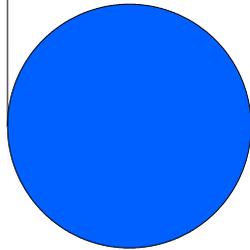


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FY2008 (\$M)

BMA
116.3



Mission Area



Defense
Business
Systems
116.3

Defense Business Area

FY07/08PB Comparison (\$M)

	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
PB FY2007:	\$ 105.5	\$ 108.3	\$ 112.8
PB FY2008:	\$ 137.1	\$ 116.3	\$ 163.6
Delta:	\$ 31.5	\$ 8.0	\$ 50.8

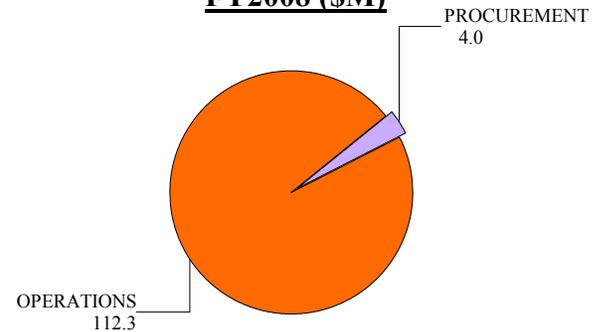
Explain:
Refer to 'Significant Changes' section of the Overview

FY07 to FY08 Comparison (\$M)

	<u>FY2007</u>	<u>FY2008</u>	<u>Delta</u>
PB FY2008:	\$ 137.1	\$ 116.3	\$-20.8

Explain:
Refer to 'Significant Changes' section of the Overview

FY2008 (\$M)



APPROPRIATION

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Executive Summary

The Defense Human Resources Activity's Information Technology Budget supports the Field Activity's mission to provide exceptional and innovative support, information management, and administrative services to the DoD components on human resource matters and to collect, archive and provide management information, research and analysis of human resources and other related functional area databases throughout the Department. DHRA's programs and associated systems result in improved service, performance, and satisfaction for users throughout the Department. DHRA's major IT efforts include the Defense Eligibility Enrollment Reporting System (DEERS) and the Defense Civilian Personnel Data System (DCPDS). These programs play an essential role in achieving the government-wide goals associated with the President's Management Agenda.

Significant Changes

The FY08PB delta from FY 07 to FY 08 is primarily the result of realignment of periods of performance for contracts related to contract support for the Defense Civilian Personnel Data System (DCPDS).

The delta between the FY07PB and FY08PB funding lines reflects the inclusion of additional, integrated components of the DEERS, RAPIDS, CAC family of systems which had previously been reported separately as part of the DHRA budget submission, and aligns to the reporting that is made to the Human Resources Management Investment Review Board as part of the investment review process.

Defense Business Systems

Both DEERS and DCPDS are business systems and have been certified by the Human Resources Management (HRM) Investment Review Board (IRB) for the expenditure of funds in FY 07, and approved by the Defense Business Systems Management Committee (DBSMC).

DEERS is the Department-wide, Joint Service, fully operational central personal data repository containing personnel data on over 25 million individuals with employment or benefit relationships with the DoD. This system interfaces with the Real-time Automated Personnel Identification System (RAPIDS) and the Common Access Card (CAC) systems. These systems collectively provide transformational technology that allows compliance with cutting edge security requirements and legislative mandates affecting the entire federal sector. Mission critical functions support Benefits Delivery, Homeland Security, and Personnel and Readiness.

In September, 2006, DEERS was approved for additional funding by the Human Resources Management (HRM) Investment Review Board (IRB) for activities related to compliance with the Homeland Security Presidential Directive 12 (HSPD-12). With the additional funding for HSPD-12 compliance activities, DEERS will:

- Meet the mandatory requirements of the Presidential Directive.
- Integrate with FBI and Defense biometric identification systems to provide real time authentication against criminal and terrorist watch lists.
- Track changes in personnel status and aid in criminal investigations.
- Verify visitor identity/authorization.
- Provide security personnel notices on persons of interest attempting to access facilities and increased personnel protection and policy compliance.

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- Restrict access of people that do not have a requirement to be in DoD infrastructure, either physically or logically.

DCPDS is identified as a mission essential information system, based on the Defense Information Technology Portfolio Repository (DITPR) and carries a Mission Assurance Category (MAC) II. DCPDS software development/implementation is critical to NSPS, as mandated by Section 9902 of the NDAA for 2004, PL 108-136, dated November 24, 2003. DCPDS is on the critical path for NSPS implementation. If these modifications are not developed, NSPS objectives cannot be realized. The modernization actions to support NSPS were reviewed by the Human Resources Management Investment Review Board recommended for certification and was approved by the DBSMC.

The National Security Personnel System (NSPS) was mandated by Section 9902 of the National Defense Authorization Act for FY 2004, Public Law 108-136 (November 24, 2003). NSPS is a flexible and contemporary civilian personnel management system that contains new business rules for how civilians are hired, assigned, compensated, promoted, and disciplined, within the framework of merit principles. NSPS requires updates and modifications to the existing Defense Civilian Personnel Data System (DCPDS) business rules, interfaces and reports to accommodate new rules, regulations, and processes based on the design of NSPS, such as pay banding, pay for performance, new Reduction-In-Force (RIF) rules, new appointing authorities, and new kinds of personnel transactions, including conversion in and out. In addition, NSPS provides more flexible and streamlined processes for recruiting and hiring, advancement, promotion, employee disciplinary appeals and RIF. The design, development, and implementation of NSPS is being conducted using a spiral development approach.

Information Assurance Activities

DEERS underwent extensive security review in FY2005. This included both a review by the National Security Agency (NSA) as part of the implementation of the Common Access Card (CAC) as well as a separate Certification and Accreditation (C&A). This was completed in May of 2005 and resulted in an Authority to Operate (ATO) granted by the DEERS Designated Approving Authority (DAA). This process incorporates testing for compliance of security controls as specified in DODD 8500.2, OMB-A130 and the National Institute for Standards and Technology (NIST) Security Handbook. DEERS maintains compliance with the annual Federal Information Security Management Act (FISMA) review process. DEERS has an up-to-date security plan (System Security Authorization Agreement in accordance with DITSCAP (DoDI 5200.40 and DoD 8510.1-M)), meeting DoD, FISMA, OMB policy and NIST guidelines. The security plan is part of the C&A, which occurs every three years, but is supplemented by an update twice a year; it includes scans for vulnerabilities and the creation of a Plan of Action and Milestones to remediate and append to the overall security plan. In addition, as audits occur, their comments and remediation of their recommendations also become part of the security plan. DMDC underwent a successful Basic Survivability Assessment (BSA) by the Defense Threat Reduction Agency. Rather than being a technical assessment, it was an Operational Security assessment (OPSEC). This type of assessment attempts to identify organizational and procedural weaknesses from the perspective of an adversary, and then make recommendations to ameliorate the weaknesses. In addition, in FY06, DEERS conducted a successful test of its Contingency Plan. Methods have been developed for training systems users including Security Awareness Training for employees and contractors prior to them receipt of an authorized network account on the network. Specialized in-house security training provides security expertise to different functional areas (UNIX and/or WINDOWS, System Administrators and more). DEERS deployed intrusion detection devices and countermeasures around the logical perimeter of DEERS data holdings. The DEERS local and wide-area networks were certified and accredited by independent auditors to operate at Mission Assurance Category (MAC) level 2, sensitive. DEERS also implemented many of the recommendations stemming from 2 NSA audits and 1 DTRA survivability audit, thereby further enhancing network security.

DCPDS completed information assurance reaccreditation and successfully completed the Corporate Management Information System disaster recovery exercise. DCPDS is

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currently finalizing plans to deploy a hardware PKE solution, NetScaler.

Major Accomplishments

Both the DEERS and DCPDS programs have made significant accomplishments supporting improved delivery of services, expanded capabilities, improved operations, incorporation of new technologies, and achievement of set goals supporting medical, security, and personnel communities throughout the Department. Efforts support the strategic plans and goals of the Department, the Office of the Under Secretary of Defense for Personnel and Readiness and the President's Management Agenda.

DEERS:

- Support for natural disasters: A web site was created for US Northern Command (NORTHCOM) that displays county-level, home of record information on military members and their families, and DoD civilians in the U.S. The Web site allows NORTHCOM to generate rosters of DoD-affiliated people who may be affected by a natural disaster or other emergency.
- Network Security: Deployed intrusion detection devices and countermeasures around the logical perimeter of DMDC data holdings. This helps protect the privacy and security of personal identity information stored in DMDC files. The DMDC local and wide-area networks were certified and accredited by independent auditors to operate at Mission Assurance Category (MAC) level 2, sensitive. DMDC also implemented many of the recommendations stemming from 2 NSA audits and 1 DTRA survivability audit, thereby further enhancing network security.
- Contingency and Casualty Support: DMDC-developed Contingency Tracking System (CTS) tracked the deployments of 1.4M members (72% active, 28% guard/ reserve) who served in 1.9M deployment events supporting Operations Enduring Freedom/Iraqi Freedom (OEF/OIF). CTS provides current information for war planners and helps ensure service members receive benefits to which they are authorized. Developed interface applications between CTS and Defense Casualty Analysis System. This integrated OEF/OIF data for enhanced analytical capability and improved decision-making. Provided panograph retrieval assistance to the Armed Forces Institute of Pathology in support of OEF/OIF. This assists AFIP in efforts to identify the remains of DoD members.
- Patient Movement: Supported the Transportation Command's Regulating and Command and Control Evacuation System (TRACES2). Aids in moving casualties/patients from the initial treatment facility to the final treatment location; and global, theater, and regional/domain coverage and support of patient movement operations from single patients through mass casualty events.
- Career exploration: Provided career exploration materials --including an interest inventory and Armed Services Vocational Aptitude Battery (ASVAB) test forms --to over 700,000 high school students in 13,000 schools, helping them learn more about career exploration and planning. This also provides the Services with recruiting leads for high scoring students and gives high school students state-of-the-art career exploration materials.
- Improved processing of new recruits: Coordinating with Military Enlistment Processing Command (MEPCOM) to improve the processing of new recruits. At a DMDC-hosted Defense Accession Systems Integration Working Group, MEPCOM updated users on software applications, and an e-security technology demonstration on how biometrics and digital photographs will be used to identify applicants through the testing process.
- Redesigned the ASVAB Career Exploration Program to include a training DVD for education specialists, recruiters and school counselors: This more efficiently supports military recruiters, providing a comprehensive career exploration and planning program to high schools and post-secondary institutions nationwide.
- Relocation help for service members and their families: The Standard Installation Topic Exchange Service (SITES) Web site helps service members and their families moving from one of about 350 military bases or geographic areas to another by providing data about each installation and its surrounding community. DMDC is averaging over 46K SITES logons per month. SITES was CAC enabled in 2006, which means faster login for relocation office personnel located on installations, no

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- lock-outs due to erroneously guessing passwords, and certain eligible DoD family members have SITES access.
- Ensuring federal tax dollars are expended lawfully: As a result of data matches with DFAS, VA, HHS and individual states, DMDC identified potential fraud or erroneous payments by current and prior DoD affiliated members and vendors. In FY06, DMDC identified \$30M in fraudulent and erroneous payments and identified 500,000+ potential fraudulent payments from 36 states. Worked with DFAS and DoD IG to minimize fraudulent attacks against DoD financial assets. In the past year, detected \$14M in erroneous payments and \$4M in suspected fraudulent payments. Since this matching effort began in 1994, the three parties have identified \$126M in erroneous payments, \$10M in actual fraud, \$5M in suspected fraud, and \$10M in cost avoidance. Based on computer matching agreements with DFAS, identified 4,748 confirmed erroneous vouchers to contractors in CY2005. Payments were valued at \$186.9M, of which \$174.4M were collected. Based on data matches with SSA and VA, the Defense Criminal Investigative Service was able to get indictments charging 2 people with \$150K in theft from DoD and SSA. Based on inputs from 24 state public assistance agencies (SPAA) and coordination with HHS, DMDC conducted computer matches under the auspices of the Public Assistance Reporting Information System (PARIS) that identified 111,402 duplicate records, indicating potential fraud. The voluntary PARIS program verifies client-reported entitlement eligibility for individual federal block grants.
 - Reducing federal debt: Based on data matches with the IRS, DMDC identified \$2.4B in debt owed to federal agencies by 786,000 people currently employed by the federal government. This information was returned to the IRS for their action.
 - Chapter 1606 Montgomery GI Bill (MGIB) Recoupment Program: Reserve Component service members who fail to participate satisfactorily in required training in the Selected Reserve during a term of enlistment or other period of obligated service that created an entitlement for MGIB Selected Reserve benefits are considered recoupable. Since FY04, records totaling over \$3.2M have been identified for recoupment, which, when collected, returns to the Reserve Component's educational fund.
 - Better information for decision makers: DMDC, in cooperation with the Guard and Reserve, re-baselined activations in DMDC's Contingency Tracking System (CTS), greatly increasing data accuracy and validity. Further, Army data submissions from the Deployed Theater Accountability System (DTAS) were incorporated into CTS. CTS is the primary source of personnel information for DoD decision makers regarding the Global War on Terrorism, providing information required to support the Deployment Health Surveillance Programs.
 - Noncombatant emergency evacuations: Portable Noncombatant Evacuation Operations Tracking System (NTS) have been procured and employed by several Combatant Commands (EUCOM, PACOM, USFK and USFJ), 25th Infantry Division (Hawaii), and III Marine Expeditionary Force (Okinawa). NTS assists warfighting and joint task force commanders conducting noncombatant emergency evacuations by giving them visibility over evacuees as they move through the evacuation pipeline.
 - Identity card issuance: Issued 3.2 million digital identity Common Access Cards (CAC); 10 million issued to date. CACs allow for secure network access and improved data security through encryption products and services. CACs are issued using the world-wide DEERS/RAPIDS infrastructure, which includes 2,100 RAPIDS workstations at over 1,400 locations. Cards are issued in 12-15 minutes, with 3 PKI certificates. Introduced the CAC 64K memory chip, replacing the 32K chip. Improved software provides added layers of security and makes gaining access to CAC data more flexible for the application developer -- a frequent customer request. Central Issuance Facility (CIF) produced its 200,000th CAC. As a means to mass-produce CACs at one location, the CIF makes it possible to cease issuing teslin ID cards at high volume recruiting sites. Implemented an annual certification program for card issuance. This improved the RAPIDS ID card system security by requiring trained and certified Verifying Officials. First contactless, radio frequency-based CAC was issued. This card is the first of a nationwide pilot program at 10 locations, testing card use for access control. Card represents a significant step in achieving compliance with Homeland Security Presidential Directive 12 (HSPD-12). Issued over 6 million identity cards to retirees and military beneficiaries. Allows for military family members and retirees to receive their DoD benefits and entitlements.

DCPDS:
FY 2006

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- Deployed Spiral 1.1 of NSPS.
- Retired legacy civilian corporate database.
- Initiated the HR/payroll feasibility study.
- Developed a Data Warehouse capability.
- Provide enterprise wide tools for advanced reporting and data warehouse capability.
- Completed the IA reaccreditation of DCPDS.

FY 2007

- Will deploy Spiral 1.2 to approximately 51, 000 personnel.
- Completed HR/payroll feasibility study.
- Initiate action to consolidate hardware operations.
- Continue to improve Self Service capabilities.

Major Planned Activities

DEERS:

- Provide rapid electronic authentication for all DoD Government employees, military members and contractors.
- Deliver enterprise capability for a cardholder data repository, common access interface to multiple types of access control hardware, common access software, and the ability to control access to multiple facilities through one authoritative data source.
- Provide central services to support rapid electronic authentication for physical access and interface with law enforcement and first responders.
- Prevent fraudulent source documents by validating the authenticity of presented documents (e.g., birth certificates) further strengthening applicant identity proofing.
- Interface with Joint Personnel Adjudication System (JPAS) to accept investigation status from Office of Personnel Management (OPM), and provide data to DEERS and RAPIDS on submission of a NAC-I and the favorable adjudication of the Federal Bureau of Investigation (FBI) National Criminal History Check (fingerprint check) prior to CAC issuance.
- Provide system and application integration support services to support required data passage and a data link to provide NAC-I status for personnel who do not possess clearance but who have been investigated.
- Provide the capability to access NAC-I data for Coast Guard, National Oceanographic and Atmospheric Administration (NOAA), and Public Health Service personnel.
- Reformat the Department's Personnel Data Repository (PDR) containing fingerprints and photograph images to the new standards.
- Provide data extraction, interface, or integration to verify completion of personnel security investigation and Foreign National status.
- Integrate contactless technology and associated readers, cameras, document scanners, fingerprint readers, remote data capture workstations, and new applets required by HSPD-12 and raise the bar on identity protection.

DCPDS:

- Activities planned for FY 2007 and FY 2008 include the Consolidation of DCPDS hardware and operations. CPMS would capitalize and consolidate the databases distributed and operated by the Components into a consolidated platform owned by CPMS, locating them at the DCPDS operation at the Lockheed Martin Denver Data

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Center. The architecture at this single location would be a consolidated center containing all of the Component regional HR databases. The systems integrator would provide a fully integrated environment for Consolidated DCPDS that would include network communications, database administration, system administration, systems engineering, information assurance and disaster recovery.

- With the completion of the Human Resources/Payroll Business Case Analysis the efficiencies for an integrated system have been clearly demonstrated. The modernization of the payroll system and integration with DCPDS would eliminate multiple databases and manual workarounds, improve response time, and result in significant savings with a benefit to cost ratio of 3.45 to 1.
- CPMS will continue upgrading DCPDS data warehouse to support enhanced user access to and timeliness of civilian HR information. Further enhancements in DCPDS Self-Service for all DoD employees are already underway, making HR information accessible to DoD employees, managers and supervisors.

Global Information Grid (GIG) / Net-Centricity

DEERS is in compliance with the DoD Net Centric Data Strategy of December 2001 and DEERS has expanded to focus on the visibility and accessibility of data and to respond to increasing performance standards. DEERS is migrating to a Java 2, Enterprise Edition, (J2EE) platform, Service Oriented N-Tier Architecture, including presentation, business, data integration and resource tiers, to service all of DMDC's operational needs. This initiative includes:

- Architectural design for re-use via model-driven architecture
- Shared infrastructure
- Standardized deployment strategy
- Uniform application monitoring for Service Level Agreement (SLA)
- Dissemination of information across projects
- Guidelines for good design and development practices
- Use of enterprise architectural design patterns
- Migration of existing web services to unified offering for discovery of service offerings
- Distributed computing as an enterprise architectural strategy
- Business process discovery

DEERS has completed an Enterprise Architecture (EA) Transition Strategy to be integrated into the DoD-wide EA Transition Plan in the Human Resources Mission Area. As part of the transition to Net Centric capability, DEERS is preparing for registration of Structural, Services and Content Metadata in DoD enterprise repositories, as they become available.

CPMS continues to coordinate all DCPDS information assurance (IA) activities through its DCPDS Computer Security Working Group (CSWG), comprised of the DCPDS IA Manager (IAM), contractor security staff, and Component security representatives, meeting quarterly to coordinate security issues. The meetings provide a forum to discuss ST&E results (including results from use of DISA Standard Technical Implementation Guides and the DISA Application Security Developer's Guide, dated October 4, 2002), intrusion monitoring and other current security issues (e.g., compliance on Global Information Grid, Contingency/Disaster Recovery, Public Key Infrastructure (PKI), and

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Mobile Code policies). CPMS provides DISA security training to Component Information Assurance Officers through the CSWG. Component representatives ensure that security requirements are included in Component regional operations (e.g., user security training, password management, intrusion prevention). CPMS participate in a number of DoD IA work groups related to PKI, Common Access Cards (CAC), and Critical Infrastructure Protection to stay abreast of new technologies and DoD security efforts. CPMS is preparing to deploy a hardware solution (NetScaler) NetScaler to PK-enable DCPDS and support the GIG objectives for integration and data exchange.

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Information Technology Budget Exhibit Resource Summary by Initiative (IT-1)

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
DEFENSE HUMAN RESOURCES ACTIVITY RESOURCE SUMMARY:	146,116	137,059	116,288	163,557

0573 - DEFENSE CIVILIAN PERSONNEL DATA SYSTEM (DCPDS)

Major

GIG Category: FUNCTIONAL AREA APPLICATIONS - CIVILIAN PERSONNEL

Operations

<u>Appropriation</u>	<u>Budget Activity</u>	<u>Budget Line Item</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
O&M,DEF-WIDE	BA 04 ADMN & SRVWD ACT	DOD HUMAN RESOURCES ACTIVITY	38,124	37,826	17,066	45,528

Procurement

<u>Appropriation</u>	<u>Budget Activity</u>	<u>Budget Line Item</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
PROC., DEF-WIDE	BA 01 MAJOR EQUIPMENT	PERSONNEL ADMINISTRATION	3,778	4,003	3,992	4,076

Initiative Resource Summary:	41,902	41,829	21,058	49,604
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4035 - DEFENSE ENROLLMENT ELIGIBILITY REPORTING SYSTEM (DEERS)

Major

GIG Category: FUNCTIONAL AREA APPLICATIONS - HEALTH

Operations

<u>Appropriation</u>	<u>Budget Activity</u>	<u>Budget Line Item</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
O&M,DEF-WIDE	BA 04 ADMN & SRVWD ACT	DOD HUMAN RESOURCES ACTIVITY	104,214	95,230	95,230	113,953

Initiative Resource Summary:	104,214	95,230	95,230	113,953
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