yards to child care centers, whether operating shoulder-to-shoulder with the military, or executing missions in inherently governmental roles that free military assets for military essential functions,

our civilians deliver on time and on target.

DoD commitment to recruiting, developing, and retaining top civilian talent is essential to supporting and sustaining the lethality and readiness of the All-Volunteer Force. Hiring practices for the civilian workforce are under constant scrutiny and frequently reported as untimely and unresponsive to need. Improving civilian hiring practices is important to recruiting the high performers DoD needs to fight and win and to address complex and evolving requirements. Also critical to mission readiness is the availability and capability of mission critical occupations and functions that are vital in meeting the highest priorities of the Department. The National Defense Authorization Act for FY 2017 identified several critical workforce capabilities, including cyber, intelligence, security, and financial management. To support present day and long-term requirements, the Department must ensure that gaps in skills and competencies are addressed in these areas, and that appropriate hiring authorities are in place. Maintaining and enhancing skills through training and education, holding employees accountable for their performance, and developing our leaders and managers for today and tomorrow also are essential tasks.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

DoD will monitor Component-level HII Action Plans targeted to improve both time and quality of civilian hiring to identify best practices, constraints, and challenges, and make recommendations for changes to enhance the Department's ability to acquire talent. This strategy directly supports the DoD Agency Strategic Plan (ASP) Priority Goal 1.5.2 (Improve Recruitment and Retention of the Civilian Workforce).

In January 2018, Civilian Personnel Policy (CPP)/Defense Civilian Personnel Advisory Service (DCPAS) established the HII WG with the purpose of identifying the format and content requirements for the HII Action Plan Template. On March 30, 2018, Components were required to submit Hiring Action Plans including appropriate targets and goals to improve time and quality of hire as established in the ASP. All six components have submitted plans. Monitoring of the plans began in Q3 and oversight through collaborative engagement with Components occurred throughout the remainder of FY2018.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Component Hiring Improvement Action Plans will facilitate the ability to measure progress towards the goal of improving recruitment and retention of the civilian workforce. Component plans identify barriers to hiring and establish short and long-term hiring improvement goals. Accomplishment of hiring improvement goals will be monitored/managed through the DoD Human Capital Operating Plan.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

During Q4, much collaboration occurred to generate discussion and action to support Component plans. A Hiring

Improvement Workshop was held in August 2018 to facilitate and support Component implementation of Component hiring improvement plans. Monthly TTH WG meetings and monthly HII WG meetings have generated good insight to best practices in recruiting and maximizing available tools and flexibilities to appropriately target recruitment efforts and hire civilian talent needed for the Defense mission. Assistant Secretary-level engagement provided insight to hiring challenges and improvement initiatives and emphasized the need for leadership support for hiring improvement efforts. Collaboration has highlighted the need to move towards non-traditional recruitment methods and provide resources to support such activities, the realization of which is shifting DoD's civilian recruitment paradigm from traditional, passive recruitment (posting vacancy announcements on USAJOBS.gov) to more active, targeted recruitment throughout functional communities to find and acquire the skilled talent that DoD needs.

CPP released final department wide TTH results for FY 2018 to the DoD components on October 29, 2018. DoD is reversing the years-long trend of annual increases in TTH. From FY 2017 to FY 2018, the average reduction was one day. Army and Fourth Estate achieved annual reductions of 16 and 6 days, respectively, while Air Force and Navy experienced annual increases of 10 and 2 days respectively. With continued leadership engagement and attention, CPP expects to see better progress in FY 2019.

IDENTIFY KNOWN RISKS:

Risks include establishment of unclear or unrealistic goals, unidentified or unforeseen barriers to hiring, resource and budget constraints, hiring freezes, shifts towards down-sizing or restructuring, changing mission requirements, and changes to hiring authorities and flexibilities. A thorough review of each Component's plan was conducted and consultation with each Component occurred to refine plans. Components will be responsible for identifying any factors and developments that impact their ability to accomplish established targets and milestones.

MITIGATION EFFORTS:

Leadership engagement facilitated 100 percent accomplishment of the goal to obtain all Component plans.

NEXT STEPS:

Focus for FY 2019 will be to continue to engage with Components on their efforts and challenges to implement their plans, and conduct further strategic discussions within governance forums to address barriers and identify methods for meeting goals and targets. There will also be an intended shift to address the quality of hire requirement, assessing current tools available for DoD. The HII Working Group will also continue to identify measures of effectiveness regarding hiring improvement successes. In addition, CPP will conduct a Business Process Reengineering Project (BPR) to identify and adopt common enterprise-wide

process steps, activities, standards, and definitions for the DoD civilian hiring process. This will include

common metrics and measurements to provide standardized reporting on performance of improved TTH.

FY 2018 Summary of Results

PG 1.5.3: Enhance recruitment and sustainment of the All- Volunteer Force (AVF)		PG Leader: M&RA, OUSD(P&R)						
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 1.5.3.1: *By the end of FY21, increase percent of youth who say they have considered military service by two points to 60%.	Target	Measured in FY19				58.5%	59%	NEW
	Actual							
PM 1.5.3.2: *By the end of FY21, increase enlisted annual accession percentages from non-top 10 states by one-half point to 72.4%.	Target	Measured in FY19				72.0%	72.2%	71.9%
	Actual							
PM 1.5.3.3: *By the end of FY21, the Department will modernize its advertising strategy, moving from traditional formats to digital and targeted marketing, for the recruitment of youth to at least 50% of the DoD recruiting advertising budget.	Target	Measured in FY19				>20%	>35%	<10%
	Actual							
PM 1.5.3.4: *By the end of FY21, increase influencers who have seen a JAMRS ad by five points to 10%.	Target	Measured in FY19				6%	8%	5%
	Actual							
* Results are contingent on receiving projected funding for JAMRS marketing efforts.								

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The recruiting environment is becoming increasingly difficult for recruiters. The improving economy (low unemployment), limited pool of eligible youth (29 percent of 17-24 year olds), and a clear disconnect in the perceptions of a large part of our society regarding what it means to serve in the military pose significant challenges. The Services must consistently provide sufficient resources (recruiters, incentives, and marketing) to ensure they are able to sustain the AVF.

FY 2018 Summary of Results

PG 1.5.4: Ensure implementation of organizational initiatives to promote diversity and inclusion				PG Leader: Office for Diversity, Equity and Inclusion				
Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	**Prior Year Results**
PM 1.5.4.1: By the end of 2Q FY2018, issue a comprehensive harassment prevention and response policy, which includes sexual harassment, hazing, and bullying.	Target		X					NEW
	Actual		100%					

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FY 2018 PERFORMANCE GOAL OVERVIEW:

It is the Department's policy to provide an environment that is safe, inclusive, and free of harassment and unlawful discrimination. Furthermore, the Department believes that we gain a strategic advantage through the diversity of our Total Force and by creating a culture of inclusion where individuals are drawn to serve, are valued, and actively contribute to overall mission success. Leadership commitment and accountability are at the cornerstone of those policies and provide a DoD-wide sustainment framework and a renewed ability for senior leaders to champion diversity and inclusion program priorities through objective assessment processes and strategic communication messaging. The Department's equal opportunity, diversity, and inclusion policies and programs are designed to promote an environment free from personal, social, or institutional barriers that prevent Service members from rising to the highest level of responsibility. The genesis of these policies and programs are set in law, executive order, and Department or government-wide regulations.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

In support of this objective, the Department published DoDI 1020.03 on February 8, 2018. This comprehensive policy sends a strong message that the Department will not tolerate any kind of harassment, either in person or online, by any Service member. The policy reiterated the Department's commitment to ensuring an atmosphere of dignity and respect for all Service members.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

On February 8, 2018, the Department issued a comprehensive harassment policy for the Armed Forces, which strengthens the Department's commitment and accountability by establishing a Department-wide oversight framework. The policy boosters prevention and response efforts, enhances oversight, and provides additional protections and requirements to better protect our Service members. In lieu of separate

DoD policy memorandums addressing hazing, bullying, and harassment, including sexual harassment and harassment conducted via electronic communications, the Department published DoDI 1020.03. The policy sends a clear message that the Department will not tolerate any kind of harassment by any Service member.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The Department published DoDI 1020.03, which updates and strengthens DoD policy regarding harassment by incorporating by reference or superseding portions of DoD Directive 1350.2, Department of Defense Military Equal Opportunity (MEO) Program. The new instruction incorporates current guidance and establishes a comprehensive policy on harassment, hazing, and bullying for Service members. It mandates that commanders and supervisors be held appropriately accountable for the impartial, timely, and responsive processing of harassment complaints. In addition, this instruction provides procedures and mechanisms for ensuring victims receive adequate care and support.

NEXT STEPS:

USD(P&R) are continuing to review and identify gaps in the current published policy. The Components were tasked to provide their respective implementation plans regarding the new policy. We are now currently assessing and, as appropriate, providing feedback on those plans to ensure they are in compliance with the new policy.

STRATEGIC GOAL 2
Strengthen Our Alliances & Attract New Partnerships

Strategic Objective (SO) 2.1: Reform the Security Cooperation Enterprise

SO Leader: OUSD(P)

STRATEGIC OBJECTIVE OVERVIEW:

The Department understands its role in and contribution to our national security. We are part of an interagency team working with the State Department and other stakeholders to build international cooperation through bilateral, regional, and broader relationships toward mutually beneficial strategic and operational outcomes. The Department's contribution to strengthening alliances and partnerships consists of a wide range of programs and activities designed to improve security and foster interoperability and preparedness, both in terms of capability and capacity. These programs include foreign military sales, foreign military funding, exercises and training events, military-to-military exchanges, and partnering to develop key technological capabilities. We will ensure that these programs and activities are calibrated and coordinated so that the Department fully and appropriately contributes to the achievement of our broader national security objectives. This effort includes assessing and reforming our security cooperation organizations and structures, our workforce, and our processes.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

DSCA continues to make progress in implementing SC Reform, and stakeholders are accountable to metrics and performance targets briefed monthly to the Director, DSCA and Deputy Director, DSCA. In particular, DSCA has, in Q12018, submitted the consolidated budget display to Congress and developed a graduated approach to Security Cooperation planning and delivery of full-spectrum capability to our partners. DSCA has also made significant progress in workforce development, particularly by scoping the SC workforce and developing and issuing SC workforce development guidance.

STRATEGIC OBJECTIVE NEXT STEPS:

DSCA will continue to develop workforce competencies and continue to implement the graduated approach to SC.

FY 2018 Summary of Results

PG 2.1.1: Develop a certified DoD Security Cooperation workforce with the training, experience and resources necessary to meet mission requirements				**PG Leader:** DSCA				
Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	**Prior Year Results**
PM 2.1.1.1: Identify the size and composition of the workforce	Target		100%					
	Actual		96%					
PM 2.1.1.2: Establish regulations and guidance to create a trained, certified, and resourced workforce	Target			100%				
	Actual			100%				
PM 2.1.1.2.1: Personnel with required SC skills and experience are assigned to DoD SC workforce positions	Target	Measured in FY19				100%		
	Actual							

Department of Defense's Data Completeness and Reliability Statement–Fiscal Year 2018
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

FY 2018 PERFORMANCE GOAL OVERVIEW:

DSCA has completed, signed, and issued guidance to components. Components submitted data on the SC workforce in support of the SC workforce inventory. DSCA will validate SC competencies, identify key SC billets and positions and improve SC billet and position data.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Identify the size and composition of the SC workforce.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

Components submitted workforce data to DSCA; Currently over 20,000 positions/billets have been self-identified by DoD Components based on guidance provided by DSCA. DSCA has analyzed this data for insights on the SC workforce and training statistics. Data will continue to fluctuate due to personnel changes and regular job turnover, which is why data accuracy is not at 100%.

In addition, DoD components will continue to self-identify positions as part of the SC workforce, increasing the number of billets/positions in the workforce. For instance, on November 5, 2018 OSD Policy advised us that they may have "hundreds" more global counternarcotic positions to enter in the SCWD-D. We expect this to continue at least through the end of FY19.

IDENTIFY KNOWN RISKS:

The data is not 100% complete due to personnel changes, regular job turnover, and continued reporting.

MITIGATION EFFORTS:

DSCA issues scorecards to each component identifying the completeness of their data and next steps to take if the data needs improvement. DSCA also provides regular senior-level communication to components.

NEXT STEPS:

DSCA will issue scorecards to component GO/FO/SES-level leadership. DSCA will continue to correct data as new information is received from Services/Agencies.

FY 2018 Summary of Results

PG 2.1.2: Develop coordinated Policy that aligns Security Cooperation with global strategic priorities		PG Leader: USD(P)						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 2.1.2.1.1: Approval of multi-year comprehensive security cooperation planning guidance	Target			Measured Annually	80%	100%		80%
	Actual							
PM 2.1.2.1.2: Coordinated guidance for execution for all program authorities within Chapter 16	Target	8 of 11	10 of 11	10 of 11	10 of 11	100% *10 of 11*	*10 of 11*	*10 of 11 10 of 11 10 of*
	Actual							75%
PM 2.1.2.2: Approval and issuance of multi-year SC integrated planning guidance	Target	6 of 11	8 of 11	8 of 11	8 of 11	*8 of 11*	*8 of 11*	*8 of 11 8 of 11 8 of 1*
	Actual		X					NEW
PM 2.1.2.2.1: Quarterly execution reports and alignment to SNaP data inputs	Target		X					
	Actual	X						NEW

FY 2018 PERFORMANCE GOAL OVERVIEW:

DSCA is has engaged Department of State stakeholders on the concept. DSCA is also working with the GCCs on the 5-Year Plan draft to present and discuss during the April 2019 event.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

In FY 2018, OSD Policy, in coordination with the Joint Staff, Services, Combatant Commands, and other DoD Components, developed a series of new guidance documents to drive the planning and execution of many new SC authorities from the FY 2017 National Defense Authorization Act (NDAA).

Policy initially issued many of these documents as "interim" guidance and is now working to develop formal issuances to drive doctrine development and planning at the Combatant Commands (CCMD). All guidance documents should be drafted and coordinated as formal issuances by the end of CY2019.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The FY17 NDAA introduced new authorities and called for the establishment of a more rigorous prioritization process for DoD SC. Therefore, our performance measures are twofold – we are focused on issuing guidance for the use of specific authorities (10+). Second, we are issuing enduring, multi-year guidance that will supersede previous SC guidance from the Guidance on the Employment of the Force (GEF). This guidance will elaborate on themes from the National Security and Defense strategies, as well as the forthcoming Contingency Planning Guidance. This will mark the return of a Policy-issued SC guidance document as a standalone product guidance broad departmental application of SC resources in steady state.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

Policy issued a series of interim guidance documents regarding the new FY17 NDAA authorities during FY18. We are now beginning to translate these documents into the WHS-approved issuance process (9+ months). Separately, we have developed an outline in consultation with the NDS implementation team and the Joint Staff, to identify which areas the NDS and NMS require further refinement to shape CCMD and supporting DoD component planning for SC over the future years development plan (FYDP).

IDENTIFY KNOWN RISKS:

Most DoD components are engaged in SC globally. Policy is working at the O6 and GO/FO level to draft the final guidance document. The formal CRM process is expected to take three months. Additionally, the formal issuance process takes between 9-12 months, barring unforeseen policy adjudication delays.

MITIGATION EFFORTS:

Policy established bi-weekly SC Reform Working Groups that meet at the O6-level. Policy leads a GO/FO level variant of this meeting on a quarterly basis. Both are intended to serve as a forum to informally adjudicate policy issues surrounding changes to the SC planning, budgeting, and assessment, monitoring, and evaluation policies and practices.

MITIGATION EFFORTS:

Policy established bi-weekly SC Reform Working Groups that meet at the O6-level. Policy leads a GO/FO level variant of this meeting on a quarterly basis. Both are intended to serve as a forum to informally adjudicate policy issues surrounding changes to the SC planning, budgeting, and assessment, monitoring, and evaluation policies and practices.

NEXT STEPS:

Policy will issue a draft of the multi-year guidance for informal coordination by January 2019. Our goal is to put this document into final GO-level CRM adjudication in February. Policy aims to have two formal issuances drafted based on previous interim guidance and begin the formal WHS issuance clearance process.

FY 2018 Summary of Results

PG 2.1.3: Provide full-spectrum capability including defense systems, enablers, personnel, strategy/doctrine/ plans, and institutional support to our partners		PG Leader: USD(P)					
Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 2.1.3.1: Pilot new processes and engagement mechanisms to better support Combatant Command Security Cooperation planning	Target	Measured Annually			100%			NEW
	Actual				90%			
PM 2.1.3.1.1: Publish evaluations of significant SC initiatives that inform lessons learned and investment decisions	Target	Measured Annually			100%			NEW
	Actual				0%			
PM 2.1.3.2: Synchronize U.S. planning and resourcing efforts to develop full- spectrum capabilities for partner nation	Target	Measured Annually			100%			NEW
	Actual				80%			
PM 2.1.3.2.1: SC Enterprise capability to support GCC assessment, planning, design, and monitoring of full-spectrum SC initiatives with clearly articulated outcomes	Target	Measured Annually			100%			NEW
	Actual				100%			

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FY 2018 PERFORMANCE MEASURE OVERVIEW:

Pilot new processes and engagement mechanisms to better support Combatant Command Security Cooperation planning: DSCA provides support to Geographic Combatant Command (GCC) to assess, plan, design, and monitor SC initiatives with clearly articulated outcomes. This level of planning requires capabilities and functional expertise not typically found in the GCCs. DSCA will implement an enhanced logical, integrated capability development process, which requires stakeholders from throughout DoD and the interagency to support the GCCs early and often during their planning cycles. DSCA serves as the hub of and provider of expertise to support comprehensive partner nation capability assessments and SC planning.

The deliverables for this task are published Initial Assessment and Initiative Design Documents, Logic Frameworks, and detailed monitoring plans. Other deliverables include program-level pre-design assessments of train and equip concepts, as well as post-activity evaluations on certain train and equip security cooperation programs. The quality of GCC Initiative Design Documents will inform resource allocations.

Establish ICB processes: DSCA is operationalizing congressionally-mandated reforms to integrate and streamline institutional capacity building (ICB) in DoD security cooperation planning and implementation to maximize return on investment throughout security cooperation. ICB enhances the capacity of a partner nation to exercise responsible civilian control of its state security providers, contribute to collective security, and absorb, employ, and sustain national security capabilities. ICB planning will include deliberate focus on a partner nation's Human Capital Development, Institutional Capacity Building needs, Command and Control processes, Intelligence and Information Sharing gaps, and approaches to security functions that involve or overlap with the nation's civil sector.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

DSCA has begun to develop a new SC planning framework that more comprehensively addresses the demands and ambition of the SC reforms mandated in the 2017 National Defense Authorization Act. Additionally, assessment, monitoring, and evaluation (AM&E) contractors tasked with conducting program-level AM&E activities are integrated into five GCC J5 (J45 in INDOPACOM) staffs and have been conducting pre-design assessments (PDAs) of concepts from the OSD-Policy-approved FY18 and FY19 Planning Order (PLANORD). In addition they have conducted a selected number of post-activity evaluations (PAEs) on legacy Section 1206 and 2282 programs. The AM&E contractor team at DSCA HQ provides interface between the GCC AM&E teams and PPD staff, and also provides a member integrated into the sixth GCC, NORTHCOM.

IDENTIFY KNOWN RISKS:

The effectiveness of the AM&E and ICB efforts is largely dependent on improvements to security cooperation planning and a better trained workforce.

MITIGATION EFFORTS:

The GCC AM&E teams coordinate closely with the Security Cooperation Offices (SCOs) when planning visits to partner nations, emphasizing the importance of gaining full access to recipient units

NEXT STEPS:

The OSD-led Initiative Design Document Tiger Team is contributing to understanding of new SC planning requirements. The DSCA-developed Institutional Capacity Building White Paper also supports DSCA and OSD efforts to develop, pilot and institutionalize a new SC planning framework.

STRATEGIC GOAL 3

Reform the Department's Business Practices for Greater Performance and Affordability

STRATEGIC GOAL 3
Reform the Department's Business Practices for Greater Performance and Affordability

SO 3.1: Improve and strengthen business operations through a move to DoD-enterprise or shared services; reduce administrative and regulatory burden

SO Leaders: CMO and DCAPE

STRATEGIC OBJECTIVE OVERVIEW:

The Secretary of Defense, the Executive Office of the President, including the Office of Management and Budget (OMB), and Congress continue to drive reform within the Department. While the Secretary of Defense has charged the Chief Management Officer to lead an enterprise-level business operations reform effort, DoD components also are charged to identify and pursue opportunities to improve the performance and productivity of their business operations.

To this end, the Secretary of Defense directed the establishment of what has become the Reform Management Group, which consists of reform teams identifying and pursuing reforms throughout a number of lines of business: healthcare management, information technology and IT business systems; financial management; logistics and supply chain; contract management; human resources management; real property; community services; as well as test and evaluation, which is integral to the acquisition process. Cross functional coordination of reform activities is routine; for example, the contract management reform team works closely with other teams on category management; the IT and IT business systems team is coordinating consolidation.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

Results from the Secretary of Defense's third line of effort, "Reform the Department's Business Practices for Greater Performance and Affordability" include:

Healthcare management: the goals of this effort are to develop and maintain a medically ready force; resize the DoD-owned Healthcare system to focus on warfighting needs; and provide quality healthcare through the most cost-effective means for all beneficiaries. The major accomplishments to date include: implementing a management framework to transfer authority, direction, and control of military treatment facility healthcare delivery and business operations to the Defense Health Agency, and improvements to the TRICARE-2017 Managed Care Support Contracts administration fee structure.

Information technology and IT business systems: The goals of this effort are optimizing enterprise IT to improve business operations, enhance security, eliminate duplication, reduce the Department's spend, and exploit information to deliver strategic value to the warfighter. The major initiatives include changes to the Information Technology Purchasing Request process improvements, Category Management of Training and

Education, Risk Management Framework reform, CIO consolidation, 1NIPR/1SIPR and Fourth Estate Network Optimization, and Business System Rationalization.

Financial Management (FM): the goals of this effort are to reduce operational costs and improve auditability and security. The major initiatives include standardizing financial data; system consolidation; reducing expiring and cancelling funds: and assessing the future role of the Defense Finance and Accounting Services."

Logistics & Supply Chain: the goals of this effort are to achieve financial and operational efficiencies to reinvest in lethality. The major initiatives include establishing metrics that enable better resource decision making and improve readiness, and materiel availability, cost of availability, and other performance/productivity measures to achieve materiel availability at the lowest cost.

Contract Management: the goals of this reform effort are to implement private-sector best practices to improve how the Department purchases common goods and services. The major initiatives include reviewing and updating requirements to optimize pricing and reducing unneeded, redundant, or low priority contracting requirements.

Human Resources Management (HRM): the goals of this reform effort are to increase productivity of human resources functions through establishment of enterprise-level systems and solutions. The major initiatives include streamlining, standardizing, and modernizing the 60+ hiring processes throughout the department; implementing a civilian performance management system; and executing a consolidated Civilian Human Capital Operating Plan.

Real Property: the major initiatives include category management of facilities and construction; best practices in project prioritization and scoping; reducing/optimizing the use of excess property on existing installations; and reducing/optimizing the use of leased space, focusing on those high-cost leases in close proximity to existing DoD facilities to lower cost leased space.

Community Services: the goals of this reform effort are to reduce the appropriated fund cost and liabilities of retail operations; optimize resale logistics and supply to strengthen and preserve these benefits for servicemen and women. A Task Force has been established to evaluate practical opportunities to implement as a means to achieve our goals.

Test & Evaluation: the goals of this effort are to increase test productivity and move to enterprise management of test infrastructure to improve and expand test capabilities. The major initiatives include synchronizing and optimizing developmental and operational test activities to reduce test timelines; improve design of experiments; and improve effectiveness of test processes.

Regulations Management: the goals of this effort are to reduce the regulatory burden and associated costs to the American taxpayer. The Regulatory Reform Task Force is conducting a review of codified DoD regulations to reduce unnecessary, outdated, and/or ineffective regulations by 25%, and to ensure all remaining regulations align to the NDS priorities while seeking opportunities to improve internal regulations business processes.

FY 2018 Summary of Results

PG 3.1.1: Fundamentally transform how the Department delivers a secure, stable, and resilient IT infrastructure in support of Warfighter lethality. Exploit enterprise IT as a force multiplier. Improve the efficiency of business operations and ensure the Warfighter uncompromised, un-denied information at mission speed.						PG Leader: IT and Business Systems Reform Leader		

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.1.1: IT Infrastructure - Circuit Optimization. By the end of 4Q FY20, the Department will optimize network circuits by 20% of the August 2015 circuit baseline.	Target	Measured Annually			TBD	TBD	TBD	Circuits reduced to date: 904
	Actual				TBD			
PM 3.1.1.2: IT Infrastructure - Automated Patch Management. By the end of 4Q FY20, the Department will deploy an automated patch management capability throughout the Fourth Estate. **Recommended Change**: Continuous Endpoint Monitoring. By 4Q FY23, increase endpoint visibility from 1.4M to 3.5M	Target	Measured in FY19				X		
	Actual							
PM 3.1.1.3: IT Infrastructure – Wireless Telephony. By the end of 4Q FY20, the Department will deploy a Telecom Expense Management tool to better manage and identify wireless telephony opportunities. **Recommend Change:** Wireless Device Management. By 2Q FY20, Consolidate Mobile and Service Contract Vehicles from 13 to 1, leveraging Navy Spiral 3 contract)	Target	Measured in FY19				X		
	Actual							
PM 3.1.1.4: IT Infrastructure –Platform Consolidation. By the end of 4Q FY18, the Department will establish an Executive Agent (EA) for platforms. By the end of 4Q, FY18, the EA in close collaboration with the DoD Reform Management Group (RMG) will publish an implementation plan. **Recommended Change:** Mission Partner Environment Consolidation. By 4Q FY22, reduce 47+ mission-partner enclaves into a single, coherent information-sharing environment used for both C2 and Intel by FY2022.)	Target	Measured Annually			X		X	
	Actual				X			
PM 3.1.1.5: IT Infrastructure – Core Enterprise Technology Agreements. By the end of 4Q FY18, the Department will establish an Executive Agent to manage joint enterprise licensing agreements throughout the DoD.	Target	Measured Annually			X			
	Actual				X			
PM 3.1.1.6: IT Infrastructure – One NIPR / One SIPR. By the end of 4Q FY18, the Department will publish an implementation plan to consolidate Non-Classified Internet Protocol Router (NIPR) networks and Secret Internet Protocol Router (SIPR) networks to the fullest extent possible.	Target	Measured Annually			X			
	Actual				Not Met			

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Result
PM 3.1.1.7 Removed due to leadership decision to pursue alternative capability								
PM 3.1.1.8: IT Infrastructure – Data Center (DC) Optimization. The Department has closed 915 DCs; and increased virtualization by 14%. DoD continued system migration to the cloud and to more efficient enterprise hosting environments further improve virtualization. DoD Components have committed to close 1275 data centers on or before the end of Q4 FY 23. DoD CIO and the IT Reform Team will continue to identify additional DC closures. **Aligned w/ Federal 2010 DC Consolidation Initiative. DC #'s as of Q4 FY17**	Target		Measured in FY20				X	DoD has closed 915 DCs since 2010
	Actual							
PM 3.1.1.9: IT Infrastructure – Fourth Estate IT Optimization. By the end of 4Q FY18, the Department will establish and publish quantifiable measures to consolidate and optimize 4E IT shared services to the fullest extent possible.	Target		Measured Annually		X			
	Actual				X			
PM 3.1.10 Removed due to subsumed by 4E IT optimization								
PM 3.1.1.11: Business systems environment. By the end of 4Q FY18, the Department will establish quantifiable measures for improvements to the business system environment.	Target		Measured in FY20				X	
	Actual						Reporting data is insufficient	

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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

FY 2018 PERFORMANCE GOAL OVERVIEW:

Transform the Department's delivery of a secure, stable, and resilient IT infrastructure to improve quality and productivity of business operations, and reduce operational costs through greater use of proven enterprise services and business processes, achieving $277.1M in FY19, with $285.3M being programmed over PB17-19. Over FY17-24, we will achieve $3,284.9M in savings with $1,161.5Mprogrammed.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

4Q2018 progress:

Category Management:

- DoDD 8470.01E -" DoD Executive Agent (DoD EA) for Commercial Software Product Management of Core Enterprise Technology Agreements (CETAs)" published on September 6, 2018. Timeline from RMG decision to DoDD signature was ten months.

  o Defense Business Council approved Microsoft, Oracle, CISCO, VMWare, SAP, Tanium, and Spelunk for implementation of Core Enterprise Technology Agreements by the Secretary of the

Navy on September 25, 2018. All DOD stakeholders have been informed of interim implementation guidance and direction to utilize Enterprise Software Initiative contract vehicles to the fullest extent in advance of SecNav's guidance.

- USD (C) signed memo that streamlined the Fourth Estate IT Purchase Request (ITPR) process and improved efficiency of Fourth Estate IT governance via Category Management. The streamlined ITPR process has enabled 120 IT purchase requests to be processed, each within 24hours.

- At the July 25, 2018 RMG, the decision was made to default Training and Education purchasing to OPM's assisted acquisition and integrate training management via a USA Learning's Course Catalog & Common Record of Training. This cloud-based, Whole-of-Government solution leads to better category management; reduces redundancy in operations; standardizes training; and manages military, civilian and contractor training records throughout career.

IT Optimization:

- In FY2019, the Department identified potential value of up to $96M in underutilized licenses. In FY2020, the Department made capital investments in an endpoint capability that will track the progress toward capturing the full value of underutilized licenses.

- The Department's new CivPers platform was operational on 12 Oct 2018 to support initial configuration. IOC targeted for FYQ2/19.

- 1NIPR/1SIPR (1N/1S) with 4E network consolidation actively underway as a pilot effort for a future common network throughout DoD.

- Due to the collaboration between the 1NIPR/1SIPR team, MilDeps, and Fourth Estate stakeholders, the Department of Navy's NGEN-R Service Management, Integration, and Transport (SMIT) RFP (released on 10/18/2018) includes a 20% expansion of scope and ceiling to enable the DoD as well as the Fourth Estate to provision IT services from a managed service provider.

- Direction given for DoD CIO and IT and Business System Reform to rewrite 8510.01 to support Risk Management Framework Reform. This should deliver a security evaluation process time reduction of 20-30%.

- Realigned resources into a consolidated program office for Mission Partner Environment under the former US BICES Program Office. Tasked the Secretary of the Air Force to begin transition.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

Core Enterprise Technology Agreements (Previously referred to as: Enterprise Licensing Management): Met performance measure - On 06 September 2018, the DOD Executive Agent DODD for Core Enterprise Technology Agreements (CETA) was published. On 25 September 2018, the Defense Business Council approved software products for CETA contract vehicles. (Booked Savings - $253.6M / FYDP FY17-21)

One NIPR/ One SIPR: Current status of Performance Measure: RMG requested NIPR / 1 SIPR Proof of Concept to determine implementation plan. Proof of Concept has been developed in coordination with DISA and Fourth Estate Optimization efforts. Additional Progress: Department of Navy's NGEN-R Service Management, Integration, and Transport (SMIT) RFP was released on 10/18/2018 and includes a 20% expansion of scope and ceiling to enable the DoD as well as the Fourth Estate to provision IT services from a managed service provider.

Continuous Endpoint Monitoring (Previously referred to as Automated Patch Management): On 19 September 2018, the RMG approved automated continuous endpoint monitoring.

Data Center (DC) Optimization: There have been 1109 Data Center closures from 2010 through Q4FY18. (Booked Savings - $419M / FYDP FY17-21). Potential risk: Not on target with plan

Enterprise Collaboration Management: In October 2019, the decision was made to pursue DEOS vice Enterprise Collaboration Suite. Recommend removal as a Performance Measure.

Wireless Device Management: On 01 March 2018, RMG decision was finalized to consolidate wireless device contracts to Navy Spiral 3 contract. On 28 September 2018, DOD Wireless Devices and Services Management guidance signed and disseminated instructing procurement of unclassified wireless devices and services within the 50 states via the Department of Navy Spiral 3 Contract at the end of current periods of performance. (Booked Savings - $83.1M / FYDP FY19- FY23)

Mission Partner Environment (MPE) Consolidation: On 30 November 2017, RMG decision made to name SecAF as the Executive Agent for MPE. On 30 November 2018, the MPE DTM was published.

Fourth Estate (4E) IT Optimization: On 21 December 2017, the RMG decided to pursue 4E IT optimization opportunities to consolidate roles/responsibilities of 27 4E CIOs by Q4 FY2021. On 15 August 2018, the streamlined 4E IT Purchase Request (ITPR) Guidance published. By 30 September, 120 IT purchase requests were processed (each took less than within 24 hours). DoD CIO, DISA, and the IT Reform Team collaborated to rapidly roll out the streamlined work flow before the end of the FY. (Booked Savings - $78.0M / FYDP FY19-23 for IT Commodity Management; Booked Savings - $122M / FYDP FY18-22 for the consolidation of CIO roles and responsibilities)

Business System Environment: KPIs for each of the initiatives have been developed and were approved. KPIs exist for:

- Task Management Systems. By 4Q FY 2021, transition 6 systems to a single enterprise system.
- DCPDS Consolidation. Beginning in 4Q FY2019, migrate 6 DCPDS instances to a hybrid HCM Cloud solution / single unified SaaS.
- Contract Writing Systems Consolidation. By, 4Q FY2023, consolidation of Contract Writing Systems from 17 to 1 system

- Defense Travel Modernization. By 4Q 2023, deploy commercial capability that will support reduction of hours per travel voucher from 4.2 to 1. (Booked Savings - $1519M / FYDPFY17-21)

NEXT STEPS:

Core Enterprise Technology Agreements:

    11-30-2018: Publish Commercial Software Products list for CETA

    12-31-2018: Publish Core Enterprise Technology Agreements (CETA) implementation plan

    12-31-2018: Award Microsoft BPA

    2Q FY'19: Award Tanium BPA

    3/4Q FY'19: Award Oracle BPA

Wireless Device Management:

    From 11-07-2018 through 11-09-2018: Army and Air Force mobility teams to attend training session at Fleet Logistics Center San Diego with Navy Spiral 3 NAVSUP team to become familiar with new ordering process.

    By 11-28-2018: Publish implementation plan (30 business days after Wireless Memo)

Training and Education:

    10-31-2018: Identify $25.8M in training and education leakage

    11-30-2018: 11 active USA Learning efforts

    11-30-2018: Publish CMO memorandum for DoD leveraging OPM's USA Learning to the fullest extent possible (Whole of Government (WOG) initiative)

DCPDS:

    09-01-2019: Consolidate 6 DCPDS instances to a single cloud SaaS environment

Task Management:

    12-31-2018: Publish task management capabilities migration plan

Mission Partner Environment Consolidation:

    01-31-2019: Publish Mission Partner Environment (MPE) Executive Agent DoD Directive

    02-28-2019: Publish MPE implementation plan to consolidate C2/I missions

Fourth Estate IT Optimization:

    02-15-2019: Publish 4th Estate IT Optimization implementation plan

    04-30-2019: Begin personnel migration (ADCON/OPCON model)

    Continuous Endpoint Monitoring:

    01-01-2018: Tanium Federator operational

    01-01-2019: Special Access Programs support begins

    03-15-2019: Deploy enterprise Tanium capability

FY 2018 Summary of Results

PG 3.1.2: Review requirements for services contracts for continued need, redundancy and effectiveness of contract structures and conditions.		PG Leader: CMO					
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.2.1: By the end of FY 2019, Service Requirements Review Boards will be conducted for all Components of the Office of the Secretary of Defense (OSD), Defense Agencies, DoD Field Activities, Joint Chiefs of Staff, Combatant Commands, and MILDEPs and results reviews by a Senior Review Panel.	Target*	Measured Annually			627M*			FY17: completed
	Actual				$350,132			
PM 3.1.2.2: FY17-21 Programmed Cost Savings: $1,815M**	Target*	Measured Annually			$627M**	$688M**	$698M**	FY17: $141M**
	Actual**				$350,132			

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*Includes OSD Staff Orgs, DAFAs, WCFs, and CCMD
** Includes OSD Staff Orgs and DAFAs (Original RMD cuts)

FY 2018 PERFORMANCE GOAL OVERVIEW:

Review requirements for services contracts for continued need, redundancy and effectiveness of contract structures and conditions.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

By the end of FY 2018, Service Requirements Review Boards will be conducted for all Components of the Office of the Secretary of Defense (OSD), Defense Agencies, DoD Field Activities, Joint Chiefs of Staff, and Combatant Commands and results reviews by a Senior Review Panel.

FY 2018 Summary of Results

PG 3.1.3: Review commodity procurements throughout the DoD and interagency to identify opportunities to leverage increased buying power by consolidated cross-Federal procurement purchases. By 2021, initiate whole of government sourcing: subsistence (food items), clothing & textiles, and medical supplies.							PG Leader: Logistics and Supply Chain Reform Leader	

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.3.1: Medical Whole of Government Sourcing: By Q2 FY18, develop performance goals, specific milestones, and measures/targets to gauge progress	Target / Actual	N/A	N/A	N/A	N/A	N/A	N/A	NEW
PM 3.1.3.2: Medical Whole of Government Sourcing: By Q4, FY19, either program or submit POM issues paper to achieve identified cost savings target for FY2021-25 FYDP	Target / Actual	N/A	N/A	N/A	N/A	N/A	N/A	NEW
PMs 3.1.3.1 & 3.1.3.2 transferred to the Medical Reform Team								
PM 3.1.3.3: Clothing and Textiles Whole of Government Sourcing: By Q2 FY18, develop performance goals, specific milestones, and measures/targets to gauge progress	Target / Actual							NEW
PM 3.1.3.4: Clothing and Textiles Whole of Government Sourcing: Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g. Year of execution)	Target / Actual							NEW
PMs 3.1.3.3 & 3.1.3.4 awaiting OMB decision on whether to proceed or not								
PM 3.1.3.5: Subsistence Whole of Government Sourcing: By Q2 FY18, develop performance goals, specific milestones, and measures/targets to gauge progress	Target / Actual	N/A	N/A	N/A	N/A	N/A	N/A	NEW
PM 3.1.3.6: Subsistence Whole of Government Sourcing: Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g Year of execution, POM…)	Target / Actual	N/A	N/A	N/A	N/A	N/A	N/A	NEW
PMs 3.1.3.5 & 3.1.3.6 OMB determined not to pursue this effort								

FY 2018 Summary of Results

PG 3.1.4: Streamline and optimize DOD distribution network. Leverage Pareto of distribution activity to remove unnecessary warehouses and distribution centers.								PG Leader: Logistics and Supply Chain Reform Leader	

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.4.1: Non-Tactical Warehouse Integration - By Q2 FY 2018, develop performance goals, specific milestones, and measures/targets to gauge progress	Target		X					NEW
	Actual		X					
PM 3.1.4.2: Non-Tactical Warehouse Integration - Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g. Year of execution, POM…)	Target	Measured in FY 2019				X		NEW
	Actual							

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FY 2018 Summary of Results

PG 3.1.5: Provide necessary community services at reduced cost to the DoD by moving to either shared services or outsourced support models. Focus areas include: commissary and exchanges; lodging; DoD schools; child care; other community and family support activities		PG Leaders: Community Services Reform Leader / CMO						
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.5.1: Enterprise Management of Community Services Reform – By Q2, FY 2018, develop Initial Community Services Project & Implementation Plan Update	Target		X					NEW
	Actual		X					
PM 3.1.5.2: Enterprise Management of Community Services Reform – Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g Year of execution, POM…)	Target	Measured in FY 2019				X		NEW
	Actual							
PM 3.1.5.3: Official Lodging Reform – Eliminate direct APF support to official lodging (pending Directive Type Memorandum effective Oct 1, 2019)." MilDeps developing execution plans to effect this change in policy. This planning will be complete by Oct 1, 2019 and APF cost avoidance will be captured.	Target			X	X			NEW
	Actual	Measured Annually						
PM 3.1.5.4: Official Lodging Reform – Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g. Year of execution, POM…). Community Services Reform Team working towards a RMG decision in late Q3, 19. Based on RMG decision, BCA may be conducted to determine investments thesis and projected savings. If directed, BCA will be completed by Q2, 20.	Target	Measured in FY 2019 as part of PM 3.1.5.2				X		NEW
	Actual							

FY 2018 Summary of Results

DoD Priority Goal 3.1.6: Reduce Regulatory Burden by eliminating unnecessary Federal Rules (E.O. 13771)						**Priority Goal Leader:** CMO		
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.6.1: Number of evaluations to identify potential EO 13771 deregulatory actions that included opportunity for public input and/or peer review	Target	16% of total	16% of total	16% of total	16% of total			NEW
	Actual	15%	12%	16%	16%			
PM 3.1.6.2: Number of EO 13771 deregulatory actions recommended by the Regulatory Reform Task Force to the Secretary of Defense, consistent with applicable law	Target	6.25% of total	6.25% of total	6.25% of total	6.25% of total			NEW
	Actual	3.77%	3.61%	3.12%	6.25%			
PM 3.1.6.3: Number of EO 13771 deregulatory actions issued that address recommendations by the Regulatory Reform Task Force	Target	6.25% of total	6.25% of total	6.25% of total	6.25% of total			NEW
	Actual	1%	0	3.12%	3%			
PM 3.1.6.4: Number of EO 13771 significant regulatory actions issued after January 20, 2017	Target	2.5.% of total	2.5.% of total	2.5.% of total	2.5.% of total			NEW
	Actual	0	0	1%	1%			
PM 3.1.6.5: Number of EO 13771 deregulatory actions issued after January 20, 2017	Target	6.25% of total	6.25% of total	6.25% of total	6.25% of total			NEW
	Actual	1%	0	3.12%	3%			
PM 3.1.6.6: Total incremental cost of all EO 13771 significant regulatory actions (including costs or cost savings carried over from previous fiscal years)	Target	2.5.% of total	2.5.% of total	2.5.% of total	2.5.% of total			NEW
	Actual	0	0	Unknown (common rule)	TBD			
PM 3.1.6.7: Total incremental cost of all EO 13771 deregulatory actions (including costs or cost savings carried over from previous fiscal years)	Target	6.25% of total	6.25% of total	6.25% of total	6.25% of total			NEW
	Actual	1%	0	1%	2%			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

On January 30, 2017 and February 24, 2017, the President issued two Executive Orders on regulatory reform – Executive Order 13771 "Reducing Regulation and Controlling Regulatory Costs," and Executive Order 13777 "Enforcing the Regulatory Reform Agenda." To implement DoD's regulatory reform agenda, DoD established a Regulatory Reform Task Force and is reviewing DoD's 716 regulations in the Code of Federal Regulations to identify regulations for repeal, replacement, or modification with the goal to reduce the regulatory burden on the American people. This review will also streamline DoD's regulatory process and promote agency accountability of our regulations.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

As of 7 Nov 2018, the DoD Regulatory Reform Task Force has reviewed 675 of 716 regulations (review 94% completed). The Task Force has identified 244 regulations for repeal, with 57 repeals completed. Actual cost savings in amount of $5.1M has been achieved, and additional potential cost savings in the amount of $25.2M has been identified (subject to OMB approval). The evaluation phase of this initiative will complete 28 Dec 2018, and the implementation of approved Task Force recommendations will begin.

IDENTIFY KNOWN RISKS:

- Reducing regulatory burden and costs on the American people through effective implementation of regulatory reform principles throughout DoD.

- Some regulations may require a change in legislation or interagency coordination before they can be modified or repealed.

MITIGATION EFFORTS:

Removed performance measures 3.1.6.1, 2, 6, &7. These measures address the evaluation phase of this initiative, and the cost/cost savings is still being identified in this phase of the process. Modified performance measures 3.1.6.3, 4, & 5 to establish implementation goals. Added new performance goal for issuing updated regulatory guidance.

NEXT STEPS:

- Update regulatory policies and provide training opportunities on the regulatory process.
- Provide information to DoD Components on the process for proposing legislation.
- Bring an economist on-board to assist DoD Components with cost benefit analysis.

FY 2018 Summary of Results

<table>
<tr>
<td colspan="2">PG 3.1.7: Reform Real Property Management. Initiatives being considered by this reform team include:

• Real Property Management Reform
• Leased Space Consolidation and Reduction
• Lease Process Standardization
• Targeted Contract Consolidation
• Contract Efficiency Assessment
• Increase third party partnership opportunities
• Increase utilization of space</td>
<td colspan="2">PG Leader: Real Property Reform Lead</td>
</tr>
</table>

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.7.1: By Q2 FY18, develop performance goals, specific milestones, and measures/targets to gauge progress	Target		X					NEW
	Actual		X					
PM 3.1.7.2: Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g Year of execution, POM…)	Target		Measured in FY19			X		NEW
	Actual							
	Actual							

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FY 2018 Summary of Results

<table>
<tr>
<td colspan="2">PG 3.1.8: Provide integrated medical care to support the readiness of the force and the readiness of the mission force. Ensure the cost-effective delivery of the military health benefit to military Members, and their families, and retirees.</td>
<td colspan="7">PG Leaders: CMO and Health Care Reform Leader</td>
</tr>
<tr>
<td colspan="2">Performance Measures</td>
<td>Q1 2018</td>
<td>Q2 2018</td>
<td>Q3 2018</td>
<td>Q4 2018</td>
<td>2019</td>
<td>2020</td>
<td>Prior Year Results</td>
</tr>
<tr>
<td rowspan="2">PM 3.1.8.1: Military Health System (MHS) Reform – Submit FY17 NDAA Section 702 Implementation Plan to Congress, as required by law, to improve the efficiency of enterprise wide services.</td>
<td>Target</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td rowspan="2">NEW</td>
</tr>
<tr>
<td>Actual</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td rowspan="2">PM 3.1.8.2: MHS Reform – By the end of FY23, achieve annual savings to reduce headquarters programs by $202M for the FY19-23 FYDP.</td>
<td>Target</td>
<td colspan="4" rowspan="2">Measured in FY19</td>
<td>-15%, $27.0M</td>
<td>-20%, $35.7M</td>
<td rowspan="2">NEW</td>
</tr>
<tr>
<td>Actual</td>
<td></td>
<td></td>
</tr>
<tr>
<td rowspan="2">PM 3.1.8.3: Medical Treatment Facilities (MTF) Reform – Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g. Year of execution, POM…)</td>
<td>Target</td>
<td colspan="3" rowspan="2">Measured Annually</td>
<td>X</td>
<td></td>
<td></td>
<td rowspan="2">NEW</td>
</tr>
<tr>
<td>Actual</td>
<td>TBD</td>
<td></td>
<td></td>
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<tr>
<td rowspan="2">PM 3.1.8.4: MTF Reform – By the end of FY2018, develop an MTF Reform work plan with performance goals and organization or procedure redesign to support cost savings.</td>
<td>Target</td>
<td colspan="3" rowspan="2">Measured Annually</td>
<td>X</td>
<td></td>
<td></td>
<td rowspan="2">NEW</td>
</tr>
<tr>
<td>Actual</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td rowspan="2">PM 3.1.8.5: MHS Enterprise efficiencies – Identify and achieve annual savings throughout identified functional areas in partnership with DHA.</td>
<td>Target</td>
<td colspan="3" rowspan="2">Measured Annually</td>
<td>$17M</td>
<td>$980.4M</td>
<td>$1.459B</td>
<td rowspan="2">NEW</td>
</tr>
<tr>
<td>Actual</td>
<td>$140M</td>
<td></td>
<td></td>
</tr>
<tr>
<td colspan="9" align="center">Updated PM 3.1.8.5</td>
</tr>
</table>

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FY 2018 PERFORMANCE GOAL OVERVIEW:

Create a long-lasting culture of innovation, empowerment and improvement to reduce the cost of doing business throughout the DoD through the provision of integrated medical care to support the readiness of the force and the readiness of the medical force. Ensure the cost-effective delivery of the military health benefit to military members, their families, and retirees via execution of initiatives that achieve benefits from streamlining of the Military Health System that integrates and standardizes care in DoD owned facilities along with care provided through contractedcare:

1. The Department's medical care represents approximately 7.8% of the DoD budget and is distributed throughout three MilDeps and the Defense Health Agency. The Department is statutorily required to consolidate its garrison based medical care delivery into the Defense Health Agency by September 30, 2021.

2. Though the implementation of shared and common services and the consolidation of care into a single agency, the Department intends to realize performance improvements through process and scale changes.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

Transitioning administration and management of MTFs to DHA (FY 2017 NDAA § 702):

- As of October 1, 2018 hospitals and associated clinics at Bragg, Jacksonville, Keesler and 3 additional AF clinics (+30 facilities) have moved under DHA direction, authority, and control.

- On October 1, 2019 214 hospitals and clinics will transfer to the DHA; on October 1, 2020 all CONUS hospitals and clinics (+133) will transfer to the DHA with Hawaii and overseas hospitals and clinics (+74) transferred on 1 Oct 2021.

- Opportunities for acceleration of schedule are being developed.

Efficiencies in enterprise activities: Projects developed with goal to save estimated ~$2.5B in annual run-rate by FY 2024:

- Projects started in 11 initiative areas in FY 2018 – $526M of savings identified (Contract efficiencies and Co-pay changes).

- Integrated with DHA management of DOD medical enterprise.

- Realign and optimize DoD U.S. medical infrastructure to support medical readiness requirements and patient demand using data-driven repeatable process (FY 2017 NDAA §703):

- Prioritize opportunities for use case development – criteria and modeling being validated by senior leadership.

- Develop comprehensive use cases including financial, readiness, mission, local healthcare availability impacts and partnership opportunities.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Work plans establishing performance metrics were developed to implement efficiencies that drive cost savings through enterprise-wide activities. Quarterly targeted verses actual cost savings is the comparable metric throughout all medical enterprise areas due to their uniqueness. The enterprise areas included in the MTF Reform procedure redesign are TRICARE, purchased services, pharmacy, lab, facilities, revenue cycle collection, IT, medical logistics, and specialty care access.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

Actual savings have exceeded targeted savings in TRICARE modernization and the MTF Reform initiatives in the pharmacy and purchased services enterprises.

IDENTIFY KNOWN RISKS:

Budgetary information relies on the Department's schedule of accounts and accounting practices. These accounts and practices do not generally provide the level of detail needed to track savings using central systems. Tracking is being provided at the program level. Additionally, the delay in transition of anticipated manpower from the Services to DHA has potential to slide projected savings in FY 2019 to FY2020.

MITIGATION EFFORTS:

Continue to facilitate tracking of established goals and enable stakeholders to overcome challenges

NEXT STEPS:

FY 2017 NDAA § 703: Conduct on-site assessments as needed to validate opportunities and impacts identified from the comprehensive case uses. Implement facility transitions identified through use cases; continue process until all facilities have a use case routinely updated. Submit realignment plan to Congress in June2019.

FY 2017 NDAA § 702: Continue to solve manpower transition equation via resolution of differences. Proceed IAW with Plan 2 and consider acceleration opportunities.

FY 2018 Summary of Results

PG 3.1.9: Increase shared service delivery of medical benefits between DoD and Department of Veterans Affairs		PG Leader: OUSD(P&R)						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.9.1: Common purchased care (Integrated Purchased Care Network): Purchased Care Network considers combining the contract(s) managed by DoD and the VA that provide healthcare services outside of both a DoD or VA medical treatment facility and not a complete integration of both healthcare systems. NLT the end of FY 2018, Health Affairs will have completed and presented a Plan of Action and Milestones that details a way forward for common purchased care.	Target		Measured Annually		X			
	Actual				Not Met			

FY 2018 PERFORMANCE GOAL OVERVIEW:

On August 15, 2017, the Deputy Secretary of Defense (DepSecDef) met with the Secretary of Veterans Affairs (VA) to discuss a shared goal of expanding DoD/VA resource sharing in order to enhance the services we provide to Service members and Veterans. As a result, the DepSecDef directed that we work with VA to assess the viability of expanding and enhancing DOD and VA collaboration in a number of areas. With readiness as our top priority, DOD seeks to increase the volume and complexity of VA patients seen in our system. Concurrently, the services that DOD provides could improve the VA's access to timely, quality care. Expansion of key resource sharing initiatives may lead to significant cost savings and retention of providers and warfighters. The Office of the Secretary of Defense collaborates with VA and the MilDeps to identify potential opportunities between VA and DOD that promote and facilitate the efficient use of limited federal health care resources. This may also result in reducing reliance on private sector, fee-based care.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

The Under Secretary of Defense for Personnel and Readiness in conjunction with the VA Deputy Secretary approved a study be completed regarding the feasibility of combining the contracts prior to a Plan of Action and Milestones being developed. The Plan of Action and Milestones was not completed by the end of FY 2018 as the Federally Funded Research and Development Center study and final report was not finished until the end of FY 2018 and released during the 1st quarter FY 2019.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The study showed it is feasible to integrate purchased care networks but it may not be practical and more analysis is required. There are multiple levels of possible integration to include shared lists/network providers, different joint contracting options, and full health system integrations with functions merged.

IDENTIFY KNOWN RISKS:

- There is currently no well-defined mechanism (right of first refusal) or requirement for DoD and VA to leverage each other as the "first choice" for providing healthcare.

- Uniform Business Office/Patient Administration functions (e.g., billing and reimbursement processes) between Departments historically has been an impediment to care reciprocity.

- The Departments currently do not allow reciprocity of credentialing and privileging

- Electronic Health Record implementation timelines do not match, and although sharing of DoD and VA health information has improved dramatically in recent years, there will be some information exchange issues.

- VA Mission act impact unknown at this time Legislative changes may be required.

MITIGATION EFFORTS:

An integrated product team was established with dedicated resources to analyze the integration options and to do an analysis of alternatives and present to leadership in the 3rd quarter FY 2019

NEXT STEPS:

The performance measure is now in 3rd quarter FY 2019.

2018 Summary of Results

PG 3.1.10: Supplier Self Service: Goal is to significantly improve vendor invoice payments in timeliness, accuracy, and interest penalty payments by enabling use of the General Fund Enterprise Business System (GFEBS)				PG Leader: HQDA ASA FM/CMO					
Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.10.1: By Q2, FY 2018, develop performance goals, specific milestones, and measures/targets to gauge progress	Target		X					NEW
	Actual		X					
PM 3.1.10.2: Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g. Year of execution, POM…)	Target	Measured Annually			X			NEW
	Actual				X			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

This goal was met. Performance goals were both established and were met or exceeded. Army/ Supplier Self Service (SUS) will continue to focus on reaching the 500 contracts participation goal for FY 2019.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Yearly performance goal was met. The goals were established during two DFARs deviation approvals and have always been met.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

Army/SUS ended the year having doubled the amount of vendors and contracts participating in the pilot from the previous year. This added system usage allowed the army to further demonstrate the ability of the system to be stressed and still accomplish the goals of reducing the days to pay, reducing the interest payed, and reducing the amount of manual intervention that is necessary.

Further system work has now been scheduled with GFEBS to create even better metrics while also continuing to make it easier for Army and vendor users.

IDENTIFY KNOWN RISKS:

There are three known risks: 1) the authorization document, Defense Federal Acquisition Regulation Supplement (DFARS), which allows Army/SUS to continue as a Pilot, expires 2 Jan 2020. Without a permanent deviation to the DFARS, the SUS Pilot will cease. 2) Army/SUS submitted two Engineering Change Proposal (ECP) to the Program Manager, Wide Area Work Flow (WAWF) and 3) SUS System Enhancements are required to lessen the burden on all Stakeholders (Resource Management Offices and Contracting Offices).

MITIGATION EFFORTS:

Army/SUS have the following mitigation steps in place: 1). SUS Team has submitted permanent change

memo to DASA-P for coordination with DPAP; 2). A Joint memo supporting the 2 ECPs, was signed by Mr. Hazlett (DASA-P) and Mr. Morgan (DASA-FIM) and sent to DPAP for approval and implantation immediately; 3). SUS Team is collaborating with the GFEBS PMO to ensure all SUS enhancements are implemented in a timely manner

NEXT STEPS:

- Request permanent change to DFARS from OSD and Army leadership so that the current DFARS deviation does not slow down initiative progress (previous deviation extension took more than ten months to get renewed).
- Continue to grow the amount of vendors and contracts in the Pilot.
- Continue with system updates that will further enhance the metrics and the user experience.

FY 2018 Summary of Results

PG 3.1.11. Improve the Temporary Duty travel experience with better customer service at reduced cost.						PG Leader: IT/Business Systems Reform Lead		
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.11.1: Achieve $450M programmed cost savings targets for FY 2019-2023 FYDP	Target / Actual	Measured in FY 2019				TBD	TBD	TBD
PM 3.1.11.2: By Q2, FY 2018, complete Acquisition Strategy	Target		X					MET
	Actual		X					

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The FY 2018 performance goal was met. The Acquisition Strategy was achieved in FY 2018 and has matured into implementation with Defense Human Resources Activity (DHRA) go-live.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE: The FY 2018 performance goal was met.

FY 2018 PERFORMANCE MEASURE OVERVIEW: The FY 2018 performance goal was met.

FY 2018 Summary of Results

PG 3.1.12: Consolidate/Improve the Defense Civilian Personnel Data System (DCPDS)		**PG Leader:** IT/Business Systems Reform Lead						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.1.12.1: Achieve programmed cost savings targets for FY 2019-2023 FYDP	Target	Measured in FY 2019				TBD	TBD	TBD
	Actual							
PM 3.1.12.2: By July 2018, develop self service capabilities definition	Target	Measured Annually			Q4			NEW
	Actual				Met			
PM 3.1.12.3: By July 2019, complete database consolidation	Target	Measured in FY 2019				Q4		NEW
	Actual							

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FY 2018 PERFORMANCE GOAL OVERVIEW: Develop a system that will consolidate the six (6) existing Defense Civilian Personnel Data Systems (DCPDS) into one Cloud Software as a Service (SaaS) system that will provide the capability for all the DoD services and the 4th estate to have one process for DoD Civilians and eliminate service specific civilians. This quantifiable measure from this consolidation will provide a total savings of over $190M over the FYDP.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE: Since Aug 18 the IT Reform Team, DCPAS and DHRA have placed the consolidation project (now called DCHRMS (Defense Civilian Human Resource Management System)) on contract and have developed the first batch of deliverables for the services functional Subject Matter Experts to review in a Work Shop that is happening the week of 5 Nov 18. Additionally, we are working with DISA to have the Oracle SaaS product approved for use in with DoD PII data. That process should be accomplished by Jan 2019. This effort is already ahead of schedule and plans on adding additional capabilities sooner than originally planned

FY 2018 PERFORMANCE MEASURE OVERVIEW: System is currently on track

NEXT STEPS:

- IL-4 Certification accomplished by Jan 2019
- Approval to Operate (ATO) accomplished and signed by DoD CIO by May 2019
- Complete development of new security system for mobile devices by Mar 2019
- DCRMS SaaS Demo environment operational by Feb 2019

- Playground for services to train on DCHRMS system created by Feb 2019
- Purchase 900K Oracle HCM licenses by Feb 2019
- Populate DCHRMS system with all 900K civilian records by End of May 2019
- DCHRMS system IOC by End of Jun 2019

FY 2018 Summary of Results

PG 3.1.13: Implement Acquisition Reform by simplifying, delivering faster and reducing costs of product and service procurement throughout DoD		PG Leader: USD(A&S)						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM: 3.1.13.1: Delegate (or revert) Milestone Decision Authority for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Programs from the Defense Acquisition Executive (DAE) to the respective Service Acquisition Executives (9 Army, 5 Navy, and 10 Air Force programs).	Target	X						NEW
	Actual	X						
PM 3.1.13.2: Implement initiatives (e.g. utilizing Other Transactional Authorities, exercising Expanded Access Authorities for medical countermeasures, conducting advance technology demonstrations), where appropriate, to more rapidly develop and deliver chemical, biological and radiological defensive equipment to improve Joint Force lethality and readiness by initiating the Counter Weapons of Mass Destruction (CWMD) Other Transactional Authorities (OTA) with industry.	Target		X					NEW
	Actual		X					
PM: 3.1.13.3: Establish pilot programs to demonstrate our ability to reduce procurement administrative lead time by as much as 50 percent, significantly reducing our costs while accelerating our timelines for fielding major capability. Field an electronic tool that implements over 40 techniques to increase government team's efficiency, from pre-award to contract negotiation.	Target	Measured Annually			X			NEW
	Actual				X			
PM 3.1.13.4: Enhance the performance of facility construction contracts to reduce cost overruns and schedule delays by up to 50% through business reforms, benchmarking with industry, and facility optimization. After significant analysis and benchmarking, draft and staff policies to implement process changes and new metrics to deliver MILCON projects.	Target	Measured Annually			X			NEW
	Actual				X			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The FY 2016-19 National Defense Authorization Acts, represent the largest body of acquisition reforms since Goldwater-Nichols. These reforms were designed to improve the defense acquisition system and delegate decision-making to lower levels. By delivering business reforms including implementing initiatives as well as establishing pilot programs, the goal is to delivering capability to the warfighter faster and at a reduced costs

to the taxpayer.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

All performance measures of PG 3.1.14 acquisition reform were met on schedule.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Work continues on implementing the acquisition reform.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

The Department implemented Section 825 of the FY 2016 NDAA by Delegating (or in one case reverting) Milestone Decision Authority for 24 Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Programs from the Defense Acquisition Executive (DAE) to the respective Service Acquisition Executives (9 Army, 5 Navy, and 10 Air Force programs)

The Joint Program Executive Office for Chemical, Biological, Radiological and Nuclear Defense (JPEO-CBRND) awarded the Countering Weapons of Mass Destruction (CWMD) Consortium using Other Transactional Authority (OTA) on November 20, 2017 to Advanced Technology International (ATI) on behalf of the DoD Chemical and Biological Defense Program. The agreement period of performance is 10 years with a ceiling of $10B.

Section 886 "Development of Procurement Administrative Lead Time (PALT)" in FY 2018 National Defense Authorization Act (NDAA) was implemented 4 months ahead of the 180 day (06/10/2018) statutory requirement. Defense Pricing and Contracting (DPC) defined and applied Department of Defense-wide the definition of PALT and implemented the measuring and public reporting on PALT for Department of Defense contracts and task orders above the simplified acquisition threshold on the Federal Procurement Data System.

Critical warfighter requirements were delivered quicker through improving military construction project oversight and enhancing communication and interaction between resource sponsors and the design/construction agents (Naval Facilities Engineering Command/US Army Corps of Engineers). Conducting a comprehensive review of DoD processes and statuses of construction execution.

NEXT STEPS:

N/A – Aforementioned PMs have been completed in FY 2018.

FY 2018 Summary of Results

| PG 3.1.14: By FY 2022, streamlining the military pay process to increase accuracy and speed of payroll to military members, while reducing cost of service. | | PG Leader: TBD | | | | | |

Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.1.15.1: TBD Implementation Milestones to FY 2020 Execution	Target / Actual	Measured in FY 2019				TBD	TBD	NEW
PM 3.1.14.2: Reduce the number of workarounds in the military pay process	Target / Actual	Measured in FY 2020					-70%	TBD
PM 3.1.14.3: Reduce the number of post- disbursement discrepancies	Target / Actual	Measured in FY 2020					-10%	TBD
PM 3.1.14.4: Service Systems Fielded at Initial Operating Capability (IOC) Note: Army (Q2 FY 2020); Navy (Q2 FY 2020); Air Force (FY 2021)	Target / Actual	Measured in FY 2020					Army Navy	NEW
PM 3.1.14.5: Number of Military Services compliant with pay disbursement using Treasury Direct Disbursing (TDD)	Target / Actual	Measured in FY 2020					4	NEW
PM 3.1.14.6: Identify necessary investments and projected cost savings. Determine the method(s) through which investments and savings are realized. (e.g Year of execution, POM…)	Target / Actual							

SO 3.2: Optimize Organizational Structures

SO Leaders: CMO

STRATEGIC OBJECTIVE OVERVIEW:

Our management structures and processes can inhibit or prevent our pursuit of lethality, requiring us to consolidate, eliminate, restructure, or streamline wherever possible to ensure we can compete, deter, and win.

Until February of 2018, the Deputy Secretary of Defense served as Chief Operating Officer (COO) and Chief Management Officer (CMO) of the Department of Defense. The FY 2017 NDAA as amended by the FY 2018 NDAA, established the Chief Management Officer, effective on February 1, 2018; the FY 2018 NDAA further codified the CMO position in 10 U.S.C. 132a, thereby eliminating the Deputy Chief Management Officer.

FY 2018 NDAA further defined the role of the CMO to focus on a broad set of enhanced responsibilities, including enterprise business operations, shared business services, Office of the Secretary of Defense and DoD organization and management, defense reform, and compliance. The CMO supports the Deputy Secretary in the role of COO to ensure that DoD leaders are unified and aligned appropriately throughout all assigned responsibilities and functions, through strong management practices, integrated processes, and best value business investments.

The Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L) was also reorganized into two separate organizations in accordance with Section 901 of the NDAA for FY 2017. This new organization refocuses the Office of the Secretary of Defense's (OSD) principal role from program oversight to that of directing major Department investments to ensure integrated, technically superior capability that consistently outpaces the threat. Further, Congress has provided the Department with the impetus to significantly streamline the acquisition organization and assign greater responsibility and accountability to the Services for program execution and performance.

DoD Major Headquarters Activities (MHA): In August 2015, the Deputy Secretary of Defense directed a 25 percent reduction from the FY 2016 baseline throughout all appropriations for DoD MHA in the Military Departments, OSD, the Joint Staff, Defense Agencies and DoD Field Activities, and Combatant Command headquarters. In FY 2017-2018, the Department achieved savings of approximately $2B.

FY 2018 Summary of Results

PG 3.2.1: Implement Restructure of legacy OUSD Acquisition, Technology and Logistic (AT&L) Organization			PG Leaders: USD(A&S) & USD(R&E)					
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.2.1.1: Meet all quarterly FY 2017 NDAA Section 901 Report milestones to restructure USD(A&S) Phase I, Q2 FY 2018: • Receive approval from the Secretary of Defense on the methodology for the AT&L reorganization • Kick-off overall project with timelines, objectives, communication plan and roles & responsibilities • Develop quarterly objectives to meet 2 year timeline – complete by 2020	Target		X					
	Actual		X					

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FY 2018 PERFORMANCE GOAL OVERVIEW:

PG 3.2.1 restructures the Office of the Under Secretary of Defense (Acquisition Technology & Logistics) pursuant to Section 901 of the FY 2017 NDAA.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

This has been formally completed.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

PM 3.2.1.1 describes the approval process for the restructuring of the Office of the Under Secretary of Defense (Acquisition Technology & Logistics) into USD (A&S) and USD(R&E).

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

DSD memorandum signed July 13, 2018 approved and finalized the organizational structures, roles, responsibilities, and realignment of resources for the OUSD (R&E) and OUSD(A&S) pursuant to Section 901 of the NDAA for FY 2017.

FY 2018 Summary of Results

PG 3.2.2: Implement restructure of DCMO into the CMO						PG Leader: CMO		

Performance Measures		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.2.2.1: Meet all quarterly FY 2017 NDAA Section 901 Report milestones to restructure the legacy DCMO organization into the CMO. Reform Team Milestones: **Phase 1 Q1, FY18:** • Reform teams develop work plans with Explicit& Detailed objectives for Day "0" to Day60 • Complete stand-up of Reform Team Obeya Rooms Phase II, Q2, FY2018: • CMO: Initial Operating Capability • Reform Teams develop Plan Summary, to include: Target Business Processes; Definition of Program Goals, to include Targets for Cost Decrease; and Redesign of Organizations and governance processes as appropriate. • DSD, CMO, CAPE and MilDep Reform Management Group forums to Evaluate Progress	Target	X	X	X	X			
Phase III, Q3, FY 2018: • Extend Implementation Plans to New Opportunities • Notify Congress • Identify Enterprise Service Delivery Methods Phase IV, Q4, FY 2018: • Complete Business Process Re-engineering Assessments • Transition to Enterprise Leaders • As appropriate, new governance processes established and new organization stand-up	Actual	X	X	X	In Progress			

FY 2018 PERFORMANCE GOAL OVERVIEW:

Per NDAA FY 2017, Section 901(c), the Office of the Chief Management Officer (CMO) was to be established as of 1 February 2018. The purpose of this metric is to track progress against the cited performance measures and to ensure the roles and responsibilities of the OCMO, as outlined in statute, are realized.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

As of Q4, FY 2018, the OCMO is still in progress of completing the requirements noted in this objective. Due to leadership transitions, the ability of the OCMO to fully realize the intention of this objective have been delayed. While considerable efforts continue to ensure the requirements of the NDAA are captured and delivered, the OCMO is about six (6) months behind in completing all the requirements of this objective.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

By Q4 FY 2018, the OCMO intended to complete the define actions necessary to fulfill the stand-up of the OCMO. Due to leadership transitions and mission objectives, these activities were delayed. The noted actions are still ongoing with more refined targets or completion dates anticipated by Q3 FY 2019.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

As of Q4, FY 2018, the OCMO is still in progress of completing the measures noted in this objective. Due to leadership transitions, the ability of the OCMO to fully realize the intention of this objective have been delayed. While considerable efforts continue to ensure the requirements of the NDAA are captured and delivered, the OCMO is about six (6) months behind in completing all the measures of this objective.

IDENTIFY KNOWN RISKS:

Potential risks to completing this objective, and its associated measures, lie with any additional transition in OCMO leadership. The office is taking every effort to mitigate delays.

MITIGATION EFFORTS:

The OCMO has defined a reform management framework to support the strategies and transition of activities within the OCMO. These plans are supported by OCMO leadership.

NEXT STEPS:

The intent is to complete or have a defined and approval transition plan for all Q3 and Q4 FY2018 measures by Q3 FY 2019.

FY 2018 Summary of Results

PG 3.2.3: Complete major headquarters reductions consistent with legislation		PG Leader: CMO						
Performance Measures		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.2.3.1: Achieve DoD-wide MHA cost savings targets using FY 2016 baseline (achieve an overall 25% reduction).	Target				$971.7M 21.2%	$628.8M 24.6%	TBD 26.2%	FY 2017 $1.25B
	Actual		Measured Annually		22%			

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FY 2018 PERFORMANCE GOAL OVERVIEW: Section 346(b) of the NDAA for FY 2016 prescribed a top level, common framework for MHA. That framework, as amplified by the Office of the Chief Management Officer (OCMO), identifies all activities of OSD, the Joint Staff, and the Military Department headquarters as MHA, and also defines select functions in the Combatant Commands, Major Commands and Component Commands of the Military Departments, and the Defense Agencies and DoD Field Activities as MHA. This major re-baselining effort established an authoritative MHA baseline for the purposes of reporting, tracking, and future management. The baseline includes manpower (military and civilian) and operating costs of headquarters, including contractor support.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE: Section 346(b) of the NDAA for FY 2016 directed a 25 percent reduction in the cost of MHA from FY 2016 re-baselined levels by FY 2020 (including credit for previous headquarters reductions conducted under former Secretary of

Defense Hagel). In December 2015, Deputy Secretary of Defense Robert Work approved programmatic reductions of $1.39B and 2,350 military and civilian manpower authorizations through FY 2021 to be incorporated into the President's Budget (PB) 2017 request. At the end of FY 2017, the Department achieved 20.7 percent of the 25 percent cost reduction directed by statute. By the end of FY 2020, the Department expects to be at 25.9 percent against the 25 percent cost reduction target.

FY 2018 PERFORMANCE MEASURE OVERVIEW: The FY 2018 performance measure is to Realigning Major DoD Headquarters Activities. Increase funding for high priority core missions by reducing the cost of overhead and management structures and redirecting those savings to core missions

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE: As of Q4 FY 2018, the Department achieved a 22 percent reduction against the 21.2 percent goal.

NEXT STEPS: The Department's MHA efforts are on track to meet quarterly objectives. By the end of FY 2020, the Department expects to be at 25.9 percent against the 25 percent cost reduction target.

SO 3.3: Undergo audit, and improve the quality of budgetary and financial information that is most valuable in managing the DoD

SO Leaders: USD(C)/CFO

STRATEGIC OBJECTIVE OVERVIEW:

The strategic objective is to undergo audit, and improve the quality of budgetary and financial information that is most valuable in managing the DoD.

STRATEGIC OBJECTIVE PROGRESS UPDATE:

The DoD first-ever full financial statement audit is coming to an end. We have begun reviewing results from the audits. The audit comprised of more than 24 stand-alone audits and an overarching consolidated audit performed by the DoD Office of the Inspector General (DoD IG). DoD IG as the consolidated auditor will assume responsibility for or make reference to the audit opinions of each component auditor, which is performed by an Independent Public Accounting (IPA) firm. Those DoD reporting entities that are not undergoing a stand-alone audit were included in the consolidated audit. The DoD IG performed internal controls and substantive testing over those activities and balances. DoD is currently sustaining clean opinions for nine stand-alone audits.

STRATEGIC OBJECTIVE NEXT STEPS:

Strategies on how the objective will be achieved:

- Audit opinions will be based on comprehensive auditor testing and will resulting actionable feedback.

- The Department has established a tool and a process to capture, prioritize, assign responsibility for, and develop corrective actions to address audit findings.

- Each year, auditors will assess and report on whether the Department has successfully addressed the findings.

- Going forward, we will measure and report progress toward achieving a positive audit opinion using the number of audit findings resolved through corrective action plans.

FY 2018 Summary of Results

DoD Priority Goal 3.3.1: Begin audit and remediate findings towards achieving a positive audit opinion for the DoD		PG Leader: USD(C)/CFO						
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**
PM 3.3.1.1: Audit readiness assertion letters delivered to the DoD Office of the Inspector General	Target	X						Q4 FY 2016
	Actual	X						
PM 3.3.1.2: Notification / assertion to Congress that the full financial statements of the Department are audit-ready	Target	X						Q4 FY 2016
	Actual	X						
PM 3.3.1.3: Finalization of audit contracts with IPAs. Remaining contracts expected to be in place during Q2, FY 2018.	Target		X					N/A
	Actual		X					
PM 3.3.1.4: Develop consolidated NFR tracking tool and make available to applicable stakeholders	Target	X						N/A
	Actual	X						
PM 3.3.1.5: FY 2017 full scope audit reports and findings for selected components received (USMC, DLA, DISA)	Target	X						N/A
	Actual	X						
PM 3.3.1.6: NFRs entered into tracking tool by IPAs	Target		X			Q1		N/A
	Actual		X					
PM 3.3.1.7: FY 2018 full-scope audit reports and findings for all components and consolidated DoD received	Target / Actual	Measured in FY 2019				Q1		N/A
PM 3.3.1.8: Closed NFR Conditions (USMC, DLA) as validated by IPA	Target / Actual	Measured in FY 2019				10%		N/A
PM 3.3.1.9: Closed NFR Conditions DoD- Wide	Target / Actual	Measured in FY 2020					20%	N/A
PM 3.3.1.10: Provide report to Congress on Audit results status to include Audit findings and remediation statistics (Recurring in Q1 and Q3)	Target	X		X		Q1, Q3	TBD	NEW
	Actual	X		X				

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The performance goal is to begin audit and remediate findings towards achieving a positive audit opinion for the DoD.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

Although there were no performance measures/targets for Q4, we met all performance measures/targets for FY 2018. The DoD consolidated audit was the largest audit ever undertaken in the federal government and the United States. It comprised more than 24 stand-alone audits and an overarching consolidated audit as performed by the DoD OIG. The majority of the audits are complete and were conducted by the DoD OIG and Independent Public Accounting (IPA) firms. DoD is currently sustaining clean opinions for nine stand-alone audits. In June 2018, Congress was briefed on Audit and Corrective Plan status. Independent Public Accountants (IPAs) can now enter Notice of Findings and Recommendations (NFRs) directly into the NFR tracking tool. The DoD will provide regular communication on the status of the Fiscal Year 2018 audit and related remediation efforts.

FY 2018 PERFORMANCE MEASURE OVERVIEW:

Met all performance measures/targets for FY 2018.

FY 2018 QUARTERLY PERFORMANCE MEASURE PROGRESS UPDATE:

IPA firms have completed all audits except one, which is still under way. We have successfully developed and deployed the NFR tracking tool to track and monitor all the findings that are being issued by IPA firms. This tool assists in capturing, prioritizing, assigning responsibility for, and developing corrective actions to address audit findings. The Q3 FY 2018 update was incorporated into the June 2018 briefing to Congress on Audit and Corrective Plan status. The DoD will provide, to all stakeholders, regular communication on the status of the Fiscal Year 2018 audit and related remediation efforts.

IDENTIFY KNOWN RISKS:

Although we met target goal for FY 2018, there is a small risk of delays on the requirements for the IPAs to enter NFRs directly into the ODCFO NFR Database tracking tool due to access request requirements. The interim solution currently in place of bulk uploading the data by the ODCFO NFR Database team is working as intended and has eliminated delays of data population until access request requirements concerns are resolved.

MITIGATION EFFORTS:

Going forward, DoD will measure and report progress toward achieving a positive audit opinion using the number of audit findings resolved through corrective action plans.

NEXT STEPS:

DoD will provide regular updates on the status of the Fiscal Year 2018 audit and related remediation efforts to Congress and 0MB.

FY 2018 Summary of Results

PG 3.3.2: Establish a DoD enterprise cost management information framework that will allow the Department to find more cost effective ways of managing the various lines of business.		`PG Leaders: USD(C)/CFO & CMO					
Performance Measure		**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**	**2020**	**Prior Year Results**

Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.3.2.1: Define and implement DoD Line of Business cost frameworks 1. Real Property: completed FY 2016; in sustainment 2. Medical: completed FY 2017; in sustainment 3. Medical Navy extension: Q1, FY 2017 – Q1, FY 2018 4. Information Technology: basic completed FY 2018; extension: Q1, – Q4, FY 2018 5. Supply Chain/Logistics: Oct 2017 – Aug 2018 6. Financial Management: Q1, FY 2018	Target	X	X	X	X			
	Actual	X	X	X	X			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The objective of this requirement is to obtain broad-based (i.e. DoD/Commercial) subject matter expertise and analysis that will assist the Department with implementing policies, procedures, and requirements that will increase the effectiveness of DoD's cost management throughout all business lines. Lines of business include: Real Property, IT, Medical, Supply Chain, Human Resources, Maintain Supply, Base Operations Support, Administration, RDT&E, Service/Program Unique Acquisitions, and Personnel.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

Established cost management frameworks for Real Property, Medical, Information Technology, Supply Chain/Logistics and Financial Management lines of business. Proof of concept work has begun on Acquisitions, Supply Chain/Maintenance, Human Resources, and Readiness lines of business

NEXT STEPS:

Migration of Completed cost frameworks into the DCFO common enterprise data platform.

FY 2018 Summary of Results

PG 3.3.3: Sustain a professional Certified Financial Management workforce		PG Leaders: USD(C)/CFO					
Performance Measure		Q1 2018	Q2 2018	Q3 2018	Q4 2018	2019	2020	Prior Year Results
PM 3.3.3.1: % of certified Financial Management workforce members	Target		Measured Annually		67%	68%	70%	70%
	Actual				70%			

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FY 2018 PERFORMANCE GOAL OVERVIEW:

The FY 2019-2023 DoD FM SWP is a forward focused document that sets forth the goals and objectives that will enable the FM Community to recruit, train, develop, and retain a strong, agile, and responsive FM workforce ready to meet future Department requirements. The FM SWP was developed collaboratively with FM and human capital subject matter experts from throughout the DoD.

FY 2018 QUARTERLY PERFORMANCE PROGRESS UPDATE:

Key strategic FM workforce initiatives in FY 2018 included the development and publication of a DoD FM Strategic Workforce Plan (SWP), an FM competency gap assessment, an automated individual development plan (IDP) tool for the FM workforce, a new Department-wide developmental assignment program, and the continued maturation of the DFMCP. These initiatives are all designed to build and maintain the technical and leadership competence of individual FM members in support of DoD's strategic objectives.

OUSD(P&R), in collaboration with the DoD FM Community, conducted a competency gap assessment of the DoD FM workforce via the Defense Competency Assessment Tool (DCAT). Workforce competency gap assessments are essential elements in workforce planning. Results of the assessment will be used to inform workforce improvement strategies for FM personnel.

The DoD FM IDP tool is designed to assist employees and supervisors with the career planning process. This automated, interactive, enterprise-wide IDP tool is for the FM civilian workforce. The FM IDP, which is integrated with the DFMCP and the FM civilian career roadmaps, provides employees and supervisors with a relevant guide for developing an annual IDP. The FM IDP became fully operational in 2018.

FM STARs, a developmental assignment program that is being piloted throughout the Department, is designed to foster a Strong, Trained, Agile and Ready (STAR) workforce. The purpose of the program is to provide opportunities for members of the DoD FM civilian workforce to advance their breadth of knowledge and experience through three to six month developmental assignments in other DoD Components. The pilot was launched in the 4th Quarter, FY 2018. FM STARs is also an FM workforce

retention tool.

The FM workforce portfolio has been used as an example throughout the federal government. Examples include being used as a benchmark by a Congressional panel, being the benchmark for the Deputy Secretary of Defense's Functional Community Management Maturity Model, and being selected to brief FM workforce best practices to the federal government Chief Human Capital Officers Council.

In FY 2018, we also continued the maturation of the DoD FM Certification Program, with a 98.4% program compliance rate; over 6,000 new certifications; and refreshed 27 OUSD(C) developed web-based courses.

SECTION Two:

Acronyms and Definitions

Acronym / Abbreviation	Definition
APB	Acquisition Program Baseline
APP	Annual Performance Plan
APR	Annual Performance Report
ASP	Agency Strategic Plan
ATO	Authority to Operate
ASD(R)	Assistant Secretaries of Defense
BMD	Ballistic Missile Defense
BBP	Better Buying Power
BPR	Business Process Reengineering
B-SIG	Business Senior Integration Group
BTU/GSF	British Thermal Unit per Gross Square Foot
CBRN	Chemical, Biological , Radiological, Nuclear
CCMD	Combatant Commands
CCRI	Command Cyber Readiness Inspection
CERFP	Chemical, Biological, Radiological, Nuclear Enhanced Response Force Packages
CNO	Chief of Naval Operations
CONUS	Continental United States
CNGB	Chief of the National Guard Bureau
CMO	Chief Management Officer
CMC	Commandant of the Marine Corps
CPI	Continuous Process Improvement
CSA	Chief of Staff of the Army
CS/IA	Cyber Security / Information Assurance
CSAF	Chief of Staff of the Air Force
C2CRE	Command and Control (C2) CBRN Response Elements
CJCS	The JCS consist of the Chairman
DAE	Defense Acquisition Executive
DAFA	Defense Agencies and Field Activities
DBS	Defense Business System
DCRF	Defense CBRN Response Force
DHP	Defense Health Program
DIB	Defense Industrial Base
DIRI	Defense Institution Reform Initiative
DIU	Defense Innovation Unit
DISA	Defense Information Systems Agency
DLIFLC	Defense Language Institute Foreign Language Center
DoD	Department of Defense
DoD CIO	Department of Defense Chief Information Officer
DoDEA	Department of Defense Education Activity
DPAP	Defense Procurement Acquisition Policy
DRCED	Defense Repository of Common Enterprise Data
DRRS-S	Defense Readiness Reporting System- Strategic
DSOC	Defense Safety Oversight Council
DAU	Defense Acquisition University
ECRMA	Enterprise-wide Contractor Manpower Reporting Application
FPD	Force Protection Detachment
GC	General Counsel
GT&C	General Terms and Conditions
GPRAMA	Government Performance and Results Act Modernization Act
GPF	General Purpose Force

Acronym / Abbreviation	Definition
HRF	Homeland Response Forces
HT-JCOE	Human Intelligence (HUMINT) Training Joint Center of Excellence
HUMINT	Human Intelligence
IATO	Interim Authority to Operate
IATT	Interim Authority to Test
IDES	Integrated Disability Evaluation System
IMR	Individual Medical Readiness
IPA	Independent Public Accountant
ISR	Intelligence, Surveillance, and Reconnaissance
IT	Information Technology
JSC	Joint Chiefs of Staff
JS	Joint Staff
FBWT	Fund Balance With Treasury
FY	Fiscal Year
LRT	Logistics Reform Team
MAIS	Major Automated Information System
MDAP	Major Defense Acquisition Program
MOU	Memorandum of Understanding
MSEP	Military Spouse Employment Partnership
MSO	Military Source Operations
NC3	Nuclear Command, Control, and Communications
NDAA	National Defense Authorization Act
NIPRNET	Non-secure Internet Protocol Router Network
NSS	National Security Systems
OA	Organizational Assessment
ODCMO	Office of the Deputy Chief Management Officer
OSD	Secretary of Defense
PB	President's Budget
PESO	Principal Enterprise Safety Official
PKI	Public Key Infrastructure
SAPR	Sexual Assault Prevention Response
SBA	Schedule of Budgetary Activity
SBR	Statement of Budgetary Resources
SECDEF	Secretary of Defense
SES	Senior Executive Service
SFA	Security Force Assistance
SIPRNET	Secure Internet Protocol Router Network
SL/ST	Senior Level / Scientific and Technical Professional
SOF	Special Operations Forces
TAP	Transition Assistance Program
TFM&RS	Total Force Manpower & Resources Services
UoT	Universe of Transactions
USC	United States Code
USD (AT&L)	Under Secretary of Defense for Acquisition, Technology, and Logistics
USD (R&E)	Under Secretary of Research and Engineering
USCYBERCOM	United States Cyber Command
USSTRATCOM	United States Strategic Command
USTRANSCOM	United States Transportation Command
USSOCOM	United States Special Operations Command
USD (C/CFO)	Under Secretary of Defense, Comptroller / Chief Financial Officer
USD (I)	Under Secretary of Defense for Intelligence
USD (P)	Under Secretary of Defense for Policy

Acronym / Abbreviation	Definition
USD (P&R)	Under Secretary of Defense for Personnel and Readiness
VA	Veteran's Affairs
VCJCS	Vice Chairman
WII	Wounded, Ill and Injured