



BUDGET ESTIMATE

Fiscal Year 2008
Selective Service System

PERFORMANCE BUDGET

September 29, 2006

The Honorable Robert J. Portman
Director, Office of Management and Budget
Washington, D.C. 20503

Dear Director Portman:

The attached Fiscal Year 2008 Performance Budget (Budget Estimate) for the Selective Service System (SSS) reflects a request for a modest funding increase to allow this Agency's accomplishment of its statutory missions and its quest to achieve a vast improvement in the overall performance and efficiency of the SSS as prescribed by the President's Management Agenda. With the requested resources, the SSS will maintain an extremely high registration compliance rate, provide America's only proven defense manpower expansion mechanism for the U.S. Armed Forces, and maintain its ability to perform its statutory missions in support of national security.

The FY 2008 funding level requested for the SSS is \$32,476,000, a necessary increase of \$883,000 over the FY 2007 request of \$31,593,185. This increase will provide the required resources necessary for funding the annualization of the approved FY 2007 pay raise into FY 2008; an anticipated postage rate increase, facility rentals, and modest inflation increases; a major modernization effort of our information technology completing a migration from an antiquated COBAL Mainframe Support System to an improved, modernized Service Oriented Architecture (SOA) support system capable of interacting with all Federal systems, as well as minimally adequate discretionary funding to deliver consistent results to the American public.

For the last decade, the funding levels provided to the SSS have been considerably less than the established pace experienced by the ever increasing costs of operations and administration. Since the mid-1980's, significant reductions in staffing levels, program cuts, and increased dependence and use of IT have only partially offset the denigrating effects of severe funding limitations. This FY 2008 Performance Budget reflects a solid and comprehensive approach to putting the Agency back on sound fiscal footing. It allows for accelerated employment of enhanced IT in accordance with the SSS Information Technology Architecture Plan (ITAP). This ITAP, along with other organizational refinements, will enable the SSS to realize greater technology dividends from its investments.

The Honorable Robert J. Portman
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The Agency has recently undergone an organizational review and associated restructuring that has reduced its approved manning for both military and civilian staffing. This Performance Budget reflects these reduced manning levels and improved efficiencies across the Agency. I solicit your continued support in this effort.

Sincerely,

William A. Chatfield

Enclosure

Selective Service System

Performance Budget FY 2008

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Executive Summary

Under Federal statute {50 U.S.C.App. 451 et seq.}, the Selective Service System (SSS) is the independent agency of the Federal Government responsible for preserving America's ability to conduct a fair and equitable draft for the military in an emergency. The statutory mission of SSS is to be prepared to provide trained and untrained personnel to the Department of Defense (DoD) in the event of a national emergency. This includes being prepared to classify registrants during mobilization, and administer an Alternative Service Program (ASP) for those who seek and are granted conscientious objector status.

Although only one part of the mission is publicly visible in peacetime (registration), peacetime preparedness is crucial to foster timeliness, fairness, and equity in the event of an actual mobilization, if so ordered by the President and Congress. Limited preparedness entails maintaining a classification structure capable of immediate operation in the event of a national emergency, including personnel adequate to re-institute the full operation of the System.

While the Agency remains prepared to perform its traditional missions, its systems are designed to flexibly accommodate potential future registration requirements. The Agency possesses a registrant database of America's young men ages 18 through 25; it manages civilian volunteers (Board Members); it has developed programs of alternative community-based service (for men classified as conscientious objectors); and has experience in conducting a fair and equitable classification procedure to determine who should serve when not all can serve.

The SSS has one overriding strategic goal directed toward the achievement of its missions. That goal is to ensure preparedness and the capacity to timely provide manpower in a fair and equitable manner to the DoD during a national emergency. In support of its statutory mission goal the SSS has adopted the enabling goal of management excellence. This goal will facilitate the Agency's compliance with the tenets of the President's Management Agenda (PMA).

Highlights of Fiscal Year 2008 Programs

This year's budget submission totals \$32,476,000. This total request represents the Agency's revised organizational structure and improved financial management and Information Technology (IT) systems. The FY 2008 budget includes \$9.9M for the modernization of the Agency's antiquated Registration, Compliance and Verification (RCV) mainframe legacy systems. The FY 2008 budget includes \$5.3M for personnel delivery activities. During FY 2008 SSS anticipates completion of its development of a Central Registrant Processing Portal (CRPP) which permits SSS to consolidate all of its separate manpower delivery Information Systems into a single unified portal. The scalable and efficient architecture allows for the inclusion of other Agency preparedness processing functions into one all encompassing system. The cost avoidance to the SSS is anticipated to be significant in areas including software distribution, systems

management and workplace efficiencies. The FY 2008 budget also includes \$10.8M for registrant reclassification program activities. During FY 2008, the SSS activities for registrant reclassification will include streamlining and communications enhancements. Additionally, FY 2008 resources will support evaluations of the plans, policies, and procedures for reclassification activities.

Additionally, the FY 2008 budget includes \$1.5M for Alternative Service activities. During FY 2008, SSS activities for Alternative Service will include modifications to the Alternative Service Processing System (ASPS) that will include conducting outreach sessions with peace churches and organizations. Moreover, FY 2008 resources will primarily support the System's development efforts and outreach sessions. The Agency's goal in Alternate Service is to have the specifications for the system's modifications completed.

For registration awareness and compliance activities, the SSS FY 2008 budget includes \$4.9M. During FY 2008, SSS activities for registration awareness will include focus group sessions with registrants and their influencers, as well as renewed efforts to solicit public service broadcast media. Activities for registration compliance will include continuing the pursuit of driver's license legislation (DLL) in several remaining states. FY 2008 resources support these activities, as well as the continual processing of more than 2.3 million registrations annually. The SSS' goals in registration are to maintain high compliance rates achieved and to increase the percentage of electronic registrations.

STRATEGIC GOALS AND OBJECTIVES

Goal 1: Ensure preparedness and the capacity to provide timely manpower to the DoD during a national emergency.

In the event of a mobilization, the SSS will hold a national draft lottery, contact those registrants who have been selected via the lottery, and arrange their transportation to a Military Entrance Processing Station (MEPS). This procedure would be followed for a mobilization of trained health care specialists and/or untrained personnel.

Once notified of the results of their evaluation at the MEPS, any registrant who has been found qualified for military service may choose to file a claim for exemption, postponement, or deferment. If a claimant is re-classified as a conscientious objector (CO), he has a requirement to serve for 24 months in a non-military capacity contributing to the health, welfare, and safety of the U.S. The SSS will place these workers with non-military employers and track the progress of their service.

Objective 1 -- Be prepared to call, classify, and deliver personnel.

Personnel Delivery Program

The purpose of the Personnel Delivery Systems is to randomly select registrants, contact those registrants that have been selected, and arrange for their delivery to Military Entrance Processing Stations (MEPS). The lottery activity of this program addresses the need for a sequence random selection, while the personnel delivery activity addresses the need to deliver those individuals selected into the military's induction system.

Budget Overview

	FY 2008 Full Cost	FY 2006 Enacted	FY 2007 Estimate	Change from FY 2007
Total Budget Authority	\$5,297,151	\$1,895,271	\$1,860,317	3,436,834
Salaries and Benefits – Labor	\$1,717,977	\$1,344,868	\$1,274,382	443,595
Non-Labor	\$3,579,174	\$550,403	\$585,935	2,993,239
FTEs	12	12	12	0

The full-cost budget request of \$5.3M and 12 FTEs for the Personnel Delivery Program supports the development of the CRPP (Central Registrant Processing Portal) and the operation of the database system with the Military Entrance Processing Command (MEPCOM). The Personnel Delivery Program also supports the preparation of a scheduled personnel delivery readiness exercise to validate the interface between the two systems.

Rent, communication and all maintenance activities are allocated across the programs by the percentage of FTEs assigned to each program.

Registrant Reclassification Program

The Registrant Reclassification Program addresses the needs of those who are administratively, physically and mentally fit for induction, but who qualify for a deferment or exemption for other reasons. Activities for Registrant Reclassification include the identification, appointment and training of Board Members who will decide claims.

Budget Overview

	FY 2008 Full Cost	FY 2006 Enacted	FY 2007 Estimate	Change from FY 2007
Total Budget Authority	\$10,817,061	\$9,946,705	\$9,697,033	1,120,028
Salaries and Benefits – Labor	\$7,800,483	\$6,354,000	\$6,796,818	1,003,665
Non-Labor	\$3,016,578	\$3,592,705	\$2,900,215	116,363
FTEs	35	35	35	0

The full-cost budget request of \$10.8M and 35 FTEs for the Registrant Reclassification Program supports the recruitment and training of Board Members and the development and maintenance of a mobilization readiness infrastructure. In addition, this program covers a significant portion of the time of the Agency's 300 Reserve Force Officers, who perform the recruitment and training of Board Members.

Rent, communication and all maintenance activities are allocated across the programs by the percentage of FTEs assigned to each program.

Alternative Service Program

The purpose of the Agency's Alternative Service Program (ASP) is to provide civilian work assignments for those persons granted a CO classification. The Agency is responsible for placing, managing and monitoring people in the Alternative Service Program for their 24-month service obligation. The SSS has historically placed people with peace churches, not-for-profit organizations, and with Alternative Service employers who have volunteered to participate. Today, other options exist that did not exist when the program originated. To eliminate overlap with these programs, the Agency has initiated contact with the Corporation for National Service (CNS) and the Public Health Service (PHS) to place Alternative Service Workers in ASP positions in lieu of induction into military service.

Budget Overview

	FY 2008 Full Cost	FY 2006 Enacted	FY 2007 Estimate	Change from FY 2007
Total Budget Authority	\$1,482,157	\$1,497,447	\$1,332,000	150,157
Salaries and Benefits - Labor	\$833,520	\$871,258	\$802,309	31,211
Non-Labor	\$648,637	\$126,189	\$329,691	118,946
FTEs	5.5	5.5	5.5	0

The full-cost budget request of \$1.48M and 5.5 FTEs for the ASP supports outreach to peace churches and various other potential employers, as well as software updates to the IT programs underpinning the ASP.

Rent, communication and all maintenance activities are allocated across the programs by percentage of FTEs assigned to each program.

Long-Term Objectives, Means and Strategies

The SSS has identified various means and strategies to achieve the overall objectives of its preparedness program. The implementing of these means and strategies are summarized below:

Objectives

- Be prepared to deliver personnel when needed.
- Be prepared to ensure timely and consistent handling of claims.
- Be prepared to implement an Alternative Service Program.
- Ensure that the mobilization plans are up-to-date.

Means & Strategies

- Develop registrant induction and classification plans, policies, and procedures that are adaptable to approved scenarios.
- Utilize modern technology to the fullest extent wherever possible and introduce cost-savings and streamlined procedures into the Agency's revised preparedness operation.
- Redesign and integrate existing preparedness applications (automated delivery processing, claims processing and alternative service) into a centralized web-based processing portal.
- Maintain a classification infrastructure capable of responding suitably to the designated, approved DoD manpower requirements.

- Provide preparedness training to Agency State Directors, Reserve Force Officers, and Board Members.
- Maintain up-to-date preparedness planning documents.
- Conduct and evaluate full scale, comprehensive preparedness evaluations.
- Continue to develop and maintain contacts within DoD, United States Military Entrance Processing Command (USMEPCOM), Federal Emergency Management Agency, and other Federal and state organizations and associations concerned with manpower delivery systems in the event of a mobilization.
- Establish and maintain Memoranda of Understanding (MOU) with transportation suppliers and other Federal and State agencies and organizations.

Objective 1	Measure	Baseline	Outcome
1.1.1: Be prepared to deliver personnel when needed.	Personnel Delivery (PD) plans, training, and evaluations.	FY 2005/06 Completion of the requirements and design phases.	Attainment of predetermined review/evaluation objectives
1.1.2: Be prepared to ensure timely and consistent handling of claims.	Claims Processing (CP) Evaluations.	Completion of the PD design phase.	Completed in FY 2007.
1.1.3: Be prepared to implement an Alternative Service Program.	Test Alternative Service Program prototype.	Completion of the CP design phase.	Completed by End of FY 2008.
1.1.4: Ensure that Mobilization Plans (MP) are up-to-date.	MP reviews and evaluations.	FY 2005 MP reviews/evaluations.	Attainment of plan objectives.

Annual Goal:

- 1.1.1** Maintain and test the newly developed Call and Deliver Standard Operating Procedures related to the Call and Deliver processes including physical movement of individuals from the selection process through the transfer of responsibility to the Armed Forces.
- 1.1.2** Maintain and test newly developed Agency Lottery Standard Operating Procedures.

Objective 2 -- Ensure acceptable registration compliance rates.

Registration.

Selective Service must be ready to furnish manpower to the DoD when directed, and the registration of young men is a critical element of this perennial mission. Consequently, the maintenance of an up-to-date database of contact information for men ages 18 through 25 is a necessary component of mission readiness. The registration program consists of the identification, contact, in processing, and maintenance of a real-time automated database of registrants, supported by an aggressive public registration awareness effort among young men and their influencers.

Budget Overview

	FY 2008 Full Cost	FY 2006 Enacted	FY 2007 Estimate	Change from FY 2007
Total Budget Authority	\$9,937,180	\$8,935,972	\$8,498,828	+1,438,352
Salaries and Benefits – Labor	\$6,047,580	\$5,297,558	\$5,313,269	+734,311
Non-Labor	\$3,889,600	\$3,638,414	\$3,185,559	+704,041
FTEs	79.5	82.5	79.5	0

The full-cost budget request of \$9.9M and 79.5 FTEs for the Registration Program supports software updates to the IT programs underpinning the program.

Rent, communication and all maintenance activities are allocated across the programs by the percentage of FTEs assigned to each program.

Registration Compliance.

The higher the national registration compliance rate, the more fair and equitable any future draft would be for each registered individual. The Agency performs registration awareness activities, together with automated compliance endeavors to (1) register all eligible men, (2) identify non-registrants and remind them of their obligation to register; and (3) inform young men that they need to register to remain eligible for Federal and State student financial aid, job training, government employment, and U.S. citizenship for male immigrants.

To help ensure that any future draft is fair and equitable, and that registrants do not lose Federal and State benefits associated with the registration requirement, many states and U.S. territories are implementing laws that require and/or allow men to register with the SSS when they apply for a state driver's license and/or identification card. In addition, increasing the percentage of electronic registrations (through sources such as driver's license legislation, internet and telephone registrations) reduces the Agency's cost per registration, thereby increasing the efficiency of the overall registration process.

Although no requirement currently exists to register anyone other than men ages 18 through 25, the Agency's systems are designed to accommodate potential future registration requirements.

The SSS' Registration, Compliance and Verification (RCV) information systems support the agency's requirement to register men when they turn 18. These mission critical systems process registrations (paper & electronic), maintain a compliance program, create and distribute various types of associated registration/compliance mailings, produce statistical registration/compliance reports, verify registrations for outside entities, and perform maintenance on registration data.

Budget Overview

	FY 2008 Full Cost	FY 2006 Enacted	FY 2007 Estimate	Change from FY 2007
Total Budget Authority	\$4,942,411	\$2,814,605	\$3,241,822	+1,700,589
Salaries and Benefits – Labor	\$3,134,400	\$2,732,316	\$2,864,222	+270,178
Non-Labor	\$1,808,011	\$82,289	\$377,600	+1,430,411
FTEs	20	20	20	0

The full-cost budget request of \$4.9M and 20 FTEs for the Registration Compliance Program supports the development of the RCV Modernization Effort and all Registration Compliance efforts being conducted at the Data Management Center and Region Headquarters.

Rent, communication and all maintenance activities are allocated across the programs by the percentage of FTEs assigned to each program.

Long-Term Objectives and Strategies

The SSS has identified two Strategic Objectives to support its overall goal of improved effectiveness and efficiency of the Registration Process. The Strategic Objectives and their implementing strategies are summarized below:

Objectives

- Achieve and maintain registration rates of 90 percent or above for eligible males ages 18-25.
- Increase the percentage of electronic registrations to reduce costs.

Means & Strategies

- Implement special mailings to large population of low registration compliance states and areas.
- Maintain effective registrar programs in high schools and with agencies involved with the Workforce Investment Act, Farmworkers Opportunity Program, and other programs that reach potential registrants.
- Support states in their efforts to pass legislation requiring young men to register with the SSS as a condition for obtaining a motor vehicle driver’s permit/license, and/or state identification card.
- Maintain current and negotiate new initiatives with other state and Federal agencies to facilitate registration, including tape matching, electronic data exchange, and encouraging access to information.
- Increase the Agency’s registration awareness programs, to include production and distribution of information via print, radio, television, internet, military air shows, and public speaking.

Objective 2	Measure	Baseline	Outcome
1.2.1: Achieve and maintain registration rates of 90 percent or above for eligible males ages 18-25.	Percent of eligible males ages 18-25 registered with the Selective Service System.	CY 2004 93 percent.	CY 2010 96 percent.
1.2.2: Increase the percentage of electronic registrations.	Percent of electronic registrations vs. hard copies.	CY 2004 79 percent.	95 percent by CY 2010.

Annual Goals:

1.2.1 Attain a 96% or greater registration compliance rate for men ages 18- through 25-years of age

1.2.1 Attain and appoint Registrars in 88% of the Nation’s High Schools.

1.2.2 Obtain 86% of all registrations electronically.

Goal 2: Ensure management excellence.

In adherence to the principles of the President’s Management Agenda (PMA), the SSS has begun implementation of a new, aggressive technology upgrade of Agency hardware, software, and systems development processes as it replaces its outdated technology. An overall plan and strategy to ensure alignment and integration among its human capital management process and financial, operational, information technology, and logistical processes, is under development. Included in that plan will be an expansion of the Agency’s e-government, budget and performance integration, and improvements in financial performance initiatives. The Agency’s procurement of an

Integrated Financial Management System has greatly enhanced its ability to align its budgetary resource expenditures with its goal performances.

Objective 1 -- Efficient and effective resource and procurement management.

An increased focus on improving policies, procedures, and standards is necessary to better align Agency operations with the PMA. Over the next five years, the Agency projects a larger than average rate of retirement, increased hiring competition from the public and private sectors, and continued fiscal improvements. The development of a revised Agency Human Capital Management Plan is crucial as it will provide a tool to better manage the Agency’s most valuable resource (personnel). Similarly, during the same period, the development of expert systems and processes will be required to upgrade the Agency’s acquisition system.

Means & Strategies

- Develop and implement Human Capital Management Plans.
- Develop and implement an Acquisition and Logistics Management Plan.
- Develop and implement resource preparedness plans and evaluations in support of Goal 1.

Objective 2	Measure	Baseline	Outcome
2.1.1: Improve the effectiveness and efficiency of human capital management.	Development of a Human Capital Management Plan (HCMP).	FY 2004 Human Capital data.	FY 2007 Implemented HCMP.
2.1.2: Improve the effectiveness and efficiency of acquisition and logistics activities.	Develop an Acquisition and Logistics Management Plan (ALMP).	To be determined. (TBD)	FY 2007 Develop ALMP.
2.1.3: In support of Goal 1, ensure that Human Resources (HR) preparedness plans are up-to-date.	Updated plans, tests and evaluations.	FY 2004 Preparedness plan.	FY 2008 Updated plans and incremental tests to validate.

Annual Goals:

2.1.1 Implementation of the SSS Human Capital Management Plan.

2.1.2 Implementation of the Acquisition and Logistics Management Plan.

Objective 2 -- Efficient and effective financial management.

The Financial Management Directorate will project its focus on improving and achieving success in support of the President's Management Agenda (PMA). The Financial Management Directorate is committed to a continuation of its achievement of "clean audit" opinions under the auspices of the Accountability of Tax Dollars Act of 2002. In accordance with the PMA, the Agency will continue its integration and implementation of an integrated financial management system. Additionally, its e-government initiative, to automate all government travel under the eTravel concept, will ultimately provide an improvement in the Agency's financial performance arena and an overall upgrade in the area of budget, human capital, and performance integration. These are the primary activities that will be used in support of improving the management and performance of the Agency and ultimately the Federal Government as outlined in the President's Management Agenda.

Means & Strategies

- Provide accurate and timely financial data access to Agency decision makers.
- Align budget, human capital, and performance documents.
- Achieve an unqualified audit opinion on annual financial statements.
- Ensure that budgetary expenditures are aligned with the goals and program activities contained in Agency and directorate planning and reporting documents.

Objective 2	Measure	Baseline	Outcome
2.2.1: Improve the effectiveness and efficiency of financial activities.	Development of a Financial Management Plan.	FY 2004 Audit results.	Unqualified audit opinion.
2.2.2: Align budgeted funds with performance expectations.	Alignment of fiscal budget with strategic goals/programs and new organizational structure.	FY 2004 PAR	Integrated fiscal budget alignment and performance results.
2.2.3: In support of Goal 1, ensure that Financial Management preparedness plans are up-to-date.	Reviews and evaluations.	FY 2005 Plan review/evaluation	Attainment of predetermined review/evaluation objectives.

Annual Goals:

2.2.1 Implementation of Financial Management IT Plans.

2.2.2 Complete Performance and Budget Integration.

Objective 3 -- Effective and efficient information technology management.

The Operations Directorate will focus its efforts on modernizing the technical environment of the Agency guided by the President’s Management Agenda, Government Performance Results Act, Information Technology Management Results Act, Federal Information Security Management Act, and other statutory and/or regulatory documents. During the next five years, the Agency's Operations Directorate will provide leadership, innovations, flexibility, and responsive technical services while expanding information resources, access, and solutions for the Agency. It also will create a secure technically advanced information environment that will facilitate numerous enhancements that will increase the SSS' capabilities to effectively satisfy mission requirements.

Means & Strategies

- Develop an Agency IT Modernization Roadmap.
- Stabilize and develop Agency technical infrastructure to create an environment capable of support and modernization initiatives.
- Approve and update the Agency to a new application development platform and develop a migration plan for implementation.
- Operate under a business process improvement methodology utilizing technology.

Objective 2	Measure	Baseline	Outcome
2.3.1: Improve the effectiveness and efficiency of the Agency’s technical operations.	Development of IT Plans	To be determined. (TBD)	Implemented IT Plans.
2.3.2: In support of Goal 1, ensure that IT preparedness plans are up-to-date.	Reviews and evaluations.	FY 2005 Review/evaluations.	Attainment of predetermined review/evaluation objectives.

Annual Goals:

- 2.3.1** By December 2007 – Complete development and implementation of registration modernization project.
- 2.3.1** June 2008 – Completion of Phase 2 of CRPP - Completed design, development and testing of the remaining Mobilization Functionality (Registrant Management, Claim/Appeals Processing, Alternative Service Management, Location Management, RFO Management, Board Member Management, etc.).

Objective 4 -- Effective and efficient management of communications with the public.

The Public and Intergovernmental Affairs Directorate faces the ongoing paradoxical challenge of public concern: a) the more communications made, the greater the public concern about an imminent draft and, b) the less the SSS says, the greater the amount of misinformation available. Over the next several years, all efforts will focus upon redefining the SSS' "brand", continuing the steady increase in benchmark registration, and expanding public understanding of the Agency's missions. With over 6,500 young men turning 18 every day, the Agency's outreach to community leaders, other governmental and corporate entities, public and private influencers, and media will play an expanding role.

Means & Strategies

- Respond to public, governmental and private inquiries with improved turnaround times.
- Conduct media interviews, air public service announcements, and develop materials to publicize the registration requirement.
- Conduct focus groups with registrants and their influencers to validate registration awareness materials.

Objective	Measure	Baseline	Outcome
2.4.1: Improve the effectiveness and efficiency of Public communications and timely response.	Public and Intergovernmental Affairs Plans. (PIA)	Established turnaround times.	Implemented PIA Plans.
2.4.2: In support of Goal 1, ensure that Public and Intergovernmental Affairs readiness plans are up-to-date.	Reviews and evaluations.	FY 2005 Plan Review/evaluation.	Attainment of predetermined review/evaluation objectives.

Annual Goals:

- 2.4.1** Distribute quality public service advertising materials to every national media market and obtain public service air-time in at least 90% of the major markets and 95% of all media markets.
- 2.4.2** Improve response turnaround times, in accordance with provisions of the Agency's Administrative Services Manual, for all types of responses: White House, congressional, media, internal customers, and the general public.

President's Management Agenda

The SSS seeks continuous improvements to its operations through an array of programs and policy changes based upon the President's Management Agenda (PMA). Each change toward improving its systems and programs demonstrates the Agency's commitment to a more effective and efficient management style, improved operational readiness, and enhanced modernization as outlined in its Strategic Plan. This plan prioritizes SSS activities and forms the basis for long and short-term management and resource decisions.

Under the leadership of the Director, the SSS is reducing overlapping functions and inefficiencies, re-defining programs and processes, and aligning its human capital and organizational structure to ensure that it is more capable and responsive to the manpower needs of the DoD.

The Agency will continue to expand upon workforce development strategies and utilize human capital management plans that will close most mission-critical skills, knowledge, and competency gaps. Additionally, the SSS is using automated training systems to provide its employees, managers, RFOs and volunteers with the required performance support tools to assist in meeting the training needs of the Agency's workforce. Furthermore, the Agency will be developing new initiatives aimed at improving the work-life aspects of the job environment to heighten morale and enhance job performance, as well as improve recruitment and retention efforts through telework and flexhours mandates.

The SSS also is developing and implementing an aggressive technology upgrade of both its IT hardware and software and its systems development processes in an effort to replace outdated technology. This effort is focused on the creation of a forward-looking IT environment capable of handling the Agency's "steady state," as well as post-mobilization operations.

Historically, there has been little effort or emphasis placed on reviewing the relation of budget data to performance. However, the SSS has enhanced its capabilities to develop methodologies to integrate its budget and performance data. Henceforth, SSS will continue this effort toward re-modernization to reflect performance influencing the budget rather than the budget dictating performance.

The SSS' strategy also is to utilize e-commerce initiatives to improve the Agency's procurement and financial processes through the implementation of an integrated financial management system. Under an agreement with the Department of the Interior (National Business Center), SSS has implemented and integrated an eTravel program, and the Homeland Security Presidential Directive 12, an identification and verification program. The Agency continues to utilize the e-Quip system for security clearances.

Likewise, additional initiatives in the areas of Procurement, Human Resources, and Information Technology will rollout as additional funding and technical support are available to enable the Agency to follow the leads set by PMA and employed by OMB, OPM, DOE, Internal Revenue Service, and others.

**SELECTIVE SERVICE SYSTEM
ANALYSIS OF OBLIGATIONS AND OUTLAYS
Obligations
(\$ 000)**

Object Class	Description	FY 2006 Appropriated	FY 2007 Estimate	FY 2008 Estimate	\$ Inc or Dec 07→08
11.1 - 13.0	Personnel and Benefits	16,600	17,051	19,534	2,483
21.0 - 26.0	Travel/Rent & Contracts	8,115	7,334	12,627	5,293
31.0 - 33.0	Furniture & Equipment	375	245	315	70
41.0 - 44.0	Insurance & Indemnities	0	0	0	0
Total		25,090	24,630	32,476	7,846
Budget Authority		25,090	24,630	32,476	7,846
Prior Year Obligation Balance		4,817	5,588	5,258	-330
OUTLAYS					
11.1 - 13.0	Personnel and Benefits	15,936	16,369	18,753	2,384
21.0 - 26.0	Travel/Rent & Contracts	6,250	5,648	9,850	4,202
31.0 - 33.0	Furniture & Equipment	203	135	178	43
41.0 - 44.0	Insurance & Indemnities	0	0	0	0
Outlays					
Current Authority		22,389	22,152	28,781	6,629
Obligation Balance		4,216	4,750	5,160	410
Total		26,605	26,902	33,941	7,039

**SELECTIVE SERVICE SYSTEM
OBLIGATIONS BY OBJECT CLASS (PERSONNEL SERVICES AND BENEFITS)
(\$ 000)**

Object Class		FY 2006 Appropriated	FY 2007 Estimate	FY 2008 Estimate	% Inc/Dec 07-->08
11.1	General Pay Schedule	10,126	10,320	12,304	19.2%
11.3	Other Pay Schedules	635	701	1,074	53%
11.5	Overtime & Awards	330	255	275	7.8%
11.8	Military Pay	2,385	3,000	2,100	-30%
11.9	SUBTOTAL	13,476	14,276	15,753	10.4%
12.0	Personnel Benefits	3,124	2,775	3,781	36.3%
13.0	Ex-Employee Benefits	0	0	0	0
Total		16,600	17,051	19,534	14.6%
Requested FTE's		154	152	152	0

**SELECTIVE SERVICE SYSTEM
OBLIGATIONS BY OBJECT CLASS (CONTRACTUAL SERVICES AND SUPPLIES)
(\$ 000)**

<u>Object Class</u>	<u>FY 2006 Appropriated</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Estimate</u>	<u>%Inc/Dec. 07→08</u>
21.0	559	430	528	-43.2%
22.0	35	37	45	21.6%
23.1	950	850	865	1.8%
23.2	189	220	245	11.4%
23.3	2,400	2,400	2,700	12.5%
24.0	612	400	610	52.5%
25.1	269	215	221	2.8%
25.2	328	257	298	16%
25.3	371	375	395	5.3%
25.6	160	100	162	62%
25.7	1,236	1,185	5,600	372.6%
25.8	420	293	285	-2.7%
25.9	339	335	412	23%
26.0	247	237	261	10.1%
Total	8,115	7,334	12,627	72.2%

SELECTIVE SERVICE SYSTEM
OBLIGATIONS BY OBJECT CLASS (ACQUISITION OF CAPITAL ASSETS)
(\$ 000)

<u>Object Class</u>	<u>FY 2006 Appropriated</u>	<u>FY 2007 Estimate</u>	<u>FY 2008 Estimate</u>	<u>%Inc/Dec 07→08</u>
31.0	375	245	315	28.6%
32.0	0	0	0	
33.0	0	0	0	
Total	375	245	315	28.6%
Budget Total	25,090	24,630	32,476	31.9%

**SELECTIVE SERVICE SYSTEM
PROGRAM AND FINANCING SCHEDULE
(\$ 000)**

Identification code 90-0400-0-1-054	<u>FY 2006</u> <u>Appropriated</u>	<u>FY 2007</u> <u>Estimate</u>	<u>FY 2008</u> <u>Estimate</u>
Obligations by program activity:			
00.01 Direct program.....	24,750	24,255	32,476
01.01 Reimbursable program.....	<u>340</u>	<u>375</u>	<u>375</u>
10.00 Total obligations	25,090	24,630	32,851
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	25,090	24,630	32,851
23.95 New obligations	-25,090	-24,630	-32,851
New budget authority (gross), detail:			
Current:			
40.00 Appropriation (definite)	25,090	24,630	32,851
40.75 Reduction pursuant to P.L. 104-134	0	0	0
43.00 Appropriation (total).....	25,090	24,630	32,851
Changes in unpaid obligations:			
72.99 Total unpaid obligations, start of year..	4,817	5,258	5,679
73.10 New obligations	25,090	24,630	32,851
73.20 Total outlays (gross).....	-26,605	-26,902	-33,941
74.99 Total unpaid obligations, end of year...	4,817	5,258	5,679

**SELECTIVE SERVICE SYSTEM
PROGRAM AND FINANCING SCHEDULE
(\$ 000)**

	FY 2006 <u>Appropriated</u>	FY 2007 <u>Estimate</u>	FY 2008 <u>Estimate</u>
Identification code 90-0400-0-1-054			

Outlays (gross) detail:

86.90 Outlays from new current authority.	22,389	22,152	28,781
86.93 Outlays from current balance	4,216	4,750	5,160
86.97 Outlays from new permanent authority .	<u>340</u>	<u>375</u>	<u>375</u>
87.00 Total outlays (gross).	26,945	27,277	34,316

Offsets:

Against gross budget authority and outlays:

88.00 Offsetting collections (cash) from Federal sources	340	375	375
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Net budget authority and outlays:

89.00 Budget authority	25,090	24,630	32,851
90.00 Outlays	340	375	375

**SELECTIVE SERVICE SYSTEM
(Budget Account - 90-0400-0-1-054)**

**Analysis of Resources
(\$ 000)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Budget Authority	25,090	24,630	32,476	32,814	33,155	33,500
Outlays.....	26,605	26,902	33,941	34,294	34,651	35,011
Full-time equivalent employment (workyears):						
Total.....	152	152	152	152	152	152
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Budget Authority.	33,848	34,200	34,556	34,915	35,278	35,645
Outlays.	35,375	35,743	36,115	36,491	36,871	37,255
Full-time equivalent employment (workyears):						
Total	152	152	152	152	152	152

