

## **7. PERFORMANCE IMPROVEMENT**

### **7.1 INTRODUCTION**

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

- A performance-focused articulation of the Defense Department’s strategic goals and objectives; and
- A vehicle for communicating a limited number of DoD-wide performance improvement priorities for senior-level management focus over the current and budget year timeframe.

Section 7.2 discusses how the Department has integrated performance improvement into its overall Planning, Programming, Budgeting, and Execution System (PPBES) process.

Section 7.3 provides a summary of the Department’s mission, organization, and major functions, as required by the GPRA of 1993.

Section 7.4 describes how the Department’s Strategic Plan forms the basis for development of the DoD’s Annual Performance Plan (APP), as required by the GPRA of 1993.

Section 7.5 provides the Department’s FY 2011 Annual Performance Report (APR), as required by the GPRA of 1993.

Section 7.6 provides an update to the Department’s FY 2012 Annual Performance Plan that includes five new Agency Priority Goals (APGs), as required by the GPRAMA of 2010.

Section 7.7 provides the Department’s FY 2013 Annual Performance Plan, as required by the GPRA of 1993, and carries over the five new APGs from the FY 2012 Performance Plan.

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

### **7.2 DOD BUDGET AND PERFORMANCE INTEGRATION**

In FY 2007, the DoD Comptroller established the Performance Budget Task Force (PBTf), within the Office of the Secretary of Defense to integrate performance into the Department’s Planning, Programming, Budgeting, and Execution System (PPBES) process. The PBTf includes representatives from each OSD Principal Staff Assistant (PSA), the Military Departments, and the Joint Staff and meets regularly to:

- Develop relevant performance measures for assessing major DoD-wide functional areas and strategic objectives, as articulated in the Department’s Strategic Plan;
- Recommend annual and long-term performance goals that are ambitious, but achievable;
- Identify senior level accountability for specific performance goals;
- Validate and document performance data collection and computation methodologies;
- Analyze, assess, and report actual performance results; and
- Recommend improvements to the DoD’s overall performance management process.

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Ultimate responsibility for performance improvement in the Defense Department rests with the Deputy Secretary of Defense in his role as the Chief Management Officer (CMO) and as the Chief Operating Officer (COO), pursuant to the GPRAMA of 2010. The Deputy Secretary is assisted by a Deputy CMO (DCMO)/Performance Improvement Officer (PIO) and other OSD Principal Staff Assistants, who are responsible for approving performance goals and achieving performance results for their respective functional oversight areas.

### **DoD Planning**

The Quadrennial Defense Review (QDR) Report satisfies the GPRA requirement for each federal agency to submit a strategic plan. The QDR Report forms the basis for the Department's overarching strategic goals and strategic objectives that are incorporated into DoD's Annual Performance Plans. Goals and objectives are updated, as necessary, to reflect changes to strategic direction.

Following release of each QDR Report, the PBTF analyzes and aligns each strategic objective to a DoD functionally-oriented taxonomy called Forces and Infrastructure Categories (F&IC) in order to associate DoD programs, functions, and resources to each strategic objective (Figure 7-1). The F&IC taxonomy recognizes two types of DoD organizations – forces and infrastructure. Force organizations are ships, squadrons, and battalions assigned to the Combatant Commanders to carry out the Department's primary warfighting missions. Infrastructure organizations are the laboratories, depots, shipyards, schools, hospitals, and other support activities needed to create and sustain DoD forces. All DoD organizations are grouped into broad functional categories that are crosswalked to an overarching F&IC.

During this phase, the PBTF also works with each OSD Principal Staff Assistant to begin developing relevant performance measures that can be used to assess achievement of each DoD strategic objective, as articulated in the Department's Strategic Plan. Performance measures must be supported by accurate and reliable data and computation methodologies before they are approved.

### **DoD Programming and Budgeting**

During the programming/budgeting phase, the PBTF works OSD Principal Staff Assistants to recommend performance goals for each objective area that are ambitious, yet achievable. DoD-wide performance goals are included the Department's integrated program budget guidance that is issued to DoD Components for their use in developing their annual budgets and associated Future Years Defense Programs.

In the programming/budgeting phase, the DoD Components develop proposed programs, allocate resources, and prepare detailed budget submissions to support the Department's performance goals. DoD investments in systems and other initiatives are aggregated to support the strategic goals and objectives at the DoD-wide or highest Departmental echelon.

**Figure 7-1. DoD Forces and Infrastructure Categories**

1 – Forces	
1F1	Expeditionary Forces
1F2	Homeland Defense
1F3	Military Space Forces
1X1	Operational Command & Control Systems
2 – Infrastructure:	
2A	Force Installations
2C	Communications & Information Infrastructure
2D	Science & Technology
2E	Acquisition Infrastructure
2L	Logistics
2M	Defense Health Program
2P	Central Personnel Administration
2R	Central Personnel Benefits
2T	Central Training
2U/V	Department Headquarters and other Infrastructure

The Office of the Secretary of Defense utilizes its program budget review process to assess DoD Component compliance against DoD-wide performance goals. DoD Components are requested to address any non-compliance issues in their Program Objective Memorandum (POM) briefs to DoD senior-level forums. DoD Components are required to complete a budgetary exhibit that identifies resource offsets for each performance goal that the Component has not funded. During the budget review, the ODCMO leads a Performance Issue Team (PIT) to determine if initially-recommended performance goals should be modified based on DoD Component POM/budget input or other related program budget decisions. Final performance goals are approved in a resource management decision signed by the Deputy Secretary of Defense.

### **DoD Congressional Justification**

Section 220 of OMB Circular A-11 characterizes a performance budget as a hierarchy of goals that align to an agency's strategic plan. The Department's performance budget hierarchy is depicted in Figure 7-2. This hierarchy indicates that every level of the DoD is accountable for measuring performance and delivering results that support the DoD-wide strategic goals and objectives. Performance accountability cascades to various management levels (DoD-wide to DoD Component to program level) with personnel accountability at all management echelons.

**Figure 7-2. Department of Defense Performance Budget Hierarchy**



The DoD Performance Plan does not represent a comprehensive and exhaustive list of all DoD performance goals. The list does not include classified performance goals or address performance improvements associated with the National Intelligence Program (NIP), since responsibility for the NIP falls under the purview of the Director for National Intelligence (DNI). The DoD Performance Plan reflects a limited number of DoD-wide performance goal priorities that are utilized to indicate progress toward accomplishing each DoD strategic objective.

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The DoD Annual Performance Report (APR) and Annual Performance Plan (APP) are ultimately part of the Congressional budget justification, at <http://comptroller.defense.gov/>, that is forwarded to the President for his approval.

Figure 7-3 reflects how each strategic goal and objective and performance goal in the Department's APR and APP is constructed to reflect an affiliation to a DoD Forces and Infrastructure (F&IC) category. This is done for all strategic goals and objectives except Strategic Goal 1, which combines a number of F&ICs to reflect the DoD Overseas Contingency Operations (OCO) budget request.

The DoD Annual Performance Plan is also utilized to support individual performance plans for the Department's Senior Executive Service (SES) members and Senior Level/Scientific and Technical (SL/ST) professionals. Each year, the Deputy Secretary of Defense/CMO issues organizational assessment guidance to OSD Principal Staff Assistants and DoD Component Heads that requires:

- Alignment of their respective strategic plans, annual performance plans, and SES and SL/ST individual performance plans to DoD's Annual Performance Plan; and
- Establishment, as necessary, of additional DoD-wide and/or DoD Component-specific performance goals for functional areas not reflected in the DoD's Annual Performance Plan.

### **DoD Execution and Assessment**

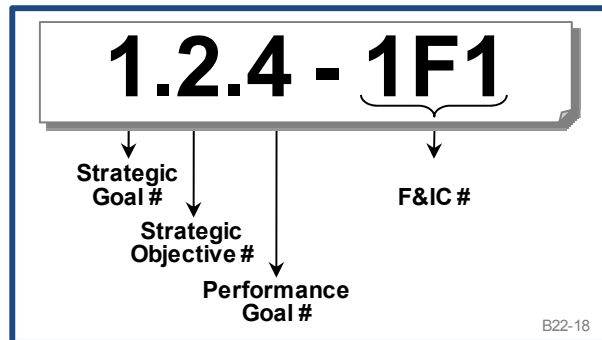
Currently, the Department utilizes a process that collects and assesses performance results from OSD Principal Staff Assistants (PSAs) on a quarterly basis and presents these interim results to the Deputy Secretary of Defense for management decision making. Taking corrective action is the final step in the Department's performance management process. When flat or negative performance trends appear, the accountable PSA/Under Secretary of Defense is asked to identify and implement corrective actions. This process allows the Department to quickly identify problems, drill down to analyze contributing factors, and act decisively to correct areas at risk and close performance gaps.

Title 5, U.S.C., section 4312 and Office of Personnel Management (OPM) implementing instructions require performance evaluations for DoD's Senior Executive Service (SES) members and Senior Level/Scientific and Technical (SL/ST) professionals be based on both individual and organizational performance. OPM further requires that each Agency describe, at the end of the performance rating period, how it assessed organizational performance and how it communicated that performance to rating and reviewing officials and members of Performance Review Boards to inform individual performance decisions. The Department utilizes its Annual Performance Report, along with other PSA and DoD Component-specific performance results as the basis for DoD-wide organizational assessment and senior level personnel evaluations.

## **7.3 DOD MISSION, ORGANIZATION STRUCTURE, AND MAJOR FUNCTIONS**

The mission of the Department of Defense (DoD) is to provide the military forces needed to deter war, to win wars if needed, and to protect the security of the United States. Since the

**Figure 7-3. DoD Performance Goal Construct**



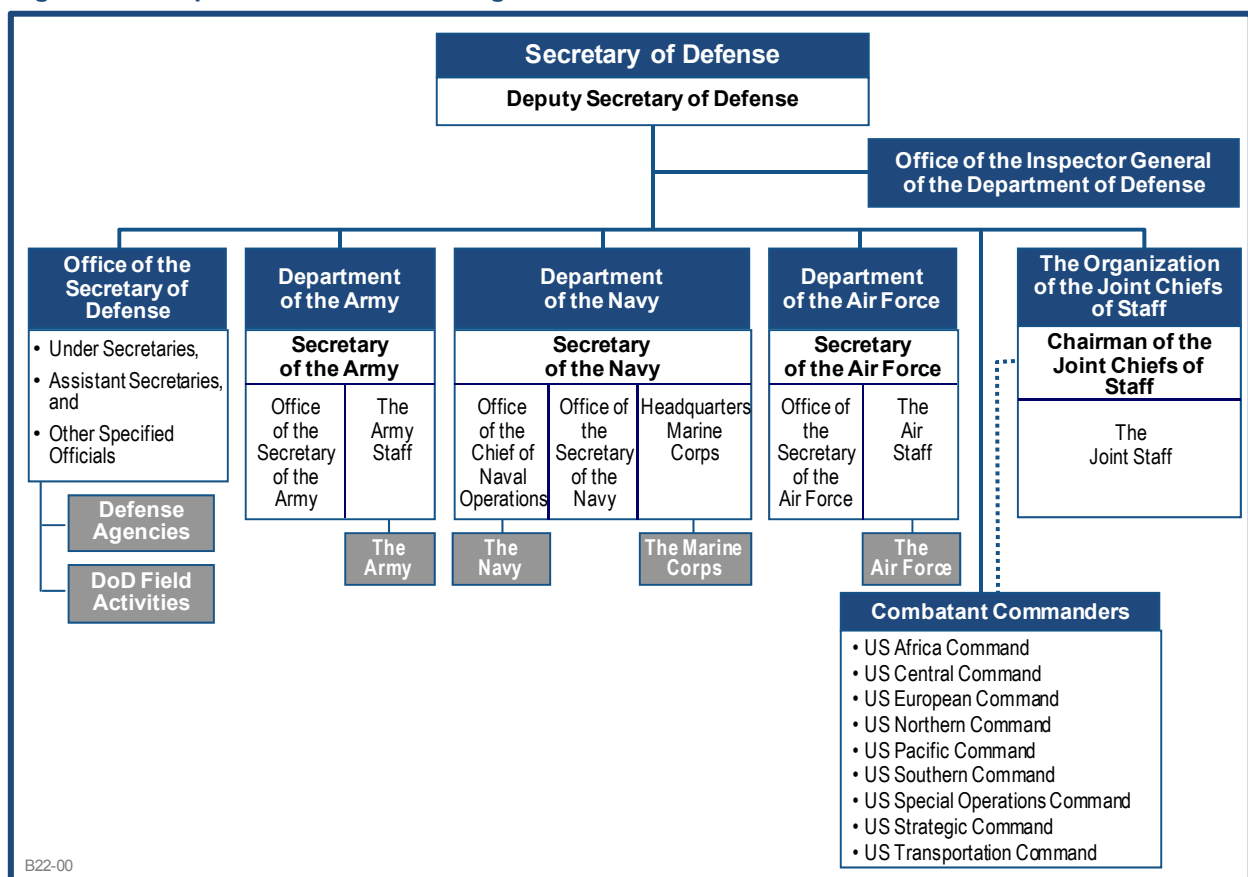
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creation of America's first army in 1775, the Department and its predecessor organizations have evolved into a global presence of 3 million individuals, stationed in more than 140 countries and dedicated to defending the United States by deterring and defeating aggression and coercion in critical regions. Figure 7-4 illustrates how the Department of Defense is organized. Details on major operating components are discussed below.

### The Office of the Secretary of Defense (OSD)

The Secretary of Defense and his Principal Staff Assistants (PSAs) are responsible for the formulation and oversight of defense strategy and policy. Figure 7-5 depicts the immediate Office of the Secretary of Defense, comprised of several Under Secretaries of Defense (USDs) and Assistant Secretaries of Defense (ASDs) for various functional areas. Select OSD Principals also oversee the activities of various defense agencies and DoD field activities.

Figure 7-4. Department of Defense Organizational Structure



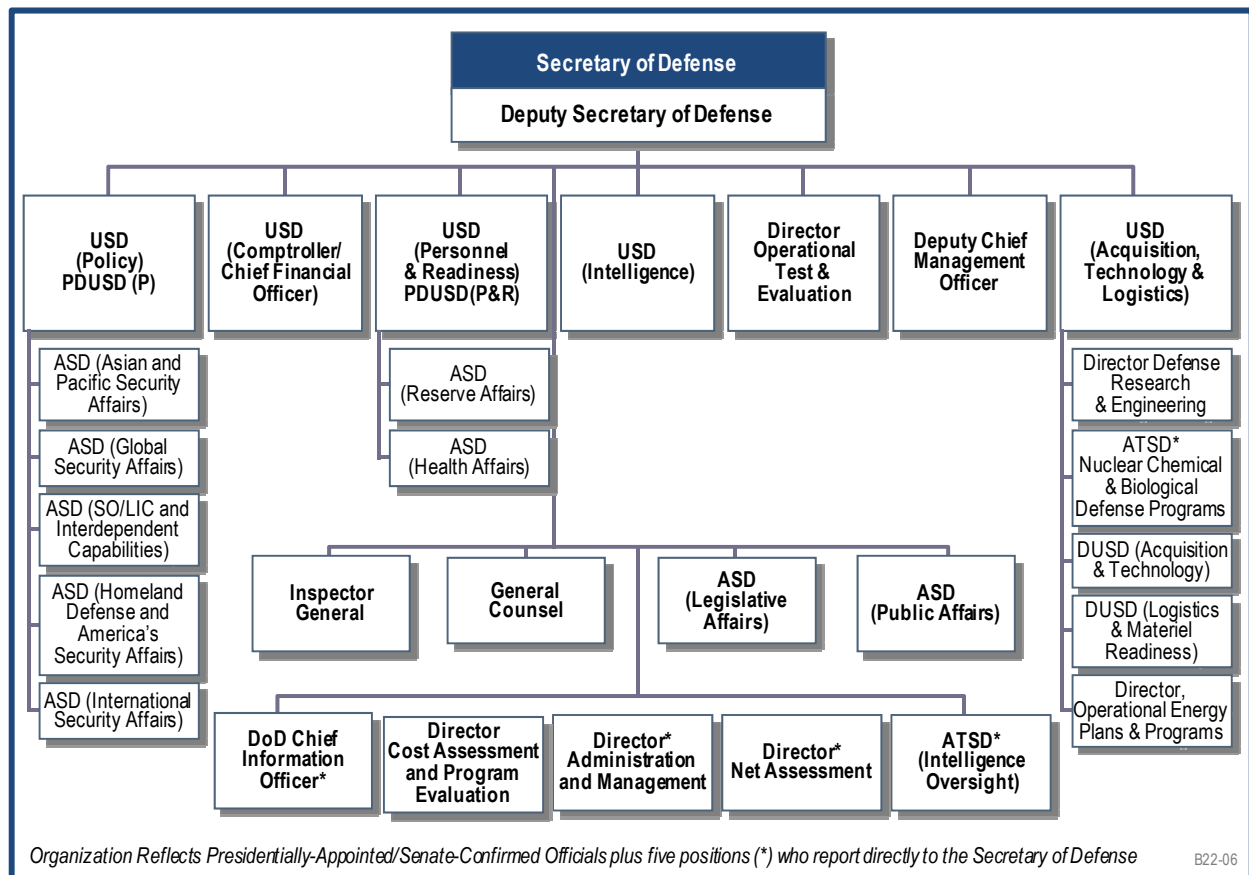
### Military Departments

The Military Departments consist of the Army, Navy (of which the Marine Corps is a component), and the Air Force. In wartime, the U.S. Coast Guard becomes a special component of the Navy; otherwise, it is part of the Department of Homeland Security. The Military Departments organize, staff, train, equip, and sustain Active duty, Reserve, and National Guard forces. When the President and Secretary of Defense determine that military action is required, these trained and ready forces are assigned to a Combatant Command responsible for conducting military operations. The National Guard has a unique dual mission with both

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Federal and state responsibilities. The Guard is commanded by the governor of each state or territory, who can call the Guard into action during local or statewide emergencies such as storms or civil disturbances. When ordered to active duty for mobilization or called into Federal service for national emergencies, units of the Guard are placed under operational control of the appropriate Combatant Commanders. The Guard and Reserve forces are recognized as indispensable and integral parts of the nation's defense.

Figure 7-5. Office of the Secretary of Defense



### Defense Agencies

Seventeen defense agencies have evolved over time as a result of DoD-wide functional consolidation initiatives. Defense agencies provide a variety of support services commonly used throughout the Department.

### Department of Defense (DoD) Field Activities

Ten DoD field activities have also evolved from functional consolidations. However, these activities perform missions typically more limited in scope than defense agencies.

### The Joint Staff (JS)

The Chairman of the Joint Chiefs of Staff (CJCS) is the principal military advisor to the President, the National Security Staff, and the Secretary of Defense. The Chairman and his staff assist the President and the Secretary in providing for the strategic direction of the Armed Forces, including operations conducted by the Commanders of the Combatant Commands.



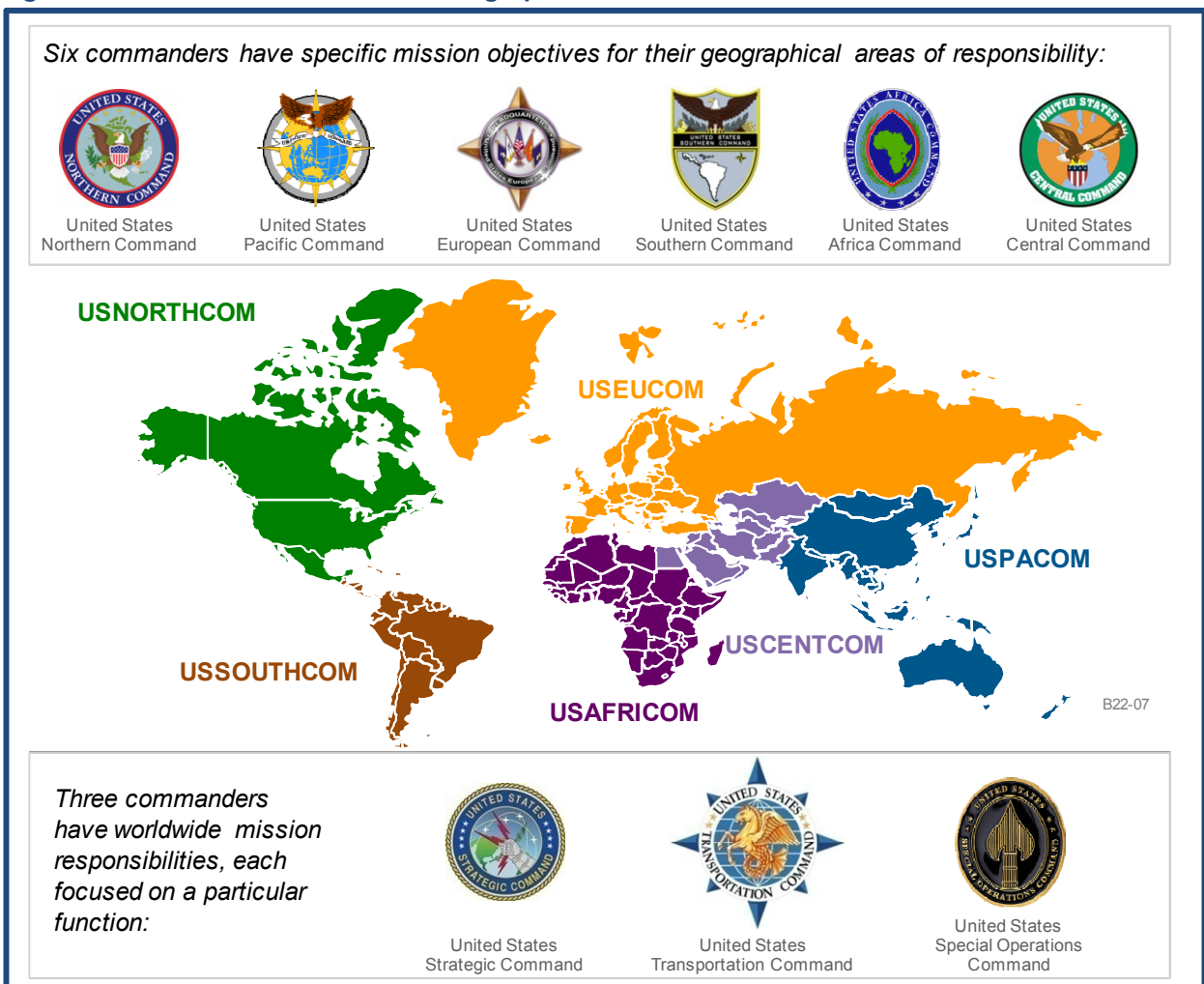
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### Combatant Commands

Nine Combatant Commands are responsible for conducting the Department's military operational missions around the world. Six commands (Figure 7-6) have specific military operational mission objectives for geographic areas of responsibility.

- U.S. European Command (USEUCOM) is responsible for activities in Europe, Greenland, and Russia.
- U.S. Central Command (USCENTCOM) is responsible for the Middle East, Egypt, and several of the former Soviet republics.
- U.S. Pacific Command (USPACOM) is responsible for China, South and Southeast Asia, Australia, and the Pacific Ocean.
- U.S. Southern Command (USSOUTHCOM) is responsible for Central and South America and the Caribbean.
- U.S. Northern Command (USNORTHCOM) is responsible for North America, including Canada and Mexico.
- U.S. Africa Command (USAFRICOM) is responsible for Africa (except Egypt).

Figure 7-6. Combatant Commands Geographic and Functional Areas



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Three Commands have worldwide mission responsibilities focused on a particular function(s):

- U.S. Strategic Command (USSTRATCOM) provides global deterrence capabilities, direction of Global Information Grid operations, and synchronizes Department efforts to combat weapons of mass destruction worldwide.
- U.S. Special Operations Command (USSOCOM) leads, plans, synchronizes, and as directed, executes global operations against terrorist networks.
- U.S. Transportation Command (USTRANSCOM) moves military equipment, supplies, and personnel around the world in support of operations.
- The Military Departments supply the necessary capabilities to these Commands. As such, the operating costs of these commands (except the USSOCOM) are subsumed within each Military Department's budget.

Figure 7-7 shows a complete listing of DoD Major Organizational Components.

**Figure 7-7. DoD Major Organizational Components**

<p><b>MILITARY DEPARTMENTS (3):</b></p> <ul style="list-style-type: none"> <li>• Department of the Army (Army) • Department of the Air Force (AF) • Department of the Navy (Navy)/Marine Corps (MC)</li> </ul>	
<p><b>DEFENSE AGENCIES (17):</b></p> <ul style="list-style-type: none"> <li>• Defense Advanced Research Projects Agency (DARPA)</li> <li>• Defense Commissary Agency (DeCA)</li> <li>• Defense Contract Audit Agency (DCAA)</li> <li>• Defense Contract Management Agency (DCMA)</li> <li>• Defense Finance and Accounting Service (DFAS)</li> <li>• Defense Information Systems Agency (DISA)</li> <li>• Defense Intelligence Agency (DIA)</li> <li>• Defense Legal Services Agency (DLSA)</li> <li>• Defense Logistics Agency (DLA)</li> <li>• Defense Security Cooperation Agency (DSCA)</li> <li>• Defense Security Service (DSS)</li> <li>• Defense Threat Reduction Agency (DTRA)</li> <li>• Missile Defense Agency (MDA)</li> <li>• National Geospatial-Intelligence Agency (NGA)</li> <li>• National Reconnaissance Office (NRO)</li> <li>• National Security Agency (NSA)</li> <li>• Pentagon Force Protection Agency (PFPA)</li> </ul>	
<p><b>DOD FIELD ACTIVITIES (10):</b></p> <ul style="list-style-type: none"> <li>• Defense Media Activity (DMA)</li> <li>• Defense Prisoner of War/Missing Personnel Office (POW/MPO)</li> <li>• Defense Technical Information Center (DTIC)</li> <li>• Defense Technology Security Administration (DTSA)</li> <li>• DoD Education Activity (DoDEA)</li> <li>• DoD Human Resources Activity (DHRA)</li> <li>• DoD Test Resource Management Center (TRMC)</li> <li>• Office of Economic Adjustment (OEA)</li> <li>• TRICARE Management Activity (TMA)</li> <li>• Washington Headquarters Services (WHS)</li> </ul>	
<p><b>OTHER ORGANIZATIONS (8):</b></p> <ul style="list-style-type: none"> <li>• Court of Military Appeals (CMA)</li> <li>• Defense Acquisition University (DAU)</li> <li>• Defense Health Program (USD(P&amp;R)/DHP)</li> <li>• DoD Inspector General (DoDIG)</li> <li>• National Defense University (NDU)</li> <li>• Office of the Secretary of Defense (OSD)</li> <li>• Office of Test and Evaluation (OTE)</li> <li>• The Joint Staff (TJS)</li> </ul>	
<p><b>THE COMBATANT COMMANDS (9):</b></p> <ul style="list-style-type: none"> <li>• U. S. European Command (USEUCOM)</li> <li>• U. S. Central Command (USCENTCOM)</li> <li>• U. S. Pacific Command (USPACOM)</li> <li>• U. S. Southern Command (USSOUTHCOM)</li> <li>• U. S. Northern Command (USNORTHCOM)</li> <li>• U. S. Strategic Command (USSTRATCOM)</li> <li>• U. S. Special Operations Command (USSOCOM)</li> <li>• U. S. Transportation Command (USTRANSCOM)</li> <li>• U.S. African Command (USAFRICOM)</li> </ul>	

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## 7.4 DOD STRATEGIC PLAN

Every four years, subsection 118 of Chapter 2, United States Code requires that the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, conduct a comprehensive examination of the United States defense strategy and establish a defense program for the next 20 years. This review examines national defense strategy, force structure, force modernization plans, infrastructure, budget plans, and other elements of the defense program and policies of the United States, consistent with the most recent National Security Strategy and National Military Strategy prescribed by the President. The review calls for a budget plan that would be required to provide sufficient resources to execute successfully the full range of missions called for in the national defense strategy at a low-to-moderate level of risk. Consequently, the Department’s Quadrennial Defense Review (QDR) Report constitutes the DoD’s strategic plan. The Secretary of Defense submits the QDR Report to the President and the Committees on Armed Services of the U.S. Senate and the U.S. House of Representatives.

In February 2010, Secretary Gates released the latest QDR Report – i.e., DoD’s Strategic Plan. The 2010 QDR Report recognizes that the United States is deeply intertwined with the broader international system and is focused on protecting our people, promoting stability in key regions, providing assistance to nations in need, and promoting the common good. The United States faces a complex and uncertain security landscape in which the pace of change continues to accelerate. The rise of new powers, the growing influence of non-state actors, and the spread of destructive technologies pose challenges to international order. The distribution of global political, economic, and military power is becoming more diffuse. The United States must increasingly rely on key allies and partners if it is to sustain stability and peace. America’s interests and role in the world requires armed forces with cutting-edge capabilities and a willingness on the part of the nation to employ them in defense of our interests and the common good. Given this threat environment, the Defense Department needs a broad portfolio of military capabilities that remain agile, flexible, ready, innovative, and technologically-advanced.

In order to help defend and advance our national interests, the 2010 QDR Report recognized four priority objectives: prevail in today’s wars; prevent and deter conflict; prepare for a wide range of contingencies; and preserve and enhance the All-Volunteer Force.

At the same time, the QDR Report acknowledged that the Defense Department had to implement an agenda that reforms how it does business. Consequently, these five imperatives reflect the Department’s 2010 QDR strategic goals and form the basis for the DoD’s Annual Performance Plans. Figure 7-8 indicates that the first three strategic goals represent the Department’s primary warfighting missions. Strategic goals 4 and 5, focused on DoD infrastructure, are considered supporting goals.

Figure 7-8. DoD Strategic Goals

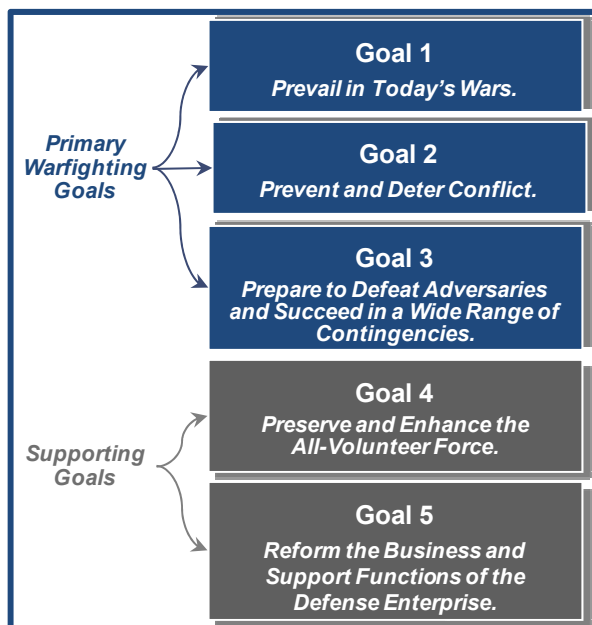


Figure 7-9 provides a summary of the Department’s 20 strategic objectives, pursuant to the 2010 QDR Report. A copy of the Defense Department’s Strategic Plan (i.e., 2010 QDR Report) can be found at <http://www.defense.gov/qdr/>.

**Figure 7-9. DoD Strategic Goals and Strategic Objectives**

### **STRATEGIC GOAL 1: PREVAIL IN TODAY’S WARS.**

- 1.1-OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.
- 1.2-OCO: Execute a responsible drawdown of the U.S. military presence in Iraq.

### **STRATEGIC GOAL 2: PREVENT AND DETER CONFLICT.**

- 2.1-1F1: Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and by enhancing stability operations and foreign security force competency.
- 2.2-1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.
- 2.3-1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.
- 2.4-1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.

### **STRATEGIC GOAL 3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.**

- 3.1-1F2B: Improve the responsiveness and flexibility of consequence management response forces.
- 3.2-1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.
- 3.3-1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.
- 3.4-1X1: Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.
- 3.5-2D: Maintain a strong technical foundation within the Department’s Science and Technology (S&T) program.

### **STRATEGIC GOAL 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.**

- 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.
- 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.
- 4.3-2R: Better prepare and support families during the stress of multiple deployments.
- 4.4-2T: Train the Total Defense Workforce with the right competencies.

### **STRATEGIC GOAL 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.**

- 5.1-2A: Increase use of renewable energy and reduce energy demand at DoD installations.
- 5.2-2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.
- 5.3-2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.
- 5.4-2L: Provide more effective and efficient logistical support to forces abroad.
- 5.5-2U/V: Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.

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## **7.5 FY 2011 DOD ANNUAL PERFORMANCE REPORT**

### **FY 2011 DOD SUMMARY PERFORMANCE RESULTS**

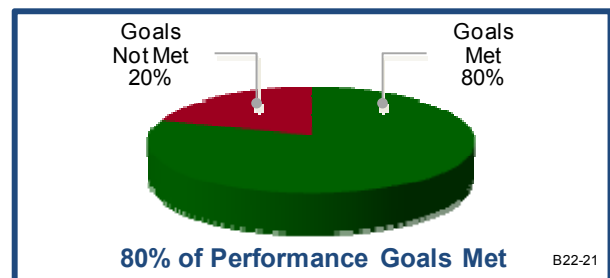
The Department’s FY 2011 Annual Performance Report (APR) includes five overarching strategic goals, 20 broad-based strategic objectives, and 74 enterprise-level or DoD-wide performance results. It also includes, as a subset of the APR, the following eight priority goals carried over from FY 2010. Two priority goals/objectives reflect federal-wide initiatives in the areas of energy and civilian hiring. The other six goals are DoD-specific and reflect ongoing management reforms in the areas of acquisition, financial management, personnel security clearances, and other support functions.

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- Provide effective business operations to Overseas Contingency Operations.
- Create the next generation of electronic record system – Virtual Lifetime Electronic Record (VLER).
- Streamline the hiring process.
- Enhance the security cooperation workforce.
- Increase energy efficiencies.
- Reform the DoD acquisition process.
- Increase the audit readiness of individual DoD components.
- Reform the DoD personnel security clearance process.

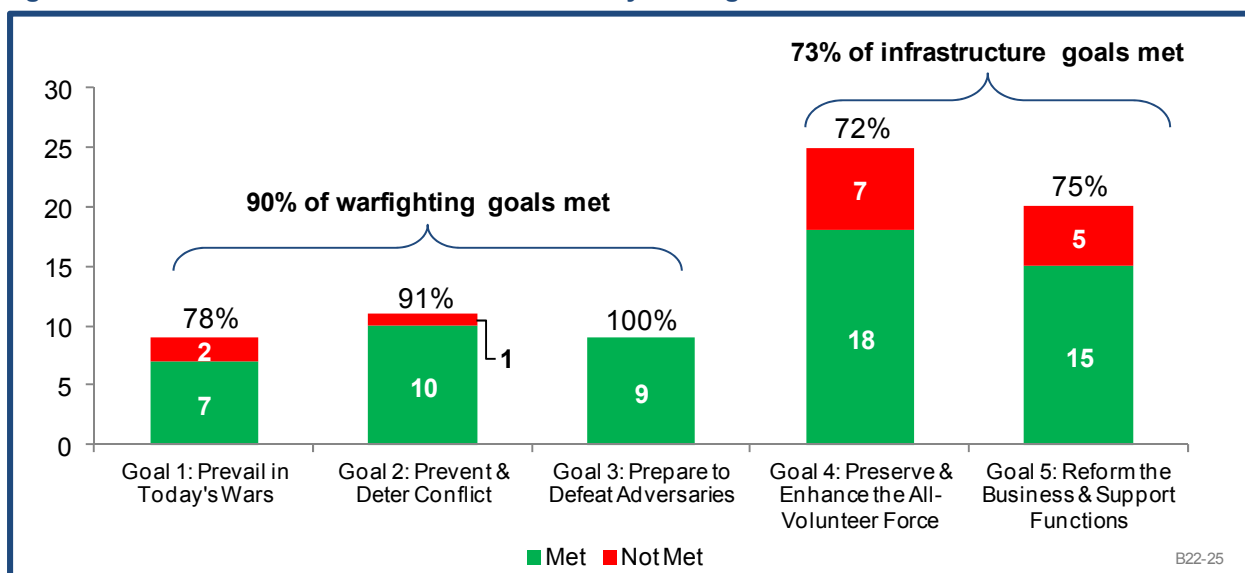
Since the publication of the FY 2011 President's Budget, four performance measures were eliminated that reduced the total number of DoD-wide performance goals assessed for FY 2011 from 80 to 76. Two goals, associated with pre-deployment training and review of personnel security investigative files, were eliminated based on data collection and computation issues. A third goal was eliminated when the Air Force established a different organizational structure for building partnership capacity. Finally, a fourth goal was eliminated for deployment of enterprise-level business services since the results were too small for statistical assessment in FY 2011.

**Figure 7-10. FY 2011 DoD Summary Performance Results**



Based on the 74 DoD performance results that are assessed, 80 percent of these (59 of 74) met or exceeded their annual performance goals; 20 percent (15 of 74) did not achieve their annual goals, as depicted in Figure 7-10. Two results, focused on energy efficiency, are not available in time for inclusion in this report.

**Figure 7-11. DoD FY 2011 Performance Results by Strategic Goal**



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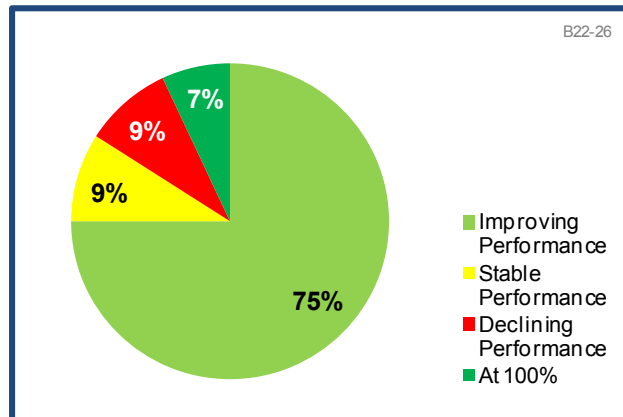
Figure 7-11 reflects FY 2011 performance results by DoD strategic goal area. The Department achieved a 90 percent (26 of 29) success rate in accomplishing its core warfighting (DoD strategic goals 1, 2, and 3) outcomes. However, less progress was made in the support establishment (DoD strategic goals 4 and 5), where the Department achieved a 73 percent (33 of 45) success rate in achieving infrastructure results.

Twenty-three percent (17 of 74) of FY 2011 performance results reflect new goals for which there are no available trend data. Based on the 57 measures that carried over from FY 2010, 7 percent of results (4 of 57) are already operating at optimum (100 percent) performance levels; 75 percent of results (43 of 57) reflect positive improvements in performance; and 9 percent of results (5 of 57) reflect stable performance trends, and 9 percent of results (5 of 57) reflect negative trends in declining performance, as depicted in Figure 7-12.

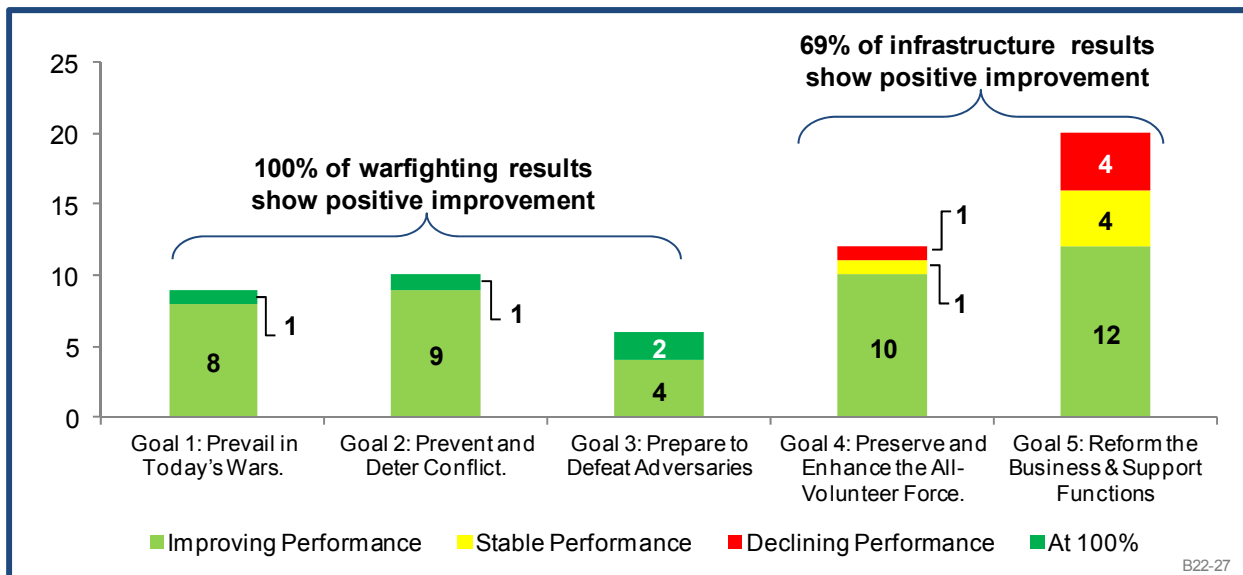
Compared to FY 2010, Figure 7-13 reflects FY 2011 performance trends by DoD strategic goal area. All 25 warfighting results (DoD strategic goals 1, 2, and 3) reflect positive improvements in performance or are already operating at optimum (100 percent) performance levels. In the infrastructure arena (DoD strategic goals 4 and 5), 69 percent of results (22 of 32) reflect positive improvements; 16 percent of results (5 of 32) reflect stable performance, and 15 percent of results (5 of 32) reflect negative trends in declining performance.

The following sections provide a discussion of FY 2011 performance results, assessed by DoD strategic goal, strategic objective, and priority goal area. Exhibit A provides a summary listing of all performance results for FY 2011 by DoD strategic goal and objective.

**Figure 7-12. DoD FY 2011 Summary Performance Trends**



**Figure 7-13. DoD FY 2011 Performance Trends by Strategic Goal**



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### STRATEGIC GOAL 1 RESULTS: PREVAIL IN TODAY'S WARS.

Strategic Goal 1 accounts for 12 percent of the Department's FY 2011 performance plan goals (9 of 76). The Department met or exceeded 78 percent (7 of 9) of performance results for Strategic Goal 1. Results, by specific performance goal and each strategic objective area, are identified at Figure 7-14 and discussed in detail below.

Figure 7-14. DoD Strategic Goal 1 Results

STRATEGIC GOAL 1: PREVAIL IN TODAY'S WARS.					
Performance Measures	Annual Performance Goals/Results				
	FY 2010 Results	FY 2011 Goals	FY 2011 Results		
<b>Strategic Objective 1.1-OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.</b>					
<i>*Priority Goal: Provide effective business operations and ensure logistics support to overseas operations.</i>					
1.1.1-OCO: Cumulative number of Afghan National Army (ANA) end strength	144,000	171,600	170,781		
1.1.2-OCO: Cumulative number of Afghan National Police (ANP) end strength	115,000	134,000	136,122		
1.1.3-OCO: Percent of the Combatant Commanders' (CoComs) current operations which they report ready to execute	100%	100%	100%		
*1.1.4-OCO: Percent assigned of required Contracting Officer Representatives (CORs) supporting Afghan contingency operations	87%	85%	87.8%		
*1.1.5-OCO: Percent of in-theater Army central disbursements, using cash (U.S. dollars)	2.6%	2%	0.9%		
*1.1.5-OCO: Percent of contract actions tied to entitlements and disbursements in the systems of record	44.7%	95%	94%		
<b>Strategic Objective 1.2-OCO: Execute a responsible drawdown of the U.S. military presence in Iraq.</b>					
1.2.1-OCO: Cumulative number of U.S. military troops in Iraq	48,770	50,000	39,000		
1.2.2-OCO: Cumulative number of rolling stock in Iraq supporting U.S. military troops	16,500	16,500	11,485		
1.2.3-OCO: Cumulative number of U.S. military installations in Iraq supporting U.S. military troops	88	95	17		
			Met or Exceeded	Did Not Meet	Total
<b>GOAL 1 – PREVAIL IN TODAY'S WARS.</b>	7	78%	2	22%	9 100%
*Reflects FY 2010-2011 priority goal.					

**Strategic Objective 1.1-OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.**

The Department has increased the size and improved the capability of Afghan forces, and has begun the process of transferring responsibility of security to a capable Afghan partner. There has been a successful transition of three provinces and four municipalities to the ANSF security lead in the first of several areas of transition. In FY 2011, the Department fell slightly short in achieving the ANA end strength goal, but exceeded the combined goal for increasing the ANSF by over 1,300 strength. As the ANSF develops, the Department has worked with other U.S. government agencies to lay the groundwork for their sustainable future with a reduced U.S. presence. ANSF sustainability has been improving because of the Department's ongoing, successful professional training from the ministerial level down to the individual soldier and policeman. We have worked to develop institutional professionalism and individual Afghan capacity across a broad range of functions within the force, including operations; leadership

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development and accountability; literacy; gender integration programs; transparency; development of an Afghan instructor corps; and a host of others. Our literacy training program has just reached a milestone in that the one-hundred thousandth ANSF soldier has successfully completed a literacy course. We train the Afghans in formal classroom environments and partner closely with the ANSF in the field and at headquarters levels. As ANSF capabilities grow, they will correspondingly take more of the security lead.

The ability to successfully execute current operations is a core competency of the Department. For FY 2011, 100 percent of Combatant Commanders reported that they met their readiness goals in terms of current operations. At the same time, the Department improved its contract and financial management support in theater by exceeding its personnel fill rate goals for Contracting Officer Representatives (CORs) who provide contract oversight to deployed commanders and fielded forces.

### ***\* Priority Goal Results: Provide effective business operations to Overseas Contingency Operations.***

The percentage of Contracting Officer Representatives (CORs) in Afghanistan has consistently surpassed the established fill rate goal of 85 percent. In addition, the Department's financial management community made significant progress in linking contracts to entitlement and disbursement actions, and reducing the percent of in-theater disbursement using U.S. dollars. The "Cash off the Battlefield" initiative was required to reduce costs, deprive the enemy of U.S. dollars, and improve usage of electronic commerce, while improving internal controls. Providing an electronic interface among contracts, invoices, and receiving reports defines the strategic relationship between contracting and accounting functions, and ensures vendor payments are made within the timeframes allotted by the Prompt Payment Act. This interface demonstrates the success of the DoD procure-to-pay business systems in supporting the needs of a combatant command operating in a contingency environment. Flexible, robust, and deployable business systems are critical to ensure that DoD warfighters receive maximum acquisition support, while maintaining full financial responsibility and accountability to the U.S. taxpayer. While the final result (94 percent) fell slightly below the goal (95 percent), the additional workload required to research and load missing contract action data for older contracts was disproportionate to the benefits gained.

### **Strategic Objective 1.2.OCO: Execute a responsible drawdown of the U.S. military presence in Iraq.**

By the third quarter of FY 2011, the Department had already exceeded its drawdown goals in terms of reducing its military presence in Iraq. United States Forces-Iraq (USF-I) will continue the implementation of the Operations Plan (OPLAN) 1101, which directs the drawdown of U.S. forces in accordance with the United States-Iraq Security Agreement. The Department will continue the drawdown in a manner that protects our military forces and civilians, exercises good stewardship of the resources provided to us, and does not jeopardize the readiness of our military. Our goal is to leave a stable, secure, sovereign and self-reliant Iraq as a long-term strategic partner to the United States.

The drawdown from Iraq is a complex operation of significant magnitude. Much remains to be done to enable the Iraqi forces to assume full responsibility by December 31, 2011. The strategies require compliance with OPLAN 1101 and associated drawdown fragmentary orders. USF-I has issued coordinated plans for the execution of the drawdown, created organizations to oversee, synchronize, and ensure unity of effort during the drawdown, and established goals and metrics for measuring progress.



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### STRATEGIC GOAL 2 RESULTS: PREVENT AND DETER CONFLICT.

Strategic Goal 2 accounts for 14 percent of the Department's FY 2011 performance goals (11 of 76). The Department met or exceeded 91 percent (10 of 11) of performance results for Strategic Goal 2. Results, by specific performance goal and each strategic objective area, are identified at Figure 7-15 and discussed in detail below.

Figure 7-15. DoD Strategic Goal 2 Results

STRATEGIC GOAL 2: PREVENT AND DETER CONFLICT.					
Performance Measures	Annual Performance Goals/Results				
	FY 2010 Results	FY 2011 Goals	FY 2011 Results		
<b>Strategic Objective 2. 1-12A: Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and by enhancing stability operations and foreign security force competency.</b>					
2.1.1-1F1: Percent of DoD Combatant Commanders (CoComs) that are ready to execute their Core or Theater Campaign Plan mission	100%	100%	100%		
2.1.2-1F1: Percent of DoD Combatant Commanders' (CoComs) Contingency Plans which they report ready to execute	82.1%	80%	85%		
2.1.3-1F1: Cumulative percent increase in DoD Special Forces and Navy Sea, Air, and Land (SEAL) personnel achieved	27%	28%	35%		
2.1.4-1F1: Cumulative number of Army brigades converted to a modular design and available to meet military operational demands	56	66	71		
2.1.5-1F1: Cumulative number of Army Multi-functional and Functional Support (MFF) brigades converted to a modular design and available to meet military operational demands	202	225	225		
2.1.6-1F1: Cumulative percent of unit initiatives completed to balance three Marine Corps Expeditionary Forces (MEFs)	84%	92%	95%		
2.1.7-1F1: Cumulative number of ships in the fleet	287	284	284		
<b>Strategic Objective 2. 2-1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.</b>					
2.2.1-1F2A: Number of formal DoD-led meetings with international partners to reaffirm U.S. commitments to extended deterrence	Non-applicable	6	11		
2.2.2-1F2A: Passing percentage rate for Defense Nuclear Surety Inspections (DNSIs)	73%	100%	85.7%		
<b>Strategic Objective 2. 3-1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.</b>					
2.3.1-1F3: Cumulative number of Aegis Ballistic Missile Defense (BMD)-capable ships	21	23	23		
<b>Strategic Objective 2. 4-1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.</b>					
2.4.1-1X2: Cumulative number of Predator (MQ-1) and Reaper (MQ-9) aircraft intelligence, surveillance, and Reconnaissance (ISR) orbits	45	50	59		
	Met or Exceeded	Did Not Meet	Total		
<b>GOAL 2 – PREVENT AND DETER CONFLICT.</b>	<b>10</b>	<b>91%</b>	<b>1</b>	<b>9%</b>	<b>11 100%</b>

**Strategic Objective 2.1.1F1: Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and enhancing stability operations and foreign security force competency.**

The U.S. military must be prepared to support broad national goals. This will require integrated use of diplomacy and defense, along with intelligence, law enforcement, and economic tools of statecraft to maintain and promote stability. In FY 2011, the Department continued to balance its armed forces between current conflicts and future contingencies. Throughout FY 2011, all

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Combatant Commanders met their Theater Campaign Plan readiness goals. The Department continued the Army conversion to modular brigades and met its Navy fleet goal. In addition, the Department exceeded planned force structure increases to Special Forces and SEAL capabilities and actions to balance Marine Corps Expeditionary Forces.

The Department will adopt an approach that leverages existing alliances to create conditions that advance common interests. The Department will continue to meet force structure requirements to support current operations and core or Theater Campaign and Contingency Plans, while sustaining our critical industrial capacity.

**Strategic Objective 2.2.1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.**

As part of the Nuclear Posture Review (NPR) report implementation, the United States has increased opportunities to engage allies in discussion and collaboration on strategic issues related to extended deterrence. The number of formal official meetings almost doubled from the FY 2011 planned projection and additional meetings are in development.

The Department's nuclear arsenal continues to be safe, secure, and effective. However, the result assessed (percentage passing rate of first-time Defense Nuclear Surety Inspections) is a poor indicator of this. Maintaining a 100 percent passing rate on first-time DNSIs may appear to be a good standard, but it could generate unrealistic expectations and a potential "zero tolerance" culture that is neither sustainable nor appropriate for achieving long-term excellence in the nuclear enterprise. Over the past fiscal year, the Defense Threat Reduction Agency (DTRA) and Service inspection teams assessed that nuclear weapons in DoD custody are safe, secure, and reliable. The inspection team's assessment indicates there are infrequent instances when units fail to perform their nuclear surety mission in a satisfactory manner. Based on subsequent re-inspections, DTRA also concludes that the actions taken to correct underlying problems of units rated unsatisfactory have been effective. While the DoD did not achieve its Defense Nuclear Surety Inspection (DNSI) goal, first-time passing rates have consistently improved over the last three years, indicating sustained Services' excellence and senior leadership focus on the nuclear enterprise.

**Strategic Objective 2.3.1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.**

The Department met its goal of strengthening missile defense cooperation with allies and partners by deploying more Ballistic Missile Defense (BMD)-capable ships. In addition, the Department continues to pursue productive cooperative relationships with a number of allies and partners in key regions. The cooperation is taking several forms, such as hosting missile defense assets, acquiring U.S.-made missile defense capabilities, and supporting U.S.-led initiatives in international forums. The North Atlantic Treaty Organization (NATO) announced in November 2010 that it plans to pursue a missile defense capability. Our allies and partners increasingly view missile defense as a valuable capability to counter the proliferation of ballistic missiles, and they are working with the United States bilaterally and multilaterally to enhance their ballistic missile defenses.

The Department will work within budgetary limitations to develop and field robust, pragmatic, and cost-effective missile defense capabilities. We will evaluate the scope and nature of the reductions, if any, and decide where reductions and efficiencies can be taken without diminishing the level of protection provided to the warfighters.

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**Strategic Objective 2.4.1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.**

For FY 2011, the DoD exceeded its annual goal in the number of Predator (MQ-1) and Reaper (MQ-9) ISR Combat Air Patrols (CAPs) by approximately 18 percent. Predator and Reaper CAPs directly affect the ability of our warfighters to Find-Fix-Engage the enemy in both Afghanistan and Iraq. Increasing the number of CAPs expands the capability of General Purpose and Special Operations forces to more effectively carry out their missions.

The DoD exceeded the ISR goal, due to three Secretary of Defense-directed surges. These surges were enabled by additional Air Force Reserve and National Guard activation along with the shifting of active duty forces from training to combat operations. The key challenge associated with fielding and maintaining Unmanned Aerial System Combat Air Patrols/orbits is training throughput. However, for FY 2012 the Air Force will continue to leverage Total Force solutions to begin to reconstitute the MQ-1 and MQ-9 weapon systems.

### **STRATEGIC GOAL 3 RESULTS: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.**

Strategic Goal 3 accounts for 12 percent of the Department's FY 2011 performance goals (9 of 76). The Department met or exceeded 100 percent (9 of 9) of performance results for Strategic Goal 3. Results, by specific performance goal and each strategic objective area, are identified at Figure 7-16 and discussed in detail below.

**Figure 7-16. DoD Strategic Goal 3 Results**

<b>STRATEGIC GOAL 3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.</b>			
Performance Measures	Annual Performance Goals/Results		
	FY 2010 Results	FY 2011 Goals	FY 2011 Results
<b>Strategic Objective 3.1F2: Improve the responsiveness and flexibility of consequence management response forces.</b>			
3.1.1-1F2: Cumulative number of Homeland Response Forces (HRFs) trained, equipped, evaluated, and validated at a reduced response time of 6 – 12 hours.	Non-applicable	2	2
3.1.2-1F2: Cumulative number of Chemical, Biological, radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages (CERFPs) trained, equipped, evaluated, and validated at a response time of 6-12 hours	Non-applicable	2	17
<b>Strategic Objective 3.2-1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities</b>			
3.2.1-1F2C: Cumulative percent of treaty-declared category 1 chemical weapons destroyed	79.8%	88.3%	89.1%
3.2.2-1F2C: Cumulative number of zonal diagnostic labs built and equipped for biological agent detection and response	20	37	37
<b>Strategic Objective 3.3-1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.</b>			
3.3.1-1F2C: Percent of Munitions and Dual-Use License applications adjudicated back to State and Commerce Departments within statutory timelines	99%	100%	100%
<b>Strategic Objective 3.4-1X1: Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.</b>			
3.4.1-1X1: Number of operational availability gaps in protected MILSATCOM mission area (space segment)	0	0	0

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### STRATEGIC GOAL 3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.

Performance Measures	Annual Performance Goals/Results					
	FY 2010 Results		FY 2011 Goals		FY 2011 Results	
3.4.2-1X1: Number of operational availability gaps in narrowband MILSATCOM mission area (space segment)	0		0		0	
3.4.3-1X1: Percent of DoD's nuclear command, control, and communications (NC2) cryptographic modernization plan completed	Non-applicable		8%		12%	
<b>Strategic Objective 3.5-2D: Maintain a strong technical foundation within the Department's Science and Technology (S&amp;T) program.</b>						
3.5.1-2D : Percent of completing demonstration programs transitioning each year	61.5%		30%		83%	
	Met or Exceeded		Did Not Meet		Total	
<b>GOAL 3 – PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.</b>	9	100%	0	0%	9	100%

#### Strategic Objective 3.1.1F2B: Improve the responsiveness and flexibility of consequence management response forces.

The 2010 QDR Report calls for improving the responsiveness of consequence management response forces. For the first time, the Department was called upon to deploy consequence management forces to support Japan, a vital ally, following the damage to the Fukushima Nuclear Power Plant Complex. This deployment highlighted numerous areas for continued improvement in responsiveness and integration into a Whole of Government response effort.

The Department's efforts related to CBRN response are highly dependent on the current excellent partnership with other Federal departments and agencies, particularly the Department of Homeland Security and the states that host the HRFs.

#### Strategic Objective 3.2.1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction (WMD), key materials, and related facilities.

During 2011, the Department directed that the Commander of the Strategic Command (USSTRATCOM) establish a Standing Joint Force Headquarters for the Elimination of WMD (SJFHQ-E), capable of deploying and providing operational command and control of specialized forces. Continued fielding of the STRYKER Nuclear, Biological, and Chemical Reconnaissance Vehicle (NBCRV), along with bilateral exercises with the Republic of Korea and multilateral exercises with Canada, Australia, and the United Kingdom, have improved the Department's ability to locate and characterize WMD programs. Additionally, updates to contingency planning have improved the abilities of Geographic Combatant Commands (GCCs) to plan for the full range of counter WMD (CWMD) missions.

Establishment of fully functioning and integrated labs is dependent upon our partnership with both the host nation and the construction teams. The upgrades at Ukraine's (Ministry of Health) Dnepropetrovsk, Zakarpatia, and Lviv Oblast Biosafety Level-2 Diagnostic Laboratories were somewhat delayed due to a partial Stop Work Order that changed the concept of operations to a more regionally-focused approach. This new regional approach was agreed to by both the DoD and the Government of Ukraine, and will result in a more effective surveillance network.

#### Strategic Objective 3.3.1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.

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In FY 2011, the Department met its statutory timelines for adjudicating 100 percent of its munitions and dual-use licenses back to the Departments of State and Commerce and continued to move forward on export control reform. Moreover, the DoD has also made additional investments in institutionalizing capabilities to conduct security force assistance. All of the Military Services have increased the number of train-the-trainer personnel and improved the language, regional expertise, and cultural awareness training that these personnel receive prior to deployment. The U.S. Army and Air Force have made sizable investments in force structure to support this mission area with the 162nd Infantry Training Brigade and the Mobility Support Advisory Squadrons. In addition, the Department has steadily increased its non-standard rotary wing capability in support of Afghanistan through increases in the United States Special Operations Command's (USSOCOM) capabilities.

Funding for the Department's expanded train, advise, and assist capabilities has predominantly been from Overseas Contingency Operations (OCO) accounts in support of combat operations in Iraq and Afghanistan. As the forces and funding levels draw down for these two contingency areas, there will be less resource flexibility for expanded investment in this mission area. The Department has been less successful in increasing investments in capabilities to train and advise partner nations on non-standard fixed wing aircraft due to budget constraints. Defense Institution Building (DIB) objectives will require additional training and personnel investment to meet the Department's objectives.

**Strategic Objective 3.4.1X1: Expand capacity to succeed against adversary states armed with advanced anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.**

The Department achieved all three of its performance goals in the area of cyberspace and space operations. No operational availability gaps were detected in the space segments of military satellite communications. In addition, the Department is on track to complete execution of its cryptographic modernization plan for nuclear command, control, and communications by FY 2016.

Improving the Department's ability to attribute nuclear threats to their source can help deter aggressors from considering the use of nuclear weapons. Additional resources are required to enhance the Department's air and ground sample collection mission and to augment current laboratory assessment capabilities. Research is underway to identify new means by which we can more quickly complete reliable technical nuclear forensics assessments.

**Strategic Objective 3.5.2D: Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.**

The Department's Strategic Plan calls for maintaining the Department's technological edge via its science and technology (S&T) investments. The Department was tremendously successful in FY 2011 by transitioning 83 percent of its S&T demonstration projects into warfighter applications. Of particular note, are the following projects:

*Enhanced Mortar Target Acquisition System (EMTAS)* – This project provides a rapid, more accurate capability to provide indirect fire onto targets, reducing time to engagement, collateral damage, and risk to U.S. operating forces at Forward Operating Bases (FOBs). Ten EMTAS units have been delivered, are in use in Afghanistan, and are providing excellent results.

*Long Range Facial Recognition for Forward Operating Base Deployments* – This \$940,000 investment provides facial recognition capability, out to 100 meters in day or night, that is compared to a watch list of suspect individuals along the perimeter of a FOB. A



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notification is provided to security personnel when a possible watch list match occurs. The Marine Corps is identifying five FOBs in Afghanistan for operational evaluation in FY 2012.

***M1A1 Crew Cooling System*** – This project provides cooling systems for USMC M1A1 Main Battle Tanks in Iraq and Afghanistan, where inside temperatures may exceed 140°F, significantly degrading the cognitive and physical abilities of crewmembers. Internal Microclimate Cooling Units (MCUs) provide a combination of condensed air with liquid cooling garments that the crew wears, augmented by external solar shields for thermal reduction. After operational testing, the USMC procured 164 MCUs and 505 solar shields in FY 2011, with additional procurements planned for FY 2012 and 2013. With a combined cost avoidance of \$18 million, this project will yield an overall return on investment of 15 to 1.

***Joint Recovery and Distribution System (JRADS)*** – This project was initiated to address gaps in cargo shipments and transfers of tactical wheeled vehicles and light-to-medium-weight rotary wing aircraft to and from hostile, forward areas. JRADS demonstrated a unique heavy equipment recovery trailer system to support 24-hour, fort-to-fighter, precision logistics delivery distribution system for sustaining combat power. In January 2011, the JRADS operationally demonstrated three 40-ton Recovery Trailer Systems in Afghanistan. The JRADS trailers demonstrated faster recovery of heavy equipment and vehicles, reduced the DoD’s material handling footprint, and sped up the defense supply chain. These three trailers have been refurbished and returned to Afghanistan for continued use. Urgent needs requests for 124 of these systems for the Army and the Marine Corps is under coordination.

### **STRATEGIC GOAL 4 RESULTS: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.**

Strategic Goal 4 accounts for 33 percent of the Department’s FY 2011 performance goals (25 of 76). The Department met or exceeded 72 percent (18 of 25) of performance results for Strategic Goal 4. Results, by specific performance goal and each strategic objective area, are identified at Figure 7-17 and discussed in detail below.

**Figure 7-17. DoD Strategic Goal 4 Results**

<b>STRATEGIC GOAL 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.</b>			
<b>Performance Measures</b>	<b>Annual Performance Goals/Results</b>		
	<b>FY 2010 Results</b>	<b>FY 2011 Goals</b>	<b>FY 2011 Results</b>
<b>Strategic Objective 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.</b>			
<b>*Priority Goal: Create the next generation of electronic record system – Virtual Lifetime Electronic Record (VLER)</b>			
4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase	-1%	0%	<b>1.4%</b>
4.1.2-2M: Percent of military members, in the fourth quarter, participating in a single, disability evaluation/transition medical exam to determine fitness for duty and disability rating	44%	100%	<b>100%</b>
*4.1.3-2M: Cumulative number of DoD sites with Virtual Lifetime Electronic Record (VLER) production capability	Non-applicable	3	<b>6</b>
4.1.4-2M: Percentage of Armed Forces who meet Individual Medical Readiness (IMR) requirements	74%	80%	<b>78%</b>
4.1.5-2M: Rate of Follow-up on Active Duty Service members having positive screens for Depression, based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessment (PDHRAs) documented by qualified professional	Not available	68%	<b>86%</b>



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<b>STRATEGIC GOAL 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.</b>			
Performance Measures	Annual Performance Goals/Results		
	FY 2010 Results	FY 2011 Goals	FY 2011 Results
4.1.6-2M: Rate of Follow-up on Active Duty Service members having positive screens for Post Traumatic Stress Disorder (PTSD), based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessment (PDHRAs) documented by qualified professional	Not available	68%	86%
<b>Strategic Objective 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.</b>			
<b>*Priority Goal: Streamline the hiring process.</b>			
4.2.1-2P: Percent variance in Active component end strength	0.4%	3%	-0.5%
4.2.2-2P: Percent variance in Reserve component end strength	0.6%	3%	0.2%
4.2.3-2P: Number of soldiers under stop loss	3,198	0	0
*4.2.5-2P: Number of days for external civilian hiring (end-to-end timeline)	116	101	104
4.2.6-2P: Percentage of the Department's active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home	Not available	75%	85.7%
4.2.7-2P: Percentage of the Department's active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home	Not available	95%	95.6%
4.2.8-2P: Percentage of the Department's active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home	Not available	94%	94%
4.2.9-2P: Percentage of the Department's active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home	Not available	95%	97.3%
4.2.10-2P: Percentage of Reserve Component (RC) Service members mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5	Not available	60%	71.8%
<b>Strategic Objective 4.3-2R: Better prepare and support families during the stress of multiple deployments.</b>			
4.3.1-2R: Percent of worldwide government-owned Family Housing inventory at good or fair (Q1- Q2) condition	Not available	81%	80%
4.3.2-2R: Percent of the inventory for government-owned permanent party unaccompanied housing in the United States at good or fair (Q1 – Q2) condition	Not available	89%	85%
4.3.3-2R: Percent of the inventory for government-owned permanent party unaccompanied housing in foreign locations at good or fair (Q1 – Q2) condition	Not available	75%	82%
4.3.4-2R: Cumulative number of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1-Q2) standards	61	65	66
4.3.5-2R: Rating of Military OneSource usefulness by Service members who deployed and have dependents	2.8	2.8	2.8
<b>Strategic Objective 4. 4-2T: Train the total Defense Workforce with the right competencies.</b>			
<b>*Priority Goal: Reform the DoD acquisition process.</b>			
<b>*Priority Goal: Enhance the security cooperation workforce.</b>			
<b>*Priority Goal: Reform the DoD personnel security clearance program.</b>			
*4.4.1-2T: Percent of acquisition positions filled with personnel meeting Level II certification requirements	52%	52.1%	55.1%
*4.4.2-2T: Percent of acquisition positions filled with personnel meeting Level III certification requirements	67.4%	67.5%	70.2%

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STRATEGIC GOAL 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.						
Performance Measures	Annual Performance Goals/Results					
	FY 2010 Results		FY 2011 Goals		FY 2011 Results	
*4.4.3-2T: Cumulative percent of incumbents that have been trained in security cooperation in positions that require security cooperation training	82%		95%		98.3%	
*4.4.4-2T: Percent of certified DoD adjudicators	Not available		50%		23%	
4.4.5-2T: Cumulative increase in the number of students who achieve a 2/2/1+ Defense Language Proficiency test (DLPT) score in reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale	Non-applicable		2,900		3,076	
	Met or Exceeded		Did Not Meet		Total	
<b>GOAL 4 – PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE</b>	18	72%	7	28%	25	100%
*Reflects FY 2010-2011 priority goal.						

**Strategic Objective 4.1.2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.**

The Department remains committed to providing the best possible physical and psychological care to our wounded, ill, or injured (WII) Service members. Despite the increased cost in medical care utilization, the cost associated with non-Active duty medical care is actually below our goal. As of September 30, 2011, the Department has successfully expanded the Integrated Disability Evaluation System (IDES) with a total of 139 Medical Treatment Facilities using this system. Individual medical readiness for both Active and Reserve Service members, while below target, continues to show steady improvement. Active duty health care utilization continues at a high rate due to war-related care. With the increasing number of suicides and Service members diagnosed with depression or Post Traumatic Stress Syndrome (PTSD), it is imperative to screen, diagnose, and treat our Service members before the acuity of disorders significantly impacts their health and quality of life. Medical and dental shortfalls among Guard and Reserve Service members will continue to challenge our ability to meet individual readiness goals.

**\* Priority Goal Results: Create the next generation of electronic record system – Virtual Lifetime Electronic Record (VLER).**

On April 9, 2009, President Obama directed that the Department and the Veteran’s Affairs (VA) “work together to define and build a system that will ultimately contain administrative and medical information from the day an individual enters military service throughout their military career, and after they leave the military.” The DoD demonstrated achievement in implementing the VLER production capability at six pilot Military Treatment Facilities in FY 2011. The pilots have shown that electronic health data can be successfully exchanged with the Veteran’s Affairs and private sector partner systems. Virtual Lifetime Electronic Record (VLER) health information exchanges are progressing and will continue to improve as more private sector entities join the Nationwide Health Information Network. VLER challenges include immaturity of available software and electronic health information sharing in the private sector. However, the Department remains committed to expanding the scope of the electronic health record initiative to encompass a military member’s entire lifecycle record.

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**Strategic Objective 4.2.2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.**

In FY 2011, all Military Departments began adjusting their force levels to meet reduced strength levels in FY 2012 and beyond. One result was a yearend Active component variance of -0.5 percent (or 7,300) end strength. This slight under-strength did not adversely affect military operations or readiness. Managing the deployment tempo remains among the most tangible demonstrations of commitment to our Service members and their families, and all Services have shown improvement in compliance with the Department's planning objectives for time deployed and time at home. In addition, the Army was able to eliminate the use of Stop Loss for deploying units well ahead of its goal.

**\* Priority Goal Results: Streamline the hiring process.**

Streamlining the hiring process has been identified by Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) as a government-wide priority. While the Department is meeting its timeline for all civilian hires, it did not meet its annual goal (101 days) of reducing cycle time for external civilian hires, using delegated examining authority. However, steady progress has been made. A key factor is the implementation of USA Staffing, an enterprise-wide automated staffing tool that allows for easy coordination of the entire hiring process. USA Staffing license distribution is being coordinated with "just-in-time" training to ensure effective use by Human Resource professionals. During the fourth quarter of FY 2011, the Department experienced a system outage related to USA Staffing, which supports approximately 70 percent of DoD external hiring actions. This outage was somewhat mitigated by the use of open continuous vacancy announcements that build a ready pool of qualified applicants, thereby reducing rework. Continued training of DoD managers to increase adoption and familiarity with automated staffing tools will allow the Department to achieve its long-term civilian hiring goal of 80 days by FY 2012.

**Strategic Objective 4.3.2R: Better prepare and support families during the stress of multiple deployments.**

In this era of high operating tempo, it is essential that deployed warfighters be assured that their families are in suitable, well-maintained housing. Almost all of the military family housing (FH) in the U.S. has been privatized, which has set a high standard for quality construction and effective maintenance. Accordingly, at installations where privatization is not feasible (e.g., foreign locations), it is essential that high standards also be maintained for government owned housing. With major advances made in FH quality, there has been a recognition that the quality of unaccompanied housing (UH) deserves an equal focus. The main challenges are programming the necessary military construction funds to complete build-out plans (primarily Navy) and programming sufficient sustainment funds to prevent deterioration of the inventory, which would adversely impact quality of life and readiness.

The Department of Defense Education Activity (DoDEA) has begun an aggressive construction program to bring all DoDEA schools up to a good or fair condition rating. Sixty-six schools now meet standards. New schools will enhance dependent education and improve retention goals with the reassurance that the well-being of Service members' families is important to the Department.

**Strategic Objective 4.4.2T: Train the Total Defense Workforce with the right competencies.**

Certification standards drive workforce quality. A key quality objective is ensuring that acquisition workforce members meet position certification requirements. Certification

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requirements are comprised of training, education, and experience standards which are established by level for each acquisition functional category. For both the Level II and Level III, certification percentage levels increased relative to FY 2010. The actual numbers of members certified increased, while the size of the workforce (and number of positions) increased at a greater rate.

The Department exceeded its goal to increase the proficiency of language program graduates, which in turn, sharply reduced the need for remedial training at their units of assignment. These linguists begin mission training at higher proficiency levels and assume operational duties sooner.

The Department did not achieve its adjudicator certification goal, due to a July moratorium on testing while the program undergoes review. Resumption of testing is planned for September 2011.

### **\* Priority Goal Results: Enhance the security cooperation workforce.**

The need for trained personnel in U.S. Security Cooperation Organizations (SCO) located overseas was identified as a priority in DoD's Strategic Plan. There are 107 SCOs worldwide, totaling approximately 670 personnel. Not all SCO personnel have received formal training in their Security Cooperation responsibilities, resulting in less than optimal assistance to partner countries. In FY 2011, the Department increased the percentage of incumbents that have been trained in security cooperation to over 98 percent, thereby increasing the effectiveness of the security cooperation workforce. This includes those Security Cooperation Officers (SCOs) overseas who work directly with the foreign countries on their requirements for U.S. defense articles and services, in support of building international partner capacity. In addition, course curriculum at the Defense Institute for Security Assistance Management was improved with new and additional on-line courses made available on-line. Utilization of a large number of mobile education teams to on-site locations also helped achieve the goal.

### **STRATEGIC GOAL 5 RESULTS: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.**

Strategic Goal 5 accounts for 29 percent of the Department's FY 2011 performance goals (22 of 76). However, two results, focused on energy efficiency, are not available in time for inclusion in this report. Based on the results that are available, the Department met or exceeded 73 percent (15 of 20) of performance goals for Strategic Goal 5. Results, by specific performance goal and each strategic objective area, are identified at Figure 7-18 and discussed in detail below.

**Figure 7-18. DoD Strategic Goal 5 Results**

<b>STRATEGIC GOAL 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.</b>			
<b>Performance Measures</b>	<b>Annual Performance Goals/Results</b>		
	<b>FY 2010 Results</b>	<b>FY 2011 Goals</b>	<b>FY 2011 Results</b>
<b>Strategic Objective 5. 1-2A: Increase use of renewable energy and reduce energy demand at DoD installations.</b>			
<b>*Priority Goal: Increase energy efficiencies.</b>			
5.1.1-2A: Average facilities sustainment rate	86%	90%	83% <sup>1/</sup>
*5.1.2-2A: Cumulative average percent reduction in building energy intensity	11.2%	18%	Not available
*5.1.3-2A: Percentage of renewable energy produced or procured based on DoD's annual electric energy usage	10.4%	11%	Not available

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<b>STRATEGIC GOAL 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.</b>			
Performance Measures	Annual Performance Goals/Results		
	FY 2010 Results	FY 2011 Goals	FY 2011 Results
<b>Strategic Objective 5.2-2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.</b>			
5.2.1-2C: Percent of applicable information technology and National Security Systems that are certification and accreditation-compliant	90%	90%	92%
<b>Strategic Objective 5.3- 2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.</b>			
<b>*Priority Goal: Reform the DoD acquisition process.</b>			
*5.3.1-2E: Number of Major Defense Acquisition Program (MDAP) breaches equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal to or greater than 30 percent of original APB unit cost	8	5	8
*5.3.2-2E: Percentage of contract obligations that are competitively Awarded	62.5%	65%	58.5%
*5.3.3-2E: Average percent increase from the Acquisition Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after	4.4%	5%	4.5%
*5.3.4-2E: Cumulative percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009	44%	60%	60%
5.3.5-2E: Number of Major Automated Information System (MAIS) "significant" breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months))	1	1	2
5.3.6-2E: Number of Major Automated Information System (MAIS) "critical" breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more))	2	3	1
<b>Strategic Objective 5.4-2L: Provide more effective and efficient logistical support to forces abroad.</b>			
5.4.1-2L: Perfect Order Fulfillment (POF) rate for Defense Logistics Agency (DLA) stock items	84.8%	84.9%	86.2%
5.4.2-2L: Army customer wait time	16.6	15.9	14.1
5.4.3-2L: Navy customer wait time	12.7	12.5	11.4
5.4.4-2L: Air Force customer wait time	7.6	5	5
<b>Strategic Objective 5.5-2U/V: Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.</b>			
<b>*Priority Goal: Increase the audit readiness of individual DoD Components.</b>			
<b>*Priority Goal: Reform the DoD personnel security clearance program.</b>			
*5.5.1-2U/V: Percentage of DoD Statement of Budgetary Resources for Appropriations Received validated as audit-ready	19%	80%	80%
*5.5.2-2U/V: Percentage of DoD Fund Balance with Treasury validated as audit-ready	9%	9%	9%
*5.5.3-2U/V: Percentage of DoD Statement of Budgetary Resources validated as audit-ready	14%	14%	14%
*5.5.4-2U/V: Percentage of DoD Mission Critical Assets validated for existence and completeness as audit-ready	4%	20%	4%
5.5.5-2U/V: Percent of improper military pay payments	0.61%	1.25%	0.51%
5.5.6-2U/V: Percent of improper civilian pay payments	0.24%	0.26%	0.16%
5.5.7-2U/V: Cumulative number of late formal Anti-deficiency Act investigations from the FY 2009 baseline of 25	19	10	9

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<b>STRATEGIC GOAL 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.</b>						
Performance Measures	Annual Performance Goals/Results					
	FY 2010 Results		FY 2011 Goals		FY 2011 Results	
*5.5.8-2U/V: Average number of days required to adjudicate the fastest 90 percent of initial top secret and secret personnel security clearance Cases	10		20		9	
	Met or Exceeded		Did Not Meet		Total	
<b>GOAL 5 – REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF DEFENSE ENTERPRISE.</b>	15	75%	5	25%	20	100%
*Reflects FY 2010-2011 priority goal.						
<sup>1/</sup> Reflects result for Operations and Maintenance (O&M) funds only; as most facilities sustainment funding is O&M, the residual amount in other accounts is not expected to result in the goal being achieved.						

### Strategic Objective 5.1.2A: Increase use of renewable energy and reduce energy demand at DoD installations.

The FY 2011 continuing resolution delayed the appropriation of funding, and that caused a ripple effect in the DoD sustainment execution rates. The Services and Agencies prioritized sustainment tasks and focused their funding on their most pressing requirements.

#### **\*Priority Goal Results: Increase energy efficiencies.**

While the DoD is steadily improving its energy performance, yearend results were not available in time for publication in this report.

### Strategic Objective 5.2.2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase DoD mission assurance.

For several years, the DoD has utilized certification and accreditation (C&A) as a measure for reducing security risk to its information systems. In FY 2000, the Office of Management and Budget (OMB) began requiring formal C&A for all Federal government information systems. The Department continues to improve its compliance rates in this area. By the end of FY 2011, the DoD had exceeded its information assurance goal by having 92 percent of its information technology (IT) and National Security systems certified and accredited. This FY 2011 accomplishment is above the OMB's recommended federal-wide benchmark for 90 percent of information systems to be certified and accredited.

### Strategic Objective 5.3.2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.

#### **\* Priority Goal Results: Reform the acquisition process.**

In FY 2011, the DoD met all but two of its acquisition goals. The Department met its goal for the percentage of MDAPs certified as required by the Weapon Systems Acquisition Reform Act (WSARA) of 2009 and managed to keep the average percent cost increase from the Approved Program Baseline (APB) to under five percent. In addition, the Department exceeded its goals for having professionally-certified acquisition personnel. The two goals not achieved are focused on the percentage of contract obligations that are competitively awarded and the number of MDAP breaches.



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Competition for contract awards fell short because of several factors: delays caused by Congressional passage of a Continuing Resolution for half of FY 2011; award of several major weapon system programs; deployment of a new Federal Procurement Data System report that corrected calculation errors and more accurately reported fair opportunity competition; and the discovery of calculation errors during data validation.

The eight MDAP breaches exceeded the goal due to changing requirements, testing issues, and increased materials and planned product improvement costs. Breaches included four critical breaches and four significant breaches. Four breaches were due to reductions in quantity resulting from changes in requirements. The fifth breach was due to changes in the mix of end items resulting from changes in requirements. The sixth breach was due to cancellation of the program. The seventh breach was due to testing issues and added pre-planned product improvements. The eighth breach was due to increased construction materials costs. Several initiatives were directed to strengthen DoD's acquisition workforce, improve upfront cost estimates, prevent frequent changes in system requirements, and ensure proper contract oversight and program execution. In addition, the DoD implemented an Overarching Integrated Product Team (OIPT) structure to ensure business system investments stay within cost, schedule, and performance baselines.

### **Strategic Objective 5.4.2L: Provide more effective and efficient logistical support to forces abroad.**

In FY 2011, the Department met or exceeded all four performance goals by providing timely and critical logistics support to forces abroad. The Defense Logistics Agency exceeded its perfect order fulfillment performance goal due to the higher than expected volume of orders for items that were less challenging to obtain. In FY 2011, Army priorities were focused on buildup, drawdown, and reset support to Operation ENDURING FREEDOM and Operation NEW DAWN. The Army was able to improve customer wait time (CWT) by implementing, at key sites, new procedures for processing and recording the receipt of materiel. The new procedures required units to receive materiel through the supply support activities. As a result, the supply support activities were able to more timely close orders for materiel that was previously delivered directly to units. In FY 2011, the Navy was able to improve customer wait time by stocking more of the needed parts. As a result, a higher percentage of requisitions were filled than expected and customer wait time was positively impacted. The Air Force was able to achieve greater CWT performance in FY 2011 by implementing strategic contracts and corporate contracts with some of their key suppliers. These contracts allowed the Air Force to partner with suppliers to develop measures to drive down procurement lead times which improved customer wait time.

### **Strategic Objective 5.5.2U/2V: Increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.**

In FY 2011, the Department continued to exceed its goals with regard to improper military and civilian pay and the number of days it takes to adjudicate initial top secret and secret personnel security clearances. Pay accuracy is a very important incentive and morale booster for both military and civilian employees. Moreover, timeliness of adjudications is important for Intelligence Reform and Terrorism Prevention Act (IRTPA) 2004 compliance and workforce readiness. Of particular note, is the progress made in reducing the number of late Anti-Deficiency Act (ADA) investigations by over 50 percent (from 19 in FY 2010 to 9 in FY 2011).

#### **\* Priority Goal Results: Improve the audit readiness of individual DoD components.**

The Department uses four primary performance indicators or measures to assess its progress with regard to becoming audit ready. All of the measures are focused on the accuracy and

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reliability of the Department's ledgers, accounting systems, and associated financial reports. The DoD's mission critical asset measure is designed to move the Department closer to achieving its long-standing goal of total asset visibility; more reliable and accurate logistics supply chain and inventory systems; more effective utilization of assets; better control over asset misuse, theft, or loss; and reducing unnecessary reordering. Delays in validation of the Air Force military equipment and Navy aircraft audit readiness assertions caused the Department to miss its goal of 20 percent in mission critical asset validation for FY 2011. While the Department did not achieve the mission critical asset goal for FY 2011, it improved its audit readiness posture by increasing the percentage of DoD's Statement of Budgetary Resources for Appropriations Received (from 19 percent in FY 2010 to 80 percent in FY 2011).

### **\* Priority Goal Results: Reform the DoD personnel security clearance process.**

In FY 2011, the DoD adjudicated the fastest 90 percent of initial top secret and secret personnel security clearance cases within nine days which is significantly less than the 20 day goal. However, the Department did not meet the FY 2011 goal for 50 percent of adjudicators to be certified, due to a moratorium on training. Adjudication quality is being emphasized through two means: adjudicator certification and standardization of documentation of adjudication decisions. These initiatives help ensure that adjudicators are documenting cases to the same standards and documenting reasons for their adjudications to a level that supports reciprocity of adjudications across the DoD and with other government agencies. Adjudicator certification supports reciprocity by ensuring a commonality of standards and competencies across adjudicators and will continued to be emphasized into FY 2012.

### **DoD High Risk Results:**

The Government Accountability Office (GAO) determines high risk areas across the government, based on two broad criteria:

- Vulnerability to fraud, waste, abuse, or mismanagement; and
- Changes required to address major economy, efficiency, or effectiveness challenges.

Biennial reports have been completed since 1990, with the GAO's most recent update in February 2011, located at <http://www.gao.gov/products/GAO-11-278>. The February 2011 update eliminated one of eight DoD-specific high risk areas and narrowed the scope of another one, as discussed below.

### **DoD Personnel Security Clearance Reform – Eliminated**

The Department's Personnel Security Clearance process had been on the GAO high risk list since 2005 based on timeliness issues resulting in extensive backlogs and delays in the clearance process. In 2007, the GAO added investigative and adjudicative quality as a concern. This area was removed in the GAO's February 2011 high risk update. Specifically, DoD: (1) significantly improved the timeliness of security clearances, (2) worked with members of the Performance Accountability Council to develop a strategic framework for clearance reform, (3) designed quality tools to evaluate completeness of clearance documentation, and (4) integrated security clearance reform efforts with the Office of Management and Budget, the Office of Personnel Management, and the Office of the Director of National Intelligence.

### **Defense Support Infrastructure – Scope Narrowed**

The Defense Support Infrastructure issue has been on the GAO high risk list since 1997 based on the Department's need to reduce unneeded infrastructure to achieve cost savings. The GAO acknowledged DoD's progress in reducing excess infrastructure through the Base Realignment

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and Closure process and current goals to demolish a total of 222 million square feet between FY 2011 – FY 2016. In the February 2011 update, the GAO cited DoD's real property inventory and improvements to the model used for budgeting sustainment as significant actions taken, which should arrest the rate of increase in the DoD's maintenance backlog. As a result, the GAO no longer considers funding facility sustainment to be a factor in the high risk designation. The GAO update narrows the focus of the high risk issue going forward to two areas: (1) reducing excess infrastructure and (2) establishing joint bases with common standards.

### DoD Approach to Business Transformation

The Department's Approach to Business Transformation has been on the GAO high risk list since 2005 based on the need to transform and integrate DoD business operations to be more efficient, effective, and agile – and to do so in a timely and cost effective manner. Several root causes have been addressed through the establishment of the Office of the Deputy Chief Management Officer and promulgation of a Strategic Management Plan. Based on DoD's work on a remediation plan, this area's risk has been reduced in the following areas:

1. Demonstrated strong commitment and top leadership support to address risk. (Met)
2. Capacity to resolve the risk – people and money. (Met)
3. Corrective action plan that defines root causes, identifies effective solutions, and completes corrective measures near term, including solutions GAO recommended. (Partially met)
4. Program instituted to monitor and independently validate effectiveness and sustainability of corrective measures. (Met)
5. Ability to demonstrate progress in having implemented corrective measures. (Partially met)

### DoD Business Systems Modernization

Defense Business Systems Modernization has been on the GAO high risk list since 1995. It is imperative that the DoD effectively choose, guide, and implement its information technology (IT) investment choices, given the scope of the Department's IT budget and the national debt. Although the Department uses a Capital Planning and Investment Control (CPIC) IT portfolio-driven process for managing IT investments, FY 2011 audits indicate that the DoD has not fully defined and established a family of business system modernization management controls. These controls are vital to effectively and efficiently managing an undertaking with the size, complexity, and significance of DoD business systems.

### DoD Supply Chain Management

The Department's Supply Chain Management process has been on the GAO high risk list since 1990, based on weaknesses in management of supply inventories and the DoD responsiveness to warfighter requirements. In its February 2011 high risk update, the GAO acknowledged progress had been made in meeting two and partially meeting three criteria for removing the high risk designation. The Department successfully demonstrated top leadership commitment and long-term institutional support for improving supply chain management, and now has the capacity to resolve risks in the area of supply chain management. The three criteria not yet fully met pertain to (1) a corrective action plan, (2) a program for monitoring and independently validating effectiveness and sustainability of corrective measures, and (3) the ability to demonstrate improved performance from implemented corrective measures.

### DoD Weapon Systems Acquisition

DoD Weapons Systems Acquisition has been on the GAO high risk list since 1990, based on a variety of reasons: (1) DoD establishes requirements at the far limit of technological boundaries, (2) DoD lacks critical skills in the acquisition workforce, (3) DoD relies on overly optimistic cost estimates, and (4) DoD has a continuing responsibility to procure the critical

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capabilities our warfighters need in the years ahead. As a result, DoD is not receiving expected returns on its investments in weapon systems. Programs continue to take longer, cost more, and deliver fewer quantities and capabilities than originally planned. While the GAO recognized the positive benefits of recent acquisition reform legislation – i.e., the 2009 Weapons System Acquisition Reform Act (WSARA), the GAO notes that poor outcomes persist and that DOD must get better returns on its weapons systems investments to deliver more capability to the warfighter for less than it has in the past. Several remediation strategies to this high risk area have been identified in Better Buying Power initiatives that mandate affordability targets and competitive strategies for Acquisition Category (ACAT) 1 programs going through milestone decision reviews.

### DoD Contract Management

DoD Contract Management has been on the GAO high risk list since 1992 based on the lack of well defined requirements, the use of ill-suited business arrangements, and the lack of an adequate number of trained acquisition and contract oversight personnel which contribute to unmet expectations and continue to place the DoD at risk of potentially paying more than necessary. In addition, the Department faces ongoing challenges determining which functions and activities should be outsourced and developing a total workforce strategy to address the appropriate mix of contractors, civilian, and military personnel. These same reasons were cited in the GAO's latest high risk update. Current remediation strategies include efforts to document the Department's contract workforce to achieve total force visibility, continuation of acquisition workforce certification training, and Better Buying Power initiatives to improve the overall rate of competition and to increase management focus on development of DoD service contracts.

### DoD Financial Management

DoD Financial Management has been on the GAO high risk list since 1995 based on pervasive financial and related business management and system deficiencies that continue to adversely affect DoD's ability to control costs; ensure accountability; anticipate future costs and claims on the budget; measure performance; maintain funds control; prevent and detect waste, fraud, and abuse; and address pressing management issues. Although the Department does not have processes, controls, and systems to produce auditable financial statements, DoD effectively manages its budget with minimal violations of the Anti-Deficiency Act (ADA) and low levels of improper payments over the past fiscal year.

## **CONCLUSION**

During FY 2011, the Department utilized taxpayer resources in the fight against terrorist organizations in Afghanistan and elsewhere, in the drawdown of forces in Iraq, in providing relief to the victims of natural disasters, and in support of friends and allies around the world. The men and women of the Department carried out this work in the midst of a challenging financial situation and possible shutdowns of the Federal government.

The Department used its resources to meet the needs of the warfighter and the ever-changing battlefield. Funding enabled the Department to maintain readiness to conduct missions abroad and a full spectrum of training, combat training center rotations, and recruiting and retention efforts. Modernization and recapitalization of equipment, focused on today's threats, greatly improved combat capabilities. These new capabilities included procurement and development of platforms, such as the fifth generation Joint Strike Fighter aircraft; the Littoral Combat Ship; unmanned aircraft systems, such as Global Hawk and Reaper; and new generation ground combat vehicles, such as the Stryker.

In FY 2011, the Department invested in increased intelligence, surveillance, and reconnaissance support for the warfighter and fielded more of its most capable theater missile

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defense systems to better protect our forces and those of our allies in theater. The DoD focused on reshaping America’s defense establishment by continuing to implement needed acquisition reforms, while maintaining the U.S. military’s technological and conventional edge. Additionally, the business environment within the operational theater was strengthened to improve contract management and financial management accountability over resources.

The Department can be proud of its accomplishments over the past year. The DoD provided necessary capabilities to fight two wars, confront global terrorist threats, provide humanitarian assistance, and take care of its military families. The Department achieved a 90 percent success rate in achieving core warfighting (Strategic Goals 1, 2, and 3) results. However, less progress was made in the support establishment (Strategic Goals 4 and 5), where the Department achieved a 73 percent success rate in achieving infrastructure results. While the DoD made notable progress in its business environment, there is much more that has to be done to improve the operational efficiency of support functions across the Department.

### 7.6 FY 2012 DOD ANNUAL PERFORMANCE PLAN (UPDATED)

The Department’s FY 2012 Performance Plan, included with the President’s Budget, has been updated to reflect changes in DoD organizational priorities and strategic direction. Performance goals for FY 2012 (Exhibit B) reflect Organizational Assessment Guidance, issued by the Deputy Secretary of Defense/Chief Operating Official on November 7, 2010 and subsequent modifications approved during the DoD’s most recent program budget review. Exhibit B details 72 DoD-wide performance goal priorities for current year management focus. Figure 7-19 provides a summary of performance goal changes between FY 2011 and FY 2012 by DoD Strategic Goal.

**Figure 7-19. Summary of FY 2011 – FY 2012 Performance Goal Changes**

DoD Strategic Goal	FY 2011			FY 2012		
	#	%	Additions	Deletions	#	%
Goal 1 – Prevail in Today’s Wars.	9	12%	0	-7	2	3%
Goal 2 – Prevent and Deter Conflict.	11	14%	2	-2	11	15%
Goal 3 – Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies.	9	12%	3	-3	9	13%
Goal 4 – Preserve and Enhance the All-Volunteer Force.	25	33%	4	-7	22	31%
Goal 5 – Reform the Business and Support Functions of the Defense Enterprise.	22	29%	10	-4	28	39%
<b>TOTAL</b>	<b>76</b>	<b>100%</b>	<b>19</b>	<b>-23</b>	<b>72</b>	<b>100%</b>

Compared to FY 2011, nineteen new goals were added for DoD management focus in FY 2012:

- Two goals to reflect implementation of the New START treaty with the Russian Federation;
- Two additional goals for improving DoD consequence management response;
- One goal for improving cyber readiness;
- One goal focused on Veterans Administration and DoD transition to joint data centers;
- One goal focused on certification of information assurance personnel;



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- Two goals to improve transition assistance to wounded, ill, and injured Service members;
- One goal focused on demolition of excess or obsolete DoD facilities;
- One goal to streamline the number of DoD data centers;
- Two goals to expand personnel cryptographic login capability;
- One goal to improve the timeliness of information technology deployments;
- One goal to improve DoD compliance with Small Business contract awards;
- Two goals to contain acquisition costs at milestone decision reviews; and
- Two goals to reduce excess DoD inventory.

Twenty-three performance goals were eliminated from the FY 2011 inventory for FY 2012. Deletions are based, primarily, on achieving projected performance end states.

- Two goals were consolidated into one goal for Afghan National Security Forces;
- Three goals to improve contract and financial support to Overseas Contingency Operations achieved projected end states;
- Three goals pertaining to the Iraqi drawdown achieved acceptable end states;
- Two goals for increasing DoD special forces and balancing Marine Expeditionary Forces achieved projected end states;
- One goal for timely adjudication of munitions and dual-use license applications achieved its projected end state;
- Two goals on military satellite communication gaps achieved projected end states;
- Three healthcare goals were eliminated in favor of three higher priority healthcare goals;
- One goal to eliminate soldiers under stop loss achieved its projected end state;
- One goal to improve assistance to deployed Service members achieved its projected end state;
- Two goals were consolidated into one goal for acquisition workforce certification;
- One goal to improve security cooperation training achieved its projected end state;
- Three goals focused on improper pay and late Anti-Deficiency Act investigations achieved projected end states; and
- One goal to improve the timeliness of personnel security clearances achieved its projected end state.

### ***FY 2012 Priority Goals (Updated)***

As in FY 2011, priority goals are a subset of the Department's Annual Performance Plan. Agency-determined priority goals for FY 2012 have been revised to comply with guidance contained in the GPRAMA of 2010. The GPRAMA provides for three basic categories of priority goals to be included in Agencies' FY 2013 budget submissions:



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- OMB-determined, long-term Federal Government Priority Goals that include:
  - Outcome-oriented goals covering a limited number of crosscutting policy areas;
  - Goals for management improvements needed across the Federal Government, including;
    - Financial management;
    - Human capital management;
    - Information technology management;
    - Procurement and acquisition management; and
    - Real property management.
- Agency-determined, short-term goals that reflect the Agency’s highest priorities that can be achieved within a two-year period.

The OMB’s guidance on “Delivering an Efficient, Effective, and Accountable Government”, dated August 17, 2011, stipulates that most Agency Priority Goals (APGs) should focus on core agency missions. However, this same guidance provides additional criteria for selecting APGs that reflect Agency or Administration priorities or near-term improvements that advance progress toward longer-term Agency outcomes. Based on the GPRAMA and the OMB’s implementing guidance, five Agency Priority Goals have been approved by the Secretary of Defense for the FY 2012 – FY 2013 timeframe. The first two APGs, focused on cyber defense and transition assistance to wounded, ill, and injured Service members, reflect core missions that are unique to the DoD. However, the performance targets and results associated with cybersecurity are sensitive and will not be made available to the public. The third APG on energy reflects an Administration priority. The fourth and fifth APGs reflect near-term improvement initiatives that will contribute to achieving longer-term Agency outcomes in two DoD’s high risk areas – i.e., DoD Weapon Systems Acquisition and DoD Financial Management.

- *Agency Priority Goal 1: By September 30, 2013, the DoD will attain a passing score on a comprehensive cybersecurity inspection that assesses compliance with technical, operational, and physical security standards, on an overwhelming majority of inspected military cyberspace organizations resulting in improved hardening and cyber defense.*
- *Agency Priority Goal 2: By September 30, 2013, the DoD will: 1) increase the use of Recovery Care Coordinators and ensure WII Service members have active recovery plans; 2) improve effectiveness of behavioral health programs and ensure all Service members complete quality post-deployment health screenings; and 3) accelerate the transition of WII Service members into veteran status by reducing the processing time required for disability evaluation boards.*
- *Agency Priority Goal 3: By September 30, 2013, the DoD will: (1) improve its facility energy performance by reducing average building energy intensity by 24 percent from the 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot, and producing or procuring renewable energy equal to 13 percent of its annual electric energy usage; and (2) improve its operational energy performance by establishing an operational energy baseline with all available data on fuel use; developing a plan for remediating data gaps; funding and implementing a comprehensive data plan; establishing and executing operational energy performance targets based on this comprehensive data for each Military Service and relevant agency.*

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- *Agency Priority Goal 4: By September 30, 2013, the DoD will improve its acquisition process by ensuring that: 100 percent of Acquisition Category (ACAT) 1 programs, going through Milestone A decision reviews, will present an affordability analysis; 100 percent of ACAT 1 programs, going through milestone decision reviews, will present a competitive strategy; the average cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 5 percent from the Acquisition Program Baseline; the annual number of MDAP breaches – significant or critical cost overruns, for reasons other than approved changes in quantity – will be zero; and the DoD will increase the amount of contract obligations, that are competitively awarded, to 60 percent in FY 2012 and 61 percent in FY 2013.*
- *Agency Priority Goal 5: By September 30, 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received from 80 to 100 percent.*

Agency-determined priority goals are included at Exhibit B as a subset of the Department's Annual Performance Plans for FY 2012 and FY 2013 and discussed in more detail in Section 7.7 (below) and on the OMB's public website at <http://www.performance.gov/>.

### 7.7 FY 2013 DOD ANNUAL PERFORMANCE PLAN

On January 5, 2012, the President and the Secretary of Defense released new strategic guidance for the Department of Defense. The FY 2013 Annual Performance Plan reflects the strategic priorities in that guidance for a 21st century defense that preserves American global leadership; maintains our military superiority; and keeps faith with our troops, military families and veterans.

Exhibit B details 79 DoD-wide performance goal priorities for management focus in FY 2013. Figure 7-20 provides a summary of performance goal changes between FY 2012 and FY 2013 by DoD Strategic Goal.

**Figure 7-20. Summary of FY 2012 – FY 2013 Performance Goal Changes**

DoD Strategic Goal	FY 2012			FY 2013		
	#	%	Additions	Deletions	#	%
Goal 1 – Prevail in Today's Wars.	2	3%	2	-1	3	4%
Goal 2 – Prevent and Deter Conflict.	11	15%	2	0	13	17%
Goal 3 – Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies.	9	13%	3	0	12	15%
Goal 4 – Preserve and Enhance the All-Volunteer Force.	22	31%	2	-1	23	29%
Goal 5 – Reform the Business and Support Functions of the Defense Enterprise.	28	39%	0	0	28	35%
<b>TOTAL</b>	<b>72</b>	<b>100%</b>	<b>9</b>	<b>-2</b>	<b>79</b>	<b>100%</b>

Compared to FY 2011, nine new goals were added for DoD management focus in FY 2013:

- Two goals to reflect the Presidentially-directed drawdown of U.S. forces out of Afghanistan;

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- Two goals to improve missile defense capabilities;
- Three goals to advance foreign security assistance;
- One goal to increase military spouse employment; and
- One goal to enhance Advanced Military Source Operations and interrogation skills.

Two performance goals were eliminated for FY 2013, based on achieving projected performance end states in FY 2012:

- Number of Afghan National Security Forces end strength; and
- Number of certified DoD security adjudicators.

### **FY 2013 Priority Goals**

The FY 2013 Annual Performance Plan reflects the following FY 2012-2013 Agency Priority Goals (APGs):

- *Agency Priority Goal 1: By September 30, 2013, the DoD will attain a passing score on a comprehensive cybersecurity inspection that assesses compliance with technical, operational, and physical security standards, on an overwhelming majority of inspected military cyberspace organizations resulting in improved hardening and cyber defense.*
- *Agency Priority Goal 2: By September 30, 2013, the DoD will: 1) increase the use of Recovery Care Coordinators and ensure WII Service members have active recovery plans; 2) improve effectiveness of behavioral health programs and ensure all Service members complete quality post-deployment health screenings; and 3) accelerate the transition of WII Service members into veteran status by reducing the processing time required for disability evaluation boards.*
- *Agency Priority Goal 3: By September 30, 2013, the DoD will: (1) improve its facility energy performance by reducing average building energy intensity by 24 percent from the 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot, and producing or procuring renewable energy equal to 13 percent of its annual electric energy usage; and (2) improve its operational energy performance by establishing an operational energy baseline with all available data on fuel use; developing a plan for remediating data gaps; funding and implementing a comprehensive data plan; establishing and executing operational energy performance targets based on this comprehensive data for each Military Service and relevant agency.*
- *Agency Priority Goal 4: By September 30, 2013, the DoD will improve its acquisition process by ensuring that: 100 percent of Acquisition Category (ACAT) 1 programs, going through Milestone A decision reviews, will present an affordability analysis; 100 percent of ACAT 1 programs, going through milestone decision reviews, will present a competitive strategy; the average cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 5 percent from the Acquisition Program Baseline; the annual number of MDAP breaches – significant or critical cost overruns, for reasons other than approved changes in quantity – will be zero; and the DOD will increase the amount of contract obligations, that are competitively awarded, to 60 percent in FY 2012 and 61 percent in FY 2013.*
- *Agency Priority Goal 5: By September 30, 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received from 80 to 100 percent.*

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APGs are included at Exhibit B as a subset of the Department's Annual Performance Plans for FY 2012 and FY 2013. Per the GPRM Modernization Act, 31 U.S.C. 1115(b)(10), requirement to address Federal Goals in the agency Strategic Plans and Annual Performance Plans, please refer to [Performance.gov](http://www.performance.gov) for information on Federal Priority Goals and the Agency's contributions to those goals, where applicable. The GPRM Modernization Act also includes new direction that Agency Performance Plans identify low-priority program activities based on an analysis of their contribution to the mission and goals of the agency and include an evidence-based justification for designating a program activity as low priority. The "Cuts, Consolidations, and Savings (TRS)" volume of the President's Budget identifies the low-priority program activities under the GPRM Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at <http://www.whitehouse.gov/omb/budget>.

The following sections provide a discussion of the Department's FY 2013 Annual Performance Plan and Agency Priority Goals (APGs) by DoD strategic goal area. Additional information on FY 2013 APGs may be found on the OMB's public website at <http://www.performance.gov>.

### STRATEGIC GOAL 1: PREVAIL IN TODAY'S WARS.

**1.1-OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.**

**1.2-OCO: Execute a responsible drawdown of the U.S. military presence in Iraq.**

The FY 2013 OCO budget continues Operation ENDURING FREEDOM and includes funds to reset forces and equipment for Operation NEW DAWN. The budget implements the President's announcement, on June 22, 2011, to withdraw 33,000 troops from Afghanistan by the summer of 2012. Consequently, the Department's FY 2013 Annual Performance Plan (Exhibit B) identifies three performance goals that are focused on maintaining Combatant Commander readiness for current operations and reducing the U.S. military presence in Afghanistan (**Strategic Objective 1.1-OCO**). Transition is on schedule for the Afghan National Security Force to assume primary responsibility for Afghanistan security by the end of FY 2014. Afghan and coalition troops have made significant progress reversing the insurgency in the south and will be paying more attention to the eastern provinces. This will be enabled by the growing capability and numbers of the Afghan army and police. Strategies and challenges are discussed below.

Our efforts in Afghanistan are inextricably linked to our partnership with Pakistan. The United States is committed to strengthening Pakistan's capacity to target those extremists who threaten both countries. The insurgency's safe havens in Pakistan, as well as the limited capacity of the Afghan Government, remain the biggest risks to the process of turning security gains into a durable, stable Afghanistan. The insurgency remains resilient, benefitting from safe havens inside Pakistan, with a notable operational capacity, as reflected in isolated high-profile attacks and elevated violence levels in eastern Afghanistan. Nevertheless, sustained progress has provided increased security and stability for the Afghan population and enabled the beginning of transition of security responsibilities to Afghan forces. As the United States (U.S.) and coalition forces progress towards transition, the milestones will not represent defeat of the insurgency but rather a nexus where the insurgency is sufficiently degraded and the capacity and size of the ANSF is sufficiently improved so that the ANSF, with support from the U.S. and coalition, can defeat the Taliban insurgency. Key challenges also include criminal networks. The DoD is working closely with our Afghan partners to institutionalize mechanisms in the Afghan government that can quickly detect and react to corruption. Although notable progress has been made, most Afghan ministries lack sufficient administrative capacity necessary for effective program execution. Consequently, the United States will continue to pursue a

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governance assistance strategy that strengthens the Afghan government at the national and sub-national levels as it transitions from a lead combat role.

Thanks to the extraordinary sacrifices of our men and women in uniform, we have responsibly ended the war in Iraq (**Strategic Objective 1.2-OCO**). Years of effort have helped enable the Iraqi government to take the lead in protecting its people and providing essential services. While U.S. forces will continue to play important roles in providing force protection and targeted counterterrorism operations, there are no performance goals included in the Department's Annual Performance Plans (Exhibit B) in FY 2012 and FY 2013 for this objective area.

### STRATEGIC GOAL 2: PREVENT AND DETER CONFLICT.

- 2.1-1F1: Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and by enhancing stability operations and foreign security force competency.
- 2.2-1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.
- 2.3-1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.
- 2.4-1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.

The Department's January 5, 2012 Strategic Guidance acknowledges that our Nation is at a moment of transition that entails defense spending reductions in order to put our fiscal house in order at home. As new generations across the Middle East and North Africa demand their universal rights, the Department will deepen partnerships with allies around the world to build their capacity to promote regional security, prosperity, and human dignity. Exhibit B identifies thirteen performance goals for the Department's "Prevent and Deter Conflict" mission areas that are focused on: (1) preserving military operational readiness, (2) continuing Joint Force restructuring, (3) maintaining a safe and effective nuclear deterrent, and (4) providing for full spectrum ISR. Planned strategies are discussed below.

The Department's Armed Forces will have a global presence that emphasizes the Asia-Pacific and Middle East, while still ensuring our ability to maintain our defense commitments to Europe and strengthening alliance and partnerships across all regions. Our defense efforts in the Middle East will be aimed at countering violent extremists and destabilizing threats, as well as upholding our commitments to allies and partner states. U.S. policy will emphasize gulf security to prevent Iran's development of a nuclear weapon capability and counter its destabilizing policies. The United States will do this while standing up to Israel's security and a comprehensive Middle East peace. The United States is also investing in a long-term strategic partnership with India to support its ability to serve as a regional economic anchor and provider of security in the broader Indian Ocean region. We will maintain peace on the Korean Peninsula by effectively working with allies and other regional states to deter and defend against provocation from North Korea which actively pursuing a nuclear weapons program.

Our FY 2013 Annual Performance Plan (Exhibit B) includes two performance goals focused on maintaining Combatant Command readiness for executing Theater Campaign Plan missions and for Contingency Plans. The plan also continues the Army's transformation to modular brigades and provides a realistic shipbuilding program that provides the global reach, persistent presence, and tactical effects expected of Navy forces (**Strategic Objective 2.1-1F1**). While other FY 2013 performance goals focus on reducing our nuclear inventory, we will continue to field nuclear forces that can confront potential adversaries and assure U.S. allies that they can count on American's security commitments (**Strategic Objective 2.2-1F2A**).



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In September 2009, the President announced a revised ballistic missile defense (BMD) strategy (Strategic Objective 2.3-1F3). The Phased Adaptive Approach (PAA) is a more flexible, regionally-focused BMD strategy that will be implemented initially in defense of our European Allies, but could be transferable in the future to other regions. A major thrust of the PAA is the shift of resources towards increasing the procurement and delivery of proven BMD capabilities (namely, Standard Missile (SM)-3 interceptors and Army Navy/Transportable Radar Surveillance-Model 2 (AN/TPY-2) radars to the warfighter. The FY 2013 Annual Performance Plan highlights these investments in missile defense that are tailored to individual regions and defends against existing short-and medium-range ballistic missile threats. The FY 2013 budget also continues investments in other capabilities critical to future success, including counter weapons of mass destruction (WMD) and unmanned aircraft and ground-based collection systems. Beginning in FY 2013, the Department's goal for Combat Air Patrols/orbits (Strategic Objective 2.4-1X2) is normalized to exclude the effects of surge operations. Our FY 2013 goal for 45 non-surge CAPs provides increased Signals intelligence, queued Full Motion Video, and strike capability across all mission areas.

The Department will be shaping a Joint Force for the future that will be smaller and leaner, but will remain technologically advanced. As U.S. forces draw down in Afghanistan, our global counter terrorism efforts will become more widely distributed for counter terrorism and irregular warfare. U.S. forces will be capable of deterring aggression by an opportunistic adversary in one region even when forces are committed to a large-scale operation elsewhere U.S. forces will conduct a sustainable pace of presence operations abroad with thoughtful choices made regarding the location and frequency of operations. However, U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations.

### **STRATEGIC GOAL 3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.**

- 3.1-1F2B: Improve the responsiveness and flexibility of consequence management response forces.**
- 3.2-1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.**
- 3.3-1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.**
- 3.4-1X1: Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.**
- 3.5-2D: Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.**

The Department's updated Strategic Guidance describes the projected security environment and the key military missions for which the Department of Defense will prepare. With the diffusion of destructive technology, extremists have the potential to pose catastrophic threats that could directly affect our security and prosperity. Our FY 2013 Annual Performance Plan (Exhibit B) includes four performance goals focused on improving consequence management response times to significant or catastrophic events (**Strategic Objective 3.1-1F2B**). Two additional performance goals are intended to counter WMD threats by destroying category 1 chemical weapons and by increasing the number of DoD labs equipped to work with dangerous pathogens (**Strategic Objective 3.2-1F2C**). Terrorist access to even simple nuclear devices poses the prospect of devastating consequences for the United States. Accordingly, the DoD will continue to enhance its capabilities to conduct effective operations to counter the proliferation of WMD.



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Building partnership capacity in the world remains important for sharing the costs and responsibilities of global leadership (**Strategic Objective 3.3-1F2C**). Across the globe, we seek to be the security partner of choice, pursuing new partnerships with a growing number of nations whose interests and viewpoints are merging into a common vision of freedom, stability, and prosperity. Our FY 2013 Annual Performance Plan (Exhibit B) includes three goals focused on enhancing general purpose forces training in specialized security force assistance, increasing the number of civilian expeditionary advisors, and expanding the Defense Institution Reform Initiative (DIRI). The DIRI, like the Ministry of Defense Advisory Program, is a global security cooperation initiative to support the development and enhancement of partner defense ministries. Both programs are being expanded to other critical theaters based on their success in Afghanistan.

Our planning envisages forces that are able to fully deny a capable state's aggression across all domains – including cyberspace (**Strategic Objective 3.4-1X1**). Modern armed forces cannot conduct high-tempo, effective operations without reliable information and communication networks and assured access to cyberspace and space. Today, space systems and their supporting infrastructure face a range of threats that may degrade, disrupt, or destroy assets. State and non-state actors possess the capability and intent to conduct cyber espionage and, potentially, cyber attacks on the United States, with possible severe effects on both our military operations and our homeland. Accordingly, the DoD will continue to work with domestic and international allies and partners and invest in advanced capabilities to defend its networks, operational capability, and resiliency in cyberspace and space. For this reason, the DoD has established cybersecurity as an Agency Priority Goal over the FY 2012-2013 timeframe. However, the specific performance targets and results associated with this APG are considered sensitive and will not be made available to the public.

*\*Agency Priority Goal 1: By September 30, 2013, the DoD will attain a passing score on a comprehensive cybersecurity inspection that assesses compliance with technical, operational, and physical security standards, on an overwhelming majority of inspected military cyberspace organizations resulting in improved hardening and cyber defense.*

The DoD is facing an increasingly persistent and motivated cyber threat. DoD networks and systems, which adhere to DoD policies and standards and that are configured properly, will significantly reduce the attack space and minimize the advances that an adversary can make. This results in more secure networks and systems which reduce the risk to missions that depend on the Non-secure Internet Protocol Network (NIPRNet). Command Cyber Readiness Inspections (CCRIs) are designed to inspect for proper configuration, minimize vulnerabilities, and align with the DoD Security Technical Implementation Guides (STIGs). By ensuring compliance to policies through CCRIs, the DoD can better harden DoD networks and systems, which will improve the DoD's cyber defense posture.

Finally, in adjusting our strategy and attendant force size, the Department will make every effort to maintain an adequate industrial base and our investment in science and technology (**Strategic Objective 3.5-2D**). We will encourage innovation in concepts of operations. To that end, the Department will encourage a culture of change and be prudent with its “seed corn”, balancing reductions necessitated by resource pressures with the imperative to sustain key streams of innovation that may provide significant long-term payoffs.

### STRATEGIC GOAL 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.

- 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.
- 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.
- 4.3-2R: Better prepare and support families during the stress of multiple deployments.
- 4.4-2T: Train the Total Defense Workforce with the right competencies.

As the Department prepares for a 21st century defense, we will keep faith with our troops, military families and veterans who have borne the burden of a decade of war and who make our military the best in the world. Though we must make hard fiscal choices, we will continue to prioritize efforts that focus on wounded warriors (**Strategic Objective 4.1-2M**). Consequently, this focus area has been established as an Agency Priority Goal over the FY 2012-2013 timeframe. Planned strategies are discussed below.

*\*Agency Priority Goal 2: By September 30, 2013, the DoD will: 1) increase the use of Recovery Care Coordinators and ensure WII Service members have active recovery plans; 2) improve effectiveness of behavioral health programs and ensure all Service members complete quality post-deployment health screenings; and 3) accelerate the transition of WII Service members into veteran status by reducing the processing time required for disability evaluation boards.*

Apart from prevailing in current conflicts, caring for our wounded is our highest priority, and we will work to provide them top-quality care that reflects their service and sacrifice. Our wounded, ill, or injured Service members deserve every opportunity to return to active duty following their recovery, or to make a seamless transition to veteran status if they cannot be returned to duty. As our newest veterans rejoin civilian life, we continue to have a moral obligation – as a government and as a Nation – to give our veterans the care, benefits, and the job opportunities they deserve. Our FY 2013 Annual Performance Plan includes goals that will ensure we meet these obligations. More than 46,000 men and women have been wounded. As the Department reduces the size of the force, we will do so in a way that respects these sacrifices. This means, among other things, taking concrete steps to facilitate the transition of those who will leave the service. These include supporting programs to help veterans translate their military skills for the civilian workforce and aid their search for jobs.

Despite pressures of war, the Department continues to meet its recruiting and retention goals. Our recruiting efforts are long-term investments that can yield generational gains. The Department must continue developing innovative programs to attract qualified young men and women into the armed forces and to retain them. During the past decade, the men and women who comprise the All-Volunteer Force have shown versatility, adaptability, and commitment, enduring the constant stress and strain of fighting two overlapping conflicts. They have endured prolonged and repeated deployments. As the Department reduces the size of the force, our FY 2013 Annual Performance Plan (Exhibit B) will continue management attention on meeting its military strength goals and the time Service members are deployed (or mobilized) in support of combat operations versus time at home (**Strategic Objective 4.2-2P**). In addition, we have a critical and enduring obligation to support military families during the stress of multiple deployments (**Strategic Objective 4.3-2R**). Consequently, the FY 2013 Annual Performance Plan maintains quality goals on military housing and DoD schools and reflects an aggressive goal for employing 100,000 military spouses by FY 2017 in response to the President's direction for a comprehensive Federal approach to supporting military families.

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To ensure mission success, the DoD will manage the force in ways that protect its ability to regenerate capabilities and maintain intellectual capital. We are determined to maintain a ready and capable force, even as we reduce our overall capacity. We will resist the temptation to sacrifice readiness in order to retain force structure and will rebuild readiness in areas that, by necessity, were deemphasized over the past decade. The health and quality of the All-Volunteer Force will continue to require well-trained and properly-equipped men and women (**Strategic Objective 4.4-2T**). Our FY 2013 Annual Performance Plans places particular emphasis on training goals associated with language proficiency, advanced interrogation skills, DoD acquisition, and information assurance.

### **STRATEGIC GOAL 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.**

- 5.1-2A:** Increase use of renewable energy and reduce energy demand at DoD installations.
- 5.2-2C:** Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.
- 5.3-2E:** Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.
- 4.2L:** Provide more effective and efficient logistical support to forces abroad.
- 5.2UV:** Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.

Strategic goal 5 is focused on reforming how DoD does business. The 2010 QDR directed that the Department reform its institutions and processes to better support the needs of the warfighter. Similar direction is included in the Department's latest Strategic Guidance, released January 5, 2012. This guidance calls for finding further efficiencies in overhead, headquarters, business practices, and other support activities. Three Agency Priority Goals are identified under this Strategic goal for the FY 2012-2013 timeframe. APG 3 on energy reflects an Administration priority. APGs 4 and 5 reflect near-term improvement initiatives that will contribute to achieving longer-term Agency outcomes in two DoD's high risk areas – i.e., DoD Weapon Systems Acquisition and DoD Financial Management. While the DoD is steadily improving its energy performance, other funding priorities have often limited the Department's ability to adequately budget for energy efficiency improvements and renewable energy projects (**Strategic Objective 5.1-2A**). Planned strategies are discussed below.

*\*Agency Priority Goal 3: By September 30, 2013, the DoD will: (1) improve its facility energy performance by reducing average building energy intensity by 24 percent from the 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot, and producing or procuring renewable energy equal to 13 percent of its annual electric energy usage; and (2) improve its operational energy performance by establishing an operational energy baseline with all available data on fuel use; developing a plan for remediating data gaps; funding and implementing a comprehensive data plan; establishing and executing operational energy performance targets based on this comprehensive data for each Military Service and relevant agency.*

Climate change and energy will play significant roles in the future security environment. The Department is developing policies and plans to manage the effects of climate change on its operating environment, missions, and facilities. The Department already performs environmental stewardship at hundreds of DoD installations throughout the United States and is working to meet resource efficiency and sustainability goals. We must continue incorporating geostrategic and operational energy considerations into force planning, requirements development, and acquisition processes.

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DoD Weapon Systems Acquisition has been on the GAO's high risk list since 1990 (**Strategic Objective 5.3-2E**). For too long, the processes by which the Department provides needed equipment and platforms have been under-emphasized. On November 3, 2010, the Under Secretary of Defense issued an "Implementation Directive for Better Buying Power – Obtaining Greater Efficiency and Productivity in Defense Spending." This directive requires the establishment of an affordability target (initially, average unit acquisition cost and average annual operating and support cost per unit), prior to Milestone B, that will be used to drive design trades and choices about affordable priorities. This directive also requires a competitive strategy for each Acquisition Category (ACAT) 1 program going through a milestone review. These initiatives reflect near-term improvements that will be instrumental in achieving longer-term acquisition outcomes concerning expected capabilities and life cycle cost, as reflected in the following APG.

*\*Agency Priority Goal 4: By September 30, 2013, the DoD will improve its acquisition process by ensuring that: 100 percent of Acquisition Category (ACAT) 1 programs, going through Milestone A decision reviews, will present an affordability analysis; 100 percent of ACAT 1 programs, going through milestone decision reviews, will present a competitive strategy; the average cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 5 percent from the Acquisition Program Baseline; the annual number of MDAP breaches – significant or critical cost overruns, for reasons other than approved changes in quantity – will be zero; and the DoD will increase the amount of contract obligations, that are competitively awarded, to 60 percent in FY 2012 and 61 percent in FY 2013.*

The DoD has a continuing responsibility to procure the critical goods and services needed by the Armed Forces but will not have ever-increasing budgets to pay for them. As a result, the DoD must be more productive – in other words, do more without spending more. In the past, however, too many DoD acquisition programs began without adequate consideration of resource constraints or the potential productivity and cost savings that result from fostering greater competition among suppliers. Through its Better Buying Power initiative, the DoD has begun requiring program managers to present affordability and competitive strategies when programs are seeking approval to move to the next acquisition phase.

DoD Financial Management has been on the GAO's high risk list since 1995 (**Strategic Objective 5.5-2U**). Auditable statements are needed to facilitate decision-making, to comply with the law, and to reassure the public that we are good stewards of their funds. On October 13, 2011, the Secretary of Defense declared improving financial information and achieving audit readiness to be a Defense priority. Although the Department had presented a plan for audit ready financial statements by 2017, the Secretary asked that key elements of that plan be accelerated. The Department's FY 2013 Annual Performance Plan includes a total of four performance goals that advance audit readiness and include the following AGP which reflects a key element of the plan that is expected to be completed by the end of FY 2013.

*\*Agency Priority Goal 5: By September 30, 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received from 80 to 100 percent.*

Achieving Appropriations Received audit readiness will address the accuracy and reliability of recorded appropriated funds and the reported annual President's Budget. Appropriations Received is a priority for DoD and for the Department's ability to achieve full audit readiness. Successful completion will improve the accuracy and reliability of funding information and allow better funds control for management. The Department has met the goal of 80 percent completion by the end of FY 2011 and is anticipating 100 percent completion by the end of FY 2013. Interim goals have been set, and DoD is on track to meet its established timeline.

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While information assurance (**Strategic Objective 5.2-2C**) and DoD logistics (**Strategic Objective 5.4-2L**) are not Agency Priority Goals, they are both critical elements of the Department's FY 2013 Annual Performance Plan (Exhibit B). Performance goals focused on streamlining the number of DoD data centers and migrating to cryptographic logon will optimize network efficiency, generate overhead savings, and promote more secure information sharing. In the logistics area, the plan includes goals for reducing on-hand and on-order excess inventory and continuing management focus on customer wait time goals, as the Defense Logistics Agency leads the Strategic Network Optimization (SNO) effort to improve the distribution network and optimize inventory positioning.

### **CONCLUSION**

The Department's updated Strategic Guidance and FY 2013 Annual Performance Plan have been shaped by America's enduring national security interests and a new fiscal environment. As we end today's wars and reshape our Armed Forces, the Joint Force will need to recalibrate its capabilities, make selective investments, and help build the capacity and competence of allied and partner forces for internal and external defense. A reduction in resources will require innovation and creative solutions to building partner capacity with a renewed emphasis on a globally networked approach to deterrence and warfare. It will also require thoughtful choices regarding the location and frequency of future operations.

Our growing national debt, if not addressed, will imperil our prosperity, hurt our credibility and influence around the world, and ultimately put our national security at risk. As the Nation takes steps to get its finances in order, defense spending will be part of the solution. Achieving savings based on sound national security policy will serve our Nation's interests and will also prove more enforceable and sustainable over the long term.

The Budget Control Act, signed last year, calls for the Defense Department to cut \$487 billion over ten years. The Department must reduce the "cost of doing business." DoD performance results are expected to play a more relevant role as the Department takes steps to reduce its manpower costs and find further efficiencies in overhead, headquarters, business practices, and other support activities.

The FY 2013 Annual Performance Plan promotes a number of initiatives in the business arena to improve logistics responsiveness, increase competition, reduce acquisition costs and cycle time, and enhance financial management so that the Department is postured to provide our forces with the capabilities they need, when they need them. The Department will continue to enhance U.S. capabilities to fight today's wars and counter future threats by actively managing and continuously evaluating how our warfighting and infrastructure operations are delivering quality and timely performance results.



## Exhibit A – FY 2011 DOD-wide Performance Results Summary by Strategic Goal and Strategic Objective

### DoD STRATEGIC GOAL #1: PREVAIL IN TODAY'S WARS.

#### DoD Strategic Objective 1.1.OCO:

*Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.*

*\*Priority Objective: Provide effective business operations to overseas contingency operations.*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
1.1.1-OCO: Cumulative number of Afghan National Army (ANA) end strength (USD(P))	1.1.1-OCO: By FY 2011, the ANA end strength will be 171,600 with intent to train and equip forces.	FY07 Actual: 46,000 FY08 Actual: 67,000 FY09 Actual: 92,000 FY10 Actual: 144,000 FY11: 171,600 <b>FY11 Actual: 170,781</b>
<b>Contributing DoD Components:</b> USCENTCOM		
1.1.2-OCO: Cumulative number of Afghan National Police (ANP) end strength (USD(P))	1.1.2-OCO: By FY 2011, the ANP end strength will be 134,000 with intent to train and equip forces.	FY07 Actual: 76,000 FY08 Actual: 77,000 FY09 Actual: 92,000 FY10 Actual: 115,000 FY11: 134,000 <b>FY11 Actual: 136,122</b>
<b>Contributing DoD Components:</b> USCENTCOM		
1.1.3-OCO: Percent of the Combatant Commanders' (CoComs) Current Operations which they report ready to execute (USD(P&R))	1.1.3-OCO: For each fiscal year, DoD Combatant Commanders (CoComs) will be ready to execute 100 percent of Current Operations.	FY07 – 08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11: 100% <b>FY11 Actual: 100%</b>
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, USTRANSCOM, and USJFCOM		
*1.1.4-OCO: Percent assigned of required Contracting Officer Representatives (CORs) supporting Afghan contingency operations (USD(AT&L))	1.1.4-OCO: Beginning in FY 2012, the DoD will maintain an assignment rate of 90 percent of required Contracting Officer Representatives (CORs) supporting Afghan contingency operations.	FY07 – 09 Actual: Not available FY10 Actual: 87% FY11: 85% <b>FY11 Actual: 87.8%</b>
<b>Contributing DoD Components:</b> DCMA, OUSD(AT&L)		
*1.1.5-OCO: Percent of in-theater Army central disbursements, using cash (USD(C/CFO))	1.1.5-OCO: By FY 2011, the DoD will reduce the percent of in-theater Army central disbursements, using cash, to 2 percent.	FY07 – 08 Actual: Not available FY09 Actual: 10.2% FY10 Actual: 2.6% FY11: 2% <b>FY11 Actual: 0.9%</b>
<b>Contributing DoD Components:</b> Army, DFAS, USCENTCOM, and OUSD(AT&L)(JCC)		
*1.1.6-OCO: Percent of contract actions tied to entitlements and disbursements in the systems of record (USD(C/CFO))	1.1.6-OCO: By FY 2011, the DoD will increase the percent of contract actions, tied to entitlements and disbursements in the systems of record, to 95 percent.	FY07 – 09 Actual: Not available FY10 Actual: 44.7% FY11: 95% <b>FY11 Actual: 94%</b>
<b>Contributing DoD Components:</b> Army, DFAS, USCENTCOM, and OUSD(AT&L)(JCC)		



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DoD Strategic Objective 1.2.OCO: <i>Execute a responsible drawdown of the U.S. military presence in Iraq.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
1.2.1-OCO: Cumulative number of U.S. military troops in Iraq (USD(P))	1.2.1-OCO: By the end of first quarter, FY 2012, the U.S. military presence in Iraq will be zero troops (except for a small number under Chief of Mission authority).	FY07 Actual: 169,033 FY08 Actual: 146,845 FY09 Actual: 129,241 FY10 Actual: 48,770 FY11: 50,000 <b>FY11 Actual: 39,000</b>
<b>Contributing DoD Components:</b> <i>USCENTCOM</i>		
1.2.2-OCO: Cumulative number of pieces of rolling stock in Iraq supporting U.S. military troops (USD(P))	1.2.2-OCO: By the end of first quarter, FY 2012, the number of pieces of rolling stock in Iraq supporting U.S. military troops, will be zero (except for a small number used by military personnel under Chief of Mission authority).	FY07 – 08 Actual: Not available FY09 Actual: 51,000 FY10 Actual: 16,500 FY11: 16,500 <b>FY11 Actual: 11,485</b>
<b>Contributing DoD Components:</b> <i>USCENTCOM</i>		
1.2.3-OCO: Cumulative number of U.S. military installations in Iraq supporting U.S. military troops (USD(P))	1.2.3-OCO: By the end of first quarter, FY 2012, all U.S. military installations supporting U.S. military troops will be transferred to the government of Iraq or Embassy Baghdad.	FY07 – 08 Actual: Not available FY09 Actual: 413 FY10 Actual: 88 FY11: 95 <b>FY11 Actual: 17</b>
<b>Contributing DoD Components:</b> <i>USCENTCOM</i>		
DoD STRATEGIC GOAL #2: PREVENT AND DETER CONFLICT.		
DoD Forces and Infrastructure Category 1F1: Expeditionary Forces		
DoD Strategic Objective 2.1.1F1: <i>Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and by enhancing stability operations and foreign security force competency.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.1.1-1F1: Percent of the DoD Combatant Commanders (CoComs) that are ready to execute their Core or Theater Campaign Plan missions (USD(P&R))	2.1.1-1F1: For each fiscal year, DoD Combatant Commanders (CoComs) will be ready to execute 100 percent of their Core or Theater Campaign Plan missions.	FY07 – 08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11: 100% <b>FY11 Actual: 100%</b>
<b>Contributing DoD Components:</b> <i>USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, USTRANSCOM, and USJFCOM</i>		
2.1.2-1F1: Percent of the Combatant Commanders' (CoComs) Contingency Plans which they report ready to execute (USD(P&R))	2.1.2-1F1: Beginning in FY 2009, DoD Combatant Commanders (CoComs) will be ready to execute 80 percent of their Contingency Plans.	FY07 – 08 Actual: Not available FY09 Actual: 89% FY10 Actual: 82.1% FY11: 80% <b>FY11 Actual: 85%</b>
<b>Contributing DoD Components:</b> <i>USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, USTRANSCOM, and USJFCOM</i>		
2.1.3-1F1: Cumulative percent increase in DoD Special Forces and Navy Sea, Air, and Land (SEAL) personnel achieved (USD(P&R))	2.1.3-1F1: By FY 2012, the DoD will increase its Special Forces and Navy SEAL personnel by 32 percent from FY 2006 actual of 13,206 end strength.	FY07 Actual: 4% FY08 Actual: 18% FY09 Actual: 23% FY10 Actual: 27% FY11: 28% <b>FY11 Actual: 35%</b>
<b>Contributing DoD Components:</b> <i>Army and Navy</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.1.4-1F1: Cumulative number of Army brigades converted to a modular design and available to meet military operational demands (USD(P&R))	2.1.4-1F1: By FY 2014, the DoD will convert 73 Army Brigade Combat Teams (BCTs) to a modular design.	FY07 Actual: 35 FY08 Actual: 38 FY09 Actual: 46 FY10 Actual: 56 FY11: 66 <b>FY11 Actual: 71</b>
<b>Contributing DoD Components: Army</b>		
2.1.5-1F1: Cumulative number of Army Multi-functional and Functional Support (MFF) brigades converted to a modular design and available to meet military operational demands (USD(P&R))	2.1.5-1F1: By FY 2014, the DoD will convert 229 Army Multi-functional and Functional Support (MFF) brigades to a modular design.	FY07 Actual: 144 FY08 Actual: 188 FY09 Actual: 196 FY10 Actual: 202 FY11: 225 <b>FY11 Actual: 225</b>
<b>Contributing DoD Components: Army</b>		
2.1.6-1F1: Cumulative percent of unit initiatives completed to balance three Marine Corps Expeditionary Forces (MEFs) (USD(P&R))	2.1.6-1F1: By FY 2012, the DoD will have completed 100 percent of unit initiatives required to have balanced three MEFs.	FY07 Actual: 11% FY08 Actual: 47% FY09 Actual: 72% FY10 Actual: 84% FY11: 92% <b>FY11 Actual: 95%</b>
<b>Contributing DoD Components: Navy</b>		
2.1.7-1F1: Cumulative number of ships in the fleet (USD(P&R))	2.1.7-1F1: By FY 2020, the DoD will increase the number of ships in the fleet to 313 for security operations.	FY07 Actual: 279 FY08 Actual: 282 FY09 Actual: 285 FY10 Actual: 287 FY11: 284 <b>FY11 Actual: 284</b>
<b>Contributing DoD Components: Navy</b>		
<b>DoD Forces and Infrastructure Category 1F2: Homeland Defense</b>		
<b>DoD Strategic Objective 2.2.1F2A</b>		
<i>Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.2.1-1F2A: Number of formal DoD-led meetings with international partners to reaffirm U.S. commitments to extended deterrence (USD(P))	2.2.1-1F2A: Beginning in FY 2011, the DoD will lead at least six formal meetings with international partners to reaffirm U.S. commitments to extended deterrence.	FY07 – 10 Actual: Non-applicable FY11: 6 <b>FY11 Actual: 11</b>
<b>Contributing DoD Components: OSD</b>		
2.2.2-1F2A: Passing percentage rate for Defense Nuclear Surety Inspections (USD(P))	2.2.2-1F2A: Beginning in FY 2011, the DoD will maintain a passing rate of 100 percent for all regular Defense Nuclear Surety Inspections.	FY07 Actual: 100% FY08 Actual: 71% FY09 Actual: 77% FY10 Actual: 73% FY11: 100% <b>FY11 Actual: 85.7%</b>
<b>Contributing DoD Components: Air Force, Navy, TJS, and DTRA</b>		

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DoD Forces and Infrastructure Category 1F3: Military Space Forces		
<b>DoD Strategic Objective 2.3.1F3:</b> <i>Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.3.1-1F3: Cumulative number of Aegis Ballistic Missile Defense (BMD)-capable ships (USD(P))	2.3.1-1F3: By FY 2018, the DoD will have 43 Aegis ships that are BMD-capable.	FY07 Actual: 17 FY08 Actual: 17 FY09 Actual: 18 FY10 Actual: 20 FY11: 23 <b>FY11 Actual: 23</b>
<b>Contributing DoD Components:</b> Navy and MDA		
DoD Forces and Infrastructure Category 1X2: Intelligence Operations		
<b>DoD Strategic Objective 2.4.1X2:</b> <i>Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.4.1-1X2: Cumulative number of Predator (MQ-1) and Reaper (MQ-9) intelligence, surveillance, and reconnaissance (ISR) orbits (USD(I))	2.4.1-1X2: By FY 2013, the DoD will achieve and maintain 65 Predator (MQ-1) and Reaper (MQ-9) orbits of ISR.	FY07 Actual: 18 FY08 Actual: 29 FY09 Actual: 36 FY10 Actual: 45 FY11: 50 <b>FY11 Actual: 59</b>
<b>Contributing DoD Components:</b> Air Force		
DoD STRATEGIC GOAL# 3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.		
DoD Forces and Infrastructure Category 1F2: Homeland Defense		
<b>DoD Strategic Objective 3.1.1F2B</b> <i>Improve the responsiveness and flexibility of consequence management response forces.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.1.1-1F2B: Cumulative number of Homeland Response Forces (HRFs) trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours (USD(P))	3.1.1-1F2B: By FY 2012, the DoD will have ten National Guard HRFs trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours to a very significant or catastrophic event.	FY07 – 10 Actual: Non-applicable FY11: 2 <b>FY11 Actual: 2</b>
<b>Contributing DoD Components:</b> USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau		
3.1.2-1F2B: Cumulative number of Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages (CERFPs) trained, equipped, evaluated, and validated at a response time of 6-12 hours (USD(P))	3.1.2-1F2B: By FY 2012, the DoD will have nine new National Guard CERFPs trained, equipped, evaluated, and validated at a response time of 6-12 hours in order to backfill existing CERFPs that will convert to HRFs.	FY07 – 10 Actual: Non-applicable FY11: 2 <b>FY11 Actual: 17</b>
<b>Contributing DoD Components:</b> USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau		

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DoD Strategic Objective 3.2.1F2C <i>Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.2.1-1F2C: Cumulative percent of treaty-declared category 1 chemical weapons destroyed (USD(AT&L))	3.2.1-1F2C: By FY 2021, the DoD will have destroyed 100 percent of treaty-declared category 1 chemical weapons.	FY07 Actual: 48.2% FY08 Actual: 49.6% FY09 Actual: 65.5% FY10 Actual: 79.8% FY11: 88.3% <b>FY11 Actual: 89.1%</b>
<b>Contributing DoD Components:</b> <i>Army</i>		
3.2.2-1F2C: Cumulative number of zonal diagnostic labs built and equipped for biological agent detection and response (USD(AT&L))	3.2.2-1F2C: By FY 2013, the DoD will have built and equipped 43 zonal diagnostic labs for biological agent detection and response.	FY07 Actual: Not available FY08 Actual: 16 FY09 Actual: 19 FY10 Actual: 20 FY11: 37 <b>FY11 Actual: 37</b>
<b>Contributing DoD Components:</b> <i>DTRA</i>		
DoD Strategic Objective 3.3.1F2C <i>Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.3.1-1F2C: Percent of Munitions and Dual-Use License applications adjudicated back to State and Commerce Departments within statutory timelines (USD(P))	3.3.1-1F2C: Beginning in FY 2011, the DoD will adjudicate 100 percent of Munitions and Dual-Use License applications back to State and Commerce Departments within statutory timelines of 60 and 30 days, respectively.	FY07 Actual: 99.5% FY08 Actual: 100% FY09 Actual: 99.5% FY10 Actual: 99% FY11: 100% <b>FY11 Actual: 100%</b>
<b>Contributing DoD Components:</b> <i>DTSA</i>		
Forces and Infrastructure Category 1X1: Operational Command & Control Systems		
DoD Strategic Objective 3.4.1X1 <i>Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.4.1X1: Number of operational availability gaps in protected MILSATCOM mission area (space segment) (ASD(NII/CIO))	3.4.1-1X1: For each fiscal year, the DoD will ensure there are no operational availability gaps in protected MILSATCOM mission area (space segment).	FY07 – 08 Actual: 0 FY09 Actual: 0 FY10 Actual: 0 FY11: 0 <b>FY11 Actual: 0</b>
<b>Contributing DoD Components:</b> <i>AF</i>		
3.4.2-1X1: Number of operational availability gaps in narrowband MILSATCOM mission area (space segment) (ASD(NII/CIO))	3.4.2-1X1: For each fiscal year, the DoD will ensure there are no operational availability gaps in narrowband MILSATCOM mission area (space segment).	FY07 – 08 Actual: 0 FY09 Actual: 0 FY10 Actual: 0 FY11: 0 <b>FY11 Actual: 0</b>
<b>Contributing DoD Components:</b> <i>Navy</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.4.3-1X1: Percent of DoD's nuclear command, control, and communications (NC3) cryptographic modernization plan completed (ASD(NII/CIO))	3.4.3-1X1: By FY 2016, the DoD will have completed 100 percent of its NC3 cryptographic modernization action plan for the most critical 25 networks.	FY07 – 10 Actual: Not available FY11: 12% <b>FY11 Actual: 12%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, NSA, and DISA</i>		
<b>DoD Forces and Infrastructure Category 2D: Science and Technology</b>		
<b>DoD Strategic Objective 3.5.2D:</b> <i>Maintain a strong technical foundation within the Department's Science and Technology (S&amp;T) program.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.5.1-2D: Percent of completing demonstration programs transitioning each year (USD(AT&L))	3.5.1-2D: Beginning in FY 2008, the DoD will transition 30 percent of completing demonstration programs per year.	FY07 Actual: Not available FY08 Actual: 43.1% FY09 Actual: 52.65% FY10 Actual: 61.5% FY11: 30% <b>FY11 Actual: 83%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, DLA, DARPA, CBDP, and OSD</i>		
<b>DoD STRATEGIC GOAL# 4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE</b>		
<b>DoD Forces and Infrastructure Category 2M: Defense Health Program</b>		
<b>DoD Strategic Objective 4.1.2M:</b> <i>Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.</i> <i>*Priority Objective: Create the next generation Virtual Lifetime Electronic Record.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase (USD(P&R))	4.1.1-2M: Beginning in FY 2007, the DoD will maintain an average Defense Health Program (DHP) medical cost per equivalent life increase at or below the average healthcare premium increase in the civilian sector.	FY07 Actual: -0.8% FY08 Actual: 1.1% FY09 Actual: 6.7% FY10 Actual: -1% FY11: </= 0% <b>FY11 Actual: 1.4%</b>
<b>Contributing DoD Components:</b> <i>DHP, TMA, Army, Navy, and Air Force</i>		
4.1.2-2M: Cumulative percent of military members participating in a single, disability evaluation/transition medical exam to determine fitness for duty and disability rating (USD(P&R))	4.1.2-2M: By FY 2011, 100 percent of military members, referred in the disability system, will participate in a single, disability evaluation/transition medical exam to determine fitness for duty and disability rating.	FY07 Actual: Non-applicable FY08 Actual: 4% FY09 Actual: 27% FY10 Actual: 44% FY11: 100% <b>FY11 Actual: 100%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
*4.1.3-2M: Number of DoD sites with Virtual Lifetime Electronic Record (VLER) production capability (USD(P&R))	4.1.3-2M: By FY 2012, the DoD will create the Next Generation of Electronic Record - Virtual Lifetime Electronic Record (VLER).	FY07 – 10 Actual: Non-applicable FY11: 3 <b>FY11 Actual: 6</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.1.4-2M: Percentage of Armed Forces who meet Individual Medical Readiness (IMR) requirements (USD(P&R))	4.1.4-2M: By FY 2014, 85 percent of the Armed Forces will have an IMR that indicates readiness for deployment.	FY07 Actual: Not available FY08 Actual: 67% FY09 Actual: 69% FY10 Actual: 74% FY11: 80% <b>FY11 Actual: 78%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and Air Force</i>		
4.1.5-2M: Rate of Follow-up on Active Duty Service members having positive screens for Depression, based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessments (PDHRAs) documented by a qualified professional (USD(P&R))	4.1.5-2M: By FY 2012, the DoD will ensure that over 75 percent of Active Duty Service members, who are referred for care based on positive screens for Depression on PDHAs or PDHRAs, have documentation of being further evaluated by a qualified professional.	FY07 Actual: 76% FY08 Actual: 77% FY09 Actual: 84% FY10 Actual: Not available FY11: 68% <b>FY11 Actual: 86%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and Air Force</i>		
4.1.6-2M: Rate of Follow-up on Active Duty Service members having positive screens for Post Traumatic Stress Disorder (PTSD), based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessments (PDHRAs) documented by a qualified professional (USD(P&R))	4.1.6-2M: By FY 2012, the DoD will ensure that over 75 percent of Active Duty Service members, who are referred for care based on positive screens for PTSD on PDHAs or PDHRAs, have documentation of being further evaluated by a qualified professional.	FY07 Actual: 76% FY08 Actual: 77% FY09 Actual: 84% FY10 Actual: Not available FY11: 68% <b>FY11 Actual: 86%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and Air Force</i>		
<b>DoD Forces and Infrastructure Category 2P: Central Personnel Administration</b>		
<b>DoD Strategic Objective 4.2.2P:</b> <i>Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.</i> <i>*Priority Objective: Streamline the hiring process.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.2.1-2P: Percent variance in Active component end strength (USD(P&R))	4.2.1-2P: For each fiscal year, the DoD Active component end strength must be maintained at or not to exceed (NTE) three percent above the SECDEF/NDAA- prescribed end strength for that fiscal year:	FY07 Actual: 0.9% FY08 Actual: 2.1% FY09: 0 – 3% FY09 Actual: 0.9% FY10 Actual: 0.4% FY11: 0 – 3% <b>FY11 Actual: -0.5%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		
4.2.2-2P: Percent variance in Reserve component end strength (USD(P&R))	4.2.2-2P: For each fiscal year, the DoD Reserve component end strength will not vary by more than three percent from the SECDEF/NDAA- prescribed end strength for that fiscal year.	FY07 Actual: -1.7% FY08 Actual: 0% FY09: +/-3% FY09 Actual: 1% FY10 Actual: 0.6% FY11: +/-3% <b>FY11 Actual: 0.2%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		



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Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.2.3-2P: Number of soldiers under stop loss (USD(P&R))	4.2.3-2P: By FY 2011, the Department will reduce the number of soldiers under stop loss to zero.	FY07 Actual: 11,875 FY08 Actual: 13,217 FY09 Actual: 9,753 FY10 Actual: 3,198 FY11: 0 <b>FY11 Actual: 0</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		
*4.2.5-2P: Number of days for external civilian hiring (end-to-end timeline) USD(P&R))	4.2.5-2P: By FY 2012, the Department will improve its external civilian hiring end-to-end timeline to 80 days.	FY07 – 08 Actual: Not available FY09 Actual: 155 FY10 Actual: 116 FY11: 101 <b>FY11 Actual: 104</b>
<b>Contributing DoD Components:</b> <i>All</i>		
4.2.6-2P: Percentage of the Department's active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home. USD(P&R))	4.2.6-2P: By FY 2015, 95 percent of active duty Army personnel will meet the deployment to dwell objective of 1:2.	FY 07-10 Actual: Not available FY 11: 75% <b>FY 11 Actual: 85.7%</b>
<b>Contributing DoD Components:</b> <i>Army</i>		
4.2.7-2P: Percentage of the Department's active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home. USD(P&R))	4.2.7-2P: By FY 2011, 95 percent of active duty Navy personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11: 95% <b>FY11 Actual: 95.6%</b>
<b>Contributing DoD Components:</b> <i>Navy</i>		
4.2.8-2P: Percentage of the Department's active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home. USD(P&R))	4.2.8-2P: By FY 2015, 95 percent of active duty Marine personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11: 94% <b>FY11 Actual: 94%</b>
<b>Contributing DoD Components:</b> <i>MC</i>		
4.2.9-2P: Percentage of the Department's active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home USD(P&R))	4.2.9-2P: By FY 2011, 95 percent of active duty Air Force personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11: 95% <b>FY11 Actual: 97.3%</b>
<b>Contributing DoD Components:</b> <i>AF</i>		
4.2.10-2P: Percent of Reserve Component (RC) Service members mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5 (USD(P&R))	4.2.10-2P: By FY 2012, 68% percent of the RC Service members undergoing mobilization will have a dwell ratio of 1:5 or greater.	FY07 – 09 Actual: Not available FY10 Actual: 64.8% FY11: 60% <b>FY11 Actual: 71.8%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and AF</i>		

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DoD Forces and Infrastructure Category 2R: Central Personnel Benefits		
DoD Strategic Objective 4.3.2R: <i>Better prepare and support families during the stress of multiple deployments.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.3.1-2R: Percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.1-2R: Beginning in FY 2012, the DoD will maintain at least 90 percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition.	FY07 – 10 Actual: Not available FY11: 81% <b>FY11 Actual: 80%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		
4.3.2-2R: Percent of the inventory for government-owned permanent party unaccompanied housing in United States at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.2-2R: By FY 2017 the DoD and each Service will maintain at least 90 percent of the government-owned permanent party unaccompanied housing in United States at good or fair (Q1-Q2) condition.	FY07 – 10 Actual: Not available FY11: 89% <b>FY11 Actual: 85%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		
4.3.3-2R: Percent of the inventory for government-owned permanent party unaccompanied housing at foreign locations at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.3-2R: By FY 2017 the DoD and each Service will maintain at least 90 percent of the government-owned permanent party unaccompanied housing at foreign locations at good or fair (Q1-Q2) condition.	FY07 – 10 Actual: Not available FY11: 75% <b>FY11 Actual: 82%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, and AF</i>		
4.3.4-2R: Cumulative number of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1 or Q2) standards. (USD(P&R))	4.3.4-2R: By FY 2018, 104 of 192 DoDEA schools will be replaced or renovated to meet good or fair (Q1 or Q2) standards.	FY07 Actual: Not available FY08 Actual: 58 FY09 Actual: 60 FY10 Actual: 61 FY11: 65 <b>FY11 Actual: 66</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and AF</i>		
4.3.6-2R: Rating of Military OneSource usefulness by Service members who deployed and have dependents. (USD(P&R))	4.3.6-2R: Beginning in FY 2011, the DoD will sustain or increase the average usefulness rating of Military OneSource (on a 1-4 scale) for Service members who deployed in the past year and have dependents.	FY07 – 08 Actual: Not available FY09 Actual: 2.8 FY10 Actual: 2.8 FY11: 2.8 <b>FY11 Actual: 2.8</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, MC, and AF</i>		
DoD Forces and Infrastructure Category 2T: Central Training		
DoD Strategic Objective 4.4.2T: <i>Train the Total Defense Workforce with the right competencies.</i>		
<i>*Priority Objective: Reform the DoD acquisition process.</i>		
<i>*Priority Objective: Enhance the security cooperation workforce.</i>		
<i>*Priority Objective: Reform the DoD personnel security clearance process.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
*4.4.1-2T: Percent of acquisition positions filled with personnel meeting Level II certification requirements (USD(AT&L))	4.4.1-2T: Beginning in FY 2007, the DoD will increase the percent of positions filled with personnel meeting Level III certification requirements from the previous fiscal year.	FY07 Actual: 51.46% FY08 Actual: 55.10% FY09 Actual: 55.2% FY10 Actual: 52% FY11: > 52% <b>FY11 Actual: 55.1%</b>
<b>Contributing DoD Components:</b> <i>All</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
*4.4.2-2T: Percent of acquisition positions filled with personnel meeting Level III certification requirements (USD(AT&L))	4.4.2-2T: Beginning in FY 2007, the DoD will increase the percent of positions filled with personnel meeting Level III certification requirements from the previous fiscal year.	FY07 Actual: 61.71% FY08 Actual: 69.89% FY09 Actual: 70.5% FY10 Actual: 67.4% FY11: > 67.4% <b>FY11 Actual: 70.2%</b>
<b>Contributing DoD Components: All</b>		
*4.4.3-2T: Cumulative percent of incumbents that have been trained in security cooperation in positions that require security cooperation training (USD(P))	4.4.3-2T: By FY 2011, the DoD will increase the percent of incumbents that have been trained in security cooperation in positions that require security cooperation training to 95 percent or greater.	FY07 – 08 Actual: Not available FY09 Actual: 67% FY10 Actual: 82% FY11: =>95% <b>FY11 Actual: 98.3%</b>
<b>Contributing DoD Components: Army, Navy, Air Force, DLA, DSCA, OSD, TJS, USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USSTRATCOM, USTRANSCOM, and USJFCOM</b>		
*4.4.5-2T: Percent of certified DoD adjudicators (USD(I))	4.4.5-2T: By FY 2012, 90 percent of DoD adjudicators will be certified.	FY07 – 10 Actual: Not available FY11: 50% <b>FY11 Actual: 23%</b>
<b>Contributing DoD Components: Army, Navy, AF, DSS, DIA, NSA, and NGA</b>		
4.4.6-2T: Cumulative increase in the number of students who achieve a 2/2/1+ Defense Language Proficiency Test (DLPT) score in reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale (USD(P&R))	4.4.6-2T: By 2015, DoD will increase the cumulative number of Defense Language Institute Foreign Language Center students who achieve 2/2/1+ score on the DLPT in the reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale by 9,600 students above the FY 2010 baseline of 1,400.	FY07 – 10 Actual: Non-applicable FY11: 2,900 <b>FY11 Actual: 3,076</b>
<b>Contributing DoD Components: Army, Navy, Marine Corps, and Air Force</b>		
<b>DoD STRATEGIC GOAL# 5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.</b>		
<b>DoD Forces and Infrastructure Category 2A: Force Installations</b>		
<b>DoD Strategic Objective 5.1.2A:</b>		
<i>Increase use of renewable energy and reduce energy demand at DoD installations.</i>		
<i>*Priority Objective: Increase energy efficiencies.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.1.1-2A: Average facilities sustainment rate (USD(AT&L))	5.1.1-2A: By FY 2011, the DoD will fund facilities sustainment at a minimum rate of 90 percent of the modeled requirement for each Component.	FY07 Actual: 90% FY08 Actual: 94% FY09 Actual: 81% FY10 Actual: 86% FY11: 90% <b>FY11 Actual: 83%</b> <sup>1/</sup>
<b>Contributing DoD Components: Army, Navy, AF, TMA, and DoDEA</b>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.1.2-2A: Cumulative average percent reduction in building energy intensity (USD(AT&L))	5.1.2-2A: By FY 2015, DoD will reduce average building energy intensity by 30 percent from the FY 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot.	FY07 Actual: 10.1% FY08 Actual: 10.7% FY09 Actual: 9.7% FY10 Actual: 11.5% FY11: 18% FY11 Actual: Not available
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, TMA, and WHS</i>		
*5.1.3-2A: Percentage of renewable energy produced or procured based on DoD's annual electric energy usage (USD(AT&L))	5.1.3-2A: By FY 2025, the DoD will produce or procure renewable energy equal to 25 percent of its annual electric energy usage.	FY07 Actual: 11.9% FY08 Actual: 9.8% FY09 Actual: 9.7% FY10 Actual: 10.4% FY11: 11% FY11 Actual: Not available
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, TMA, and WHS</i>		
<b>DoD Forces and Infrastructure Category 2C: Communications &amp; Information Infrastructure</b>		
<b>DoD Strategic Objective 5.2.2C:</b> <i>Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.2.1-2C: Percent of applicable information technology (IT) and National Security Systems (NSS) that are Certification and Accreditation (C&A)-compliant (ASD(NII/CIO))	5.2.1-2C: By FY 2013, 95 percent of applicable information technology (IT) and National Security Systems (NSS) that are Certification and Accreditation (C&A)-compliant.	FY07 Actual: 90% FY08 Actual: 95% FY09 Actual: 97% FY10 Actual: 90% FY11: =/>90% <b>FY11 Actual 92%</b>
<b>Contributing DoD Components:</b> <i>All</i>		
<b>DoD Forces and Infrastructure Category 2E: Acquisition Infrastructure</b>		
<b>DoD Strategic Objective 5.3.2E:</b> <i>Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.</i> <i>*Priority Objective: Reform the DoD acquisition process.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.3.1-2E: Number of Major Defense Acquisition Program (MDAP) breaches equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost (USD(AT&L))	5.3.1-2E: Beginning in FY 2010, the DoD will ensure the number of breaches (significant cost overruns) for Major Defense Acquisition Programs (MDAPs) is equal to or less than the previous fiscal year.	FY07 Actual: 10 FY08 Actual: 5 FY09 Actual: 2 FY10 Actual: 8 FY11: <= 5 <b>FY11 Actual: 8</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, and MDA</i>		
*5.3.2-2E: Percentage of contract obligations that are competitively awarded (USD(AT&L))	5.3.2-2E: Beginning in FY 2010, the DoD will increase, by one percent annually, the amount of contract obligations that are competitively awarded.	FY07 Actual: 63% FY08 Actual: 64% FY09 Actual: 63% FY10 Actual: 62.5% FY11: 65% <b>FY11 Actual: 58.5%</b>
<b>Contributing DoD Components:</b> <i>All</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.3.3-2E: Average percent increase from the Acquisition Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after (USD(AT&L))	5.3.3-2E: Beginning in FY 2011, the DoD will not increase by more than five percent from the Acquisition Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after	FY07 – 09 Actual: Not available FY10 Actual: 4.4% FY11: </=5% <b>FY11 Actual: 4.5%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, and MDA</i>		
*5.3.4-2E: Cumulative percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009 (USD(AT&L))	5.3.4-2E: By FY 2012, 100 percent of Major Defense Acquisition Programs will be certified, as required by the Weapon Systems Acquisition Reform Act of 2009.	FY07 – 10 Actual: Non-applicable FY11: 60% <b>FY11 Actual: 60%</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, AF, and MDA</i>		
5.3.6-2E: Number of Major Automated Information System (MAIS) "significant" breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months) (DCMO)	5.3.6-2E: Beginning in FY 2011, the DoD will ensure that the number of MAIS "significant" breaches (equal to or greater than 15 percent of the APB total cost or with schedule slippages greater than six months) will not exceed one.	FY07 Actual: Not available FY08 Actual: 1 FY09 Actual: 1 FY10 Actual: 1 FY11: </= 1 <b>FY11 Actual: 2</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, Air Force, BTA, DISA, DLA, and TMA</i>		
5.3.7-2E: Number of Major Automated Information System (MAIS) "critical" breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more) (DCMO)	5.3.7-2E: By FY 2012, the DoD will ensure that the number of MAIS "critical" breaches (equal to or greater than 25 percent of the APB total cost or with schedule slippages greater than one year) will not exceed two.	FY07 Actual: Not available FY08 Actual: 2 FY09 Actual: 6 FY10 Actual: 2 FY11: </= 3 <b>FY11 Actual: 1</b>
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, Air Force, BTA, DISA, DLA, and TMA</i>		
<b>DoD Forces and Infrastructure Category 2L: Logistics</b>		
<b>DoD Strategic Objective 5.4.2L:</b>		
<i>Provide more effective and efficient logistical support to forces abroad.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.4.1-2L: Perfect Order Fulfillment rate for Defense Logistics Agency (DLA) stock items (USD(AT&L))	5.4.1-2L: Beginning in FY 2012, the DoD will maintain the DLA's Perfect Order Fulfillment (POF) rate for stock items at or above 85.4 percent.	FY07 Actual: 73.24% FY08 Actual: 73.66% FY09 Actual: 79.92% FY10 Actual: 84.8% FY11: 84.95% <b>FY11 Actual: 86.2%</b>
<b>Contributing DoD Components:</b> <i>DLA</i>		
5.4.2-2L: Army Customer Wait Time (USD(AT&L))	5.4.2-2L: Beginning in FY 2012, the DoD will maintain the Army's customer wait time at or below 15.5 days.	FY07 Actual: 19 FY08 Actual: 17.4 FY09 Actual: 16.6 FY10 Actual: 16.6 FY11: 15.9 <b>FY11 Actual: 14.1</b>
<b>Contributing DoD Components:</b> <i>Army</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.4.3-2L: Navy Customer Wait Time (USD(AT&L))	5.4.3-2L: Beginning in FY 2011, the DoD will maintain the Navy's customer wait time at or below 12.5 days.	FY07 Actual: 9.1 FY08 Actual: 10.3 FY09 Actual: 12.6 FY10 Actual: 12.7 FY11: 12.5 <b>FY11 Actual: 11.4</b>
<b>Contributing DoD Components:</b> <i>Navy</i>		
5.4.4-2L: Air Force Customer Wait Time (USD(AT&L))	5.4.4-2L: Beginning in FY 2011, the DoD will maintain the Air Force's customer wait time at or below 5 days.	FY07 Actual: 5.5 FY08 Actual: 5.7 FY09 Actual: 6.3 FY10 Actual: 7.6 FY11: 5 <b>FY11 Actual: 5</b>
<b>Contributing DoD Components:</b> <i>Air Force</i>		
<b>DoD Forces and Infrastructure Category 2U/2V: Department Headquarters and other Infrastructure</b>		
<b>DoD Strategic Objective 5.5.2U/2V:</b> <i>Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.</i> <i>*Priority Objective: Increase the audit readiness of individual DoD components.</i> <i>*Priority Objective: Reform the DoD personnel security clearance process.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.5.1-2U: Percent DoD Statement of Budgetary Resources Appropriations Received validated (USD(C/CFO))	5.5.1-2U: By FY 2013, 100 percent of DoD Statement of Budgetary Resources Appropriations Received will be reviewed, verified for accuracy, and "validated" or approved as audit-ready.	FY07 Actual: 14% FY08 Actual: 14% FY09 Actual: 19% FY10 Actual: 19% FY11: 80% <b>FY11 Actual: 80%</b>
<b>Contributing DoD Components:</b> <i>All</i>		
*5.5.2-2U: Percent of DoD Funds Balance with Treasury validated (USD(C/CFO))	5.5.2-2U: By FY 2016, 100 percent of DoD Funds Balance with Treasury will be validated as audit-ready.	FY07 Actual: 5% FY08 Actual: 5% FY09 Actual: 7% FY10 Actual: 9% FY11: 9% <b>FY11 Actual: 9%</b>
<b>Contributing DoD Components:</b> <i>All</i>		
*5.5.3-2U: Percent of DoD Statement of Budgetary Resources validated (USD(C/CFO))	5.5.3-2U: By FY 2017, 100 percent of DoD Statement of Budgetary Resources will be validated as audit-ready.	FY07 Actual: 10% FY08 Actual: 10% FY09 Actual: 13% FY10 Actual: 14% FY11: 14% <b>FY11 Actual: 14%</b>
<b>Contributing DoD Components:</b> <i>All</i>		



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Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.5.4-2U: Percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated for existence and completeness (USD(C/CFO))	5.5.4-2U: By FY 2017, 100 percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) will be validated as audit-ready for existence and completeness.	FY07 – 09 Actual: Not available FY10: 4% FY11: 20% <b>FY11 Actual: 4%</b>
<b>Contributing DoD Components: All</b>		
5.5.5-2U: Percent of improper military pay payments (USD(C/CFO))	5.5.5-2U: By FY 2012, the DoD will achieve a percentage of improper military pay payments at less than or equal to 1.25 percent.	FY07 Actual: 0.57% FY08 Actual: 0.60% FY09 Actual: 0.48% FY10 Actual: 0.61% FY11: </=1.25% <b>FY11 Actual: 0.51%</b>
<b>Contributing DoD Components: Army, Navy, and AF</b>		
5.5.6-2U: Percent of improper civilian pay payments (USD(C/CFO))	5.5.6-2U: By FY 2012, the DoD will achieve a percentage of improper civilian pay payments at less than or equal to 0.25 percent.	FY07 Actual: 0.25% FY08 Actual: 0.26% FY09 Actual: 0.32% FY10 Actual: 0.24% FY11: </=0.26% <b>FY11 Actual: 0.16%</b>
<b>Contributing DoD Components: All</b>		
5.5.7-2U: Number of late formal Anti-Deficiency Act investigations from the FY 2009 baseline of 25 (USD(C/CFO))	5.5.7-2U: By FY 2013, the DoD will reduce the number of late formal Anti-Deficiency Act (ADA) investigations to zero from the FY 2009 baseline of 25 late formal ADA investigations.	FY07 – 09 Actual: Non-applicable FY10 Actual: 19 FY11: 10 <b>FY11 Actual: 9</b>
<b>Contributing DoD Components: All</b>		
*5.5.8-2U: Average number of days required to adjudicate the fastest 90 percent of initial top secret and secret personnel security clearance cases (USD(I))	5.5.8-2U: Beginning in FY 2010, the Department will adjudicate the fastest 90 percent of initial top secret and secret personnel security clearance cases within 20 days.	FY07 Actual: 39 FY08 Actual: 30 FY09 Actual: 25 FY10 Actual: 10 FY11: 20 <b>FY11 Actual: 9</b>
<b>Contributing DoD Components: Army, Navy, AF, DSS, DIA, NSA, and NGA</b>		
*Reflects FY 2010 – FY 2011 priority goal.		
<sup>17</sup> Reflects result for Operations and Maintenance (O&M) funds only; as most facilities sustainment funding is O&M, the residual amount in other accounts is not expected to result in the goal being achieved.		

## Exhibit B – FY 2012 – FY 2013 DOD-wide Performance Goals by Strategic Goal and Strategic Objective

<b>DoD STRATEGIC GOAL #1: PREVAIL IN TODAY'S WARS.</b>		
<b>DoD Strategic Objective 1.1-OCO:</b>		
<i>Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.</i>		
<b>Performance Measures</b>	<b>Long-term Performance Goals</b>	<b>Annual Performance Goals</b>
1.1.1-OCO: Percent of DoD Combatant Commanders' (CoComs) Current Operations which they report ready to execute (USD(P&R))	1.1.1-OCO: For each fiscal year, DoD Combatant Commanders (CoComs) will be ready to execute 100 percent of Current Operations.	FY07 – 08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11 Actual: 100% FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM		
1.1.2-OCO: Average annual military strength in Afghanistan (USD(P))	1.1.2-OCO: For FY 2013, the DoD will maintain an average annual military strength in Afghanistan of not more than 68,000.	FY07 Actual: 24,641 FY08 Actual: 32,259 FY09 Actual: 52,440 FY10 Actual: 88,516 FY11 Actual: 98,158 FY12: 89,840 FY13: 68,000
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM		
1.1.3-OCO: Average annual military strength providing theater support (USD(P))	1.1.3-OCO: For FY 2013, the DoD will maintain an average annual military strength of not more than 49,200 for theater support.	FY07 – 12 Actual: Not available <sup>1/</sup> FY13: 49,200
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM		
1.1.4-OCO: Cumulative number of Afghan National Security Force (ANSF) end strength (USD(P))	1.1.4-OCO: By FY 2012, the DoD will improve combat effectiveness by increasing the Afghan National Security Forces to 352,000.	FY07 Actual: 122,000 FY08 Actual: 144,000 FY09 Actual: 184,000 FY10 Actual: 259,000 FY11 Actual: 305,600 *FY12: 352,000 FY13: Deleted; achieved end state
<b>Contributing DoD Components:</b> USCENTCOM		
<b>DoD Strategic Objective 1.2-OCO:</b>		
<i>Execute a responsible drawdown of the U.S. military presence in Iraq.</i>		
<b>Performance Measures</b>	<b>Long-term Performance Goals</b>	<b>Annual Performance Goals</b>
Objective satisfied in FY 2012.		
<b>Contributing DoD Components:</b> USCENTCOM		

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DoD STRATEGIC GOAL #2: PREVENT AND DETER CONFLICT.		
DoD Forces and Infrastructure Category 1F1: Expeditionary Forces		
DoD Strategic Objective 2.1-1F1: <i>Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and by enhancing stability operations and foreign security force competency.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.1.1-1F1: Percent of the DoD Combatant Commanders (CoComs) that are ready to execute their Core or Theater Campaign Plan missions (USD(P&R))	2.1.1-1F1: For each fiscal year, DoD Combatant Commanders (CoComs) will be ready to execute 100 percent of their Core or Theater Campaign Plan missions.	FY07 – 08 Actual: Not available FY09 Actual: 100% FY10 Actual: 100% FY11 Actual: 100% FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM		
2.1.2-1F1: Percent of the DoD Combatant Commanders' (CoComs) Contingency Plans which they report ready to execute (USD(P&R))	2.1.2-1F1: For each fiscal year, DoD Combatant Commanders (CoComs) will be ready to execute at least 80 percent of their Contingency Plans.	FY07 – 08 Actual: Not available FY09 Actual: 89% FY10 Actual: 82.1% FY11 Actual: 80% FY12: 80% FY13: 80%
<b>Contributing DoD Components:</b> USAFRICOM, USEUCOM, USCENTCOM, USPACOM, USSOUTHCOM, USNORTHCOM, USSTRATCOM, USSOCOM, and USTRANSCOM		
2.1.3-1F1: Cumulative number of Army Brigade Combat Teams (BCTs) converted to a modular design and available to meet military operational demands (USD(P&R))	2.1.3-1F1: By FY 2017, the DoD will have a maximum of 65 modular Army Brigade Combat Teams (BCTs).	FY07 Actual: 35 FY08 Actual: 38 FY09 Actual: 46 FY10 Actual: 56 FY11 Actual: 66 FY12: 69 FY13: 70
<b>Contributing DoD Components:</b> Army		
2.1.4-1F1: Cumulative number of Army Multi-functional and Functional Support (MFF) brigades converted to a modular design and available to meet military operational demands (USD(P&R))	2.1.4-1F1: By FY 2013, the DoD will convert 229 Army Multi-functional and Functional Support (MFF) brigades to a modular design.	FY07 Actual: 144 FY08 Actual: 188 FY09 Actual: 196 FY10 Actual: 202 FY11 Actual: 225 FY12: 227 FY13: 229
<b>Contributing DoD Components:</b> Army		
2.1.5-1F1: Cumulative number of ships in the fleet (USD(P&R))	2.1.5-1F1: By FY 2020, the DoD will increase the number of ships in the fleet to 292 for security operations.	FY07 Actual: 279 FY08 Actual: 282 FY09 Actual: 285 FY10 Actual: 287 FY11 Actual: 284 FY12: 289 FY13: 283
<b>Contributing DoD Components:</b> Navy		

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DoD Forces and Infrastructure Category 1F2: Homeland Defense		
DoD Strategic Objective 2.2-1F2A <i>Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.2.1-1F2A: Number of formal DoD-led meetings with international partners to reaffirm U.S. commitments to extended deterrence (USD(P))	2.2.1-1F2A: Beginning in FY 2011, the DoD will lead at least six formal meetings with international partners to reaffirm U.S. commitments to extended deterrence.	FY07 – 10 Actual: Non-applicable FY11 Actual: 11 FY12: 6 FY13: 6
<b>Contributing DoD Components:</b> <i>OSD</i>		
2.2.2-1F2A: Passing percentage rate for Defense Nuclear Surety Inspections (USD(P))	2.2.2-1F2A: Beginning in FY 2011, the DoD will maintain a passing rate of 100 percent for all regular Defense Nuclear Surety Inspections.	FY07 Actual: 100% FY08 Actual: 71% FY09 Actual: 77% FY10 Actual: 73% FY11 Actual: 85.7% FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> <i>Navy, Air Force, TJS, and DTRA</i>		
2.2.3-1F2A: Annual compliance rate in the number of attributable warheads under the New START treaty with the Russian Federation, as determined by the Secretary of Defense (USD(P))	2.2.3-1F2A: By FY 2018, the DoD will maintain not more than 1,550 operationally deployed nuclear warheads.	FY07 – 11 Actual: Non-applicable FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> <i>Navy, Air Force, and USSTRATCOM</i>		
2.2.4-1F2A: Annual compliance rate in the number of operationally deployed Strategic Delivery Vehicles under the New START treaty with the Russian Federation, as determined by the Secretary of Defense (USD(P))	2.2.4-1F2A: By FY 2018, the DoD will maintain not more than 700 operationally deployed Strategic Delivery Vehicles (SDVs).	FY07 – 11 Actual: Non-applicable FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> <i>Navy, Air Force, and USSTRATCOM</i>		
DoD Forces and Infrastructure Category 1F3: Military Space Forces		
DoD Strategic Objective 2.3-1F3: <i>Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.3.1-1F3: Cumulative number of Aegis Ballistic Missile Defense (BMD)-capable ships (USD(P))	2.3.1-1F3: By FY 2017, the DoD will have 33 Aegis ships that are BMD-capable.	FY07 Actual: 17 FY08 Actual: 17 FY09 Actual: 18 FY10 Actual: 20 FY11 Actual: 24 FY12: 29 FY13: 32
<b>Contributing DoD Components:</b> <i>Navy and MDA</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.3.2-1F3: Cumulative number of Standard Missile - Model 3 (SM-3) Interceptors (all variants) delivered (USD(AT&L))	2.3.2-1F3: By FY 2017, the DoD will have delivered 394 SM-3 Interceptors (all variants) to counter aerial threats.	FY07 Actual: 24 FY08 Actual: 42 FY09 Actual: 63 FY10 Actual: 88 FY11 Actual: 108 FY12: 129 FY13: 138
<b>Contributing DoD Components:</b> <i>MDA</i>		
2.3.3-1F3: Cumulative number of Army- Navy/Transportable Radar Surveillance – Model 2 (AN/TPY-2) delivered (USD(AT&L))	2.3.3-1F3: By FY 2017, the DoD will have delivered 12 AN/TPY-2 Radars to detect aerial threats.	FY07 Actual: 3 FY08 Actual: 5 FY09 Actual: 6 FY10 Actual: 7 FY11 Actual: 7 FY12: 7 FY13: 8
<b>Contributing DoD Components:</b> <i>MDA</i>		
<b>DoD Forces and Infrastructure Category 1X2: Intelligence Operations</b>		
<b>DoD Strategic Objective 2.4-1X2:</b> <i>Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
2.4.1-1X2: Cumulative number of Predator (MQ-1) and Reaper (MQ-9) intelligence, surveillance, and reconnaissance (ISR) orbits (USD(I))	2.4.1-1X2: By FY 2017, the DoD will achieve and maintain 65 Predator (MQ-1) and Reaper (MQ-9) ISR orbits.	FY07 Actual: 18 FY08 Actual: 29 FY09 Actual: 36 FY10 Actual: 45 FY11 Actual: 59 FY12: 56 FY13: 45 <sup>2/</sup>
<b>Contributing DoD Components:</b> <i>Air Force</i>		
<b>DoD STRATEGIC GOAL #3: PREPARE TO DEFEAT ADVERSARIES AND SUCCEED IN A WIDE RANGE OF CONTINGENCIES.</b>		
<b>DoD Forces and Infrastructure Category 1F2: Homeland Defense</b>		
<b>DoD Strategic Objective 3.1-1F2B</b> <i>Improve the responsiveness and flexibility of consequence management response forces.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.1.1-1F2B: Cumulative number of Homeland Response Forces (HRFs) trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours (USD(P))	3.1.1-1F2B: By FY 2012, the DoD will have and maintain ten National Guard HRFs trained, equipped, evaluated, and validated at a reduced response time of 6-12 hours to a very significant or catastrophic event.	FY07 – 10 Actual: Non-applicable FY11 Actual: 2 FY12: 10 FY13: 10
<b>Contributing DoD Components:</b> <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>		



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Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.1.2-1F2B: Cumulative number of Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages (CERFPs) trained, equipped, evaluated, and validated at a response time of 6-12 hours (USD(P))	3.1.2-1F2B: By FY 2012, the DoD will have and maintain 17 National Guard CERFPs trained, equipped, evaluated, and validated at a response time of 6-12 hours in order to backfill existing CERFPs that will convert to HRFs.	FY07 – 10 Actual: Non-applicable FY11 Actual: 17 FY12: 17 FY13: 17
<b>Contributing DoD Components:</b> <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>		
3.1.3-1F2B: Number of Defense CBRNE Response Forces (DCRFs) trained, equipped, evaluated, and certified at a response time of 24-48 hours (USD(P))	3.1.3-1F2B: By FY 2012, the DoD will have and maintain one DCRF trained, equipped, evaluated, and certified at a response time of 24 – 48 hours.	FY07 – 11 Actual: Non-applicable FY12: 1 FY13: 1
<b>Contributing DoD Components:</b> <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>		
3.1.4-1F2B: Number of Command and Control (C2) CBRNE Response Elements (C2CREs) trained, equipped and evaluated, as well as certified or validated as applicable at a response time of 96 hours (USD(P))	3.1.4-1F2B: By FY 2012, the DoD will have and maintain two C2CREs trained, equipped and evaluated as well as certified or validated as applicable at a response time of 96 hours.	FY07 – 11 Actual: Non-applicable FY12: 2 FY13: 2
<b>Contributing DoD Components:</b> <i>USPACOM, USNORTHCOM, Army, Air Force, and National Guard Bureau</i>		
<b>DoD Strategic Objective 3.2-1F2C</b> <i>Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.2.1-1F2C: Cumulative percent of treaty-declared category 1 chemical weapons destroyed (USD(AT&L))	3.2.1-1F2C: By FY 2021, the DoD will have destroyed 100 percent of treaty-declared category 1 chemical weapons.	FY07 Actual: 48.2% FY08 Actual: 49.6% FY09 Actual: 65.5% FY10 Actual: 79.8% FY11 Actual: 89.1% FY12: 89.8% FY13: 89.8%
<b>Contributing DoD Components:</b> <i>Army</i>		
3.2.2-1F2C: Cumulative number of labs working with dangerous pathogens at risk for exploitation (USD(AT&L))	3.2.2-1F2C: By FY 2017, the DoD will have secured 66 labs working with dangerous pathogens that are considered at risk for exploitation.	FY07: Actual: Not available FY08 Actual: 16 FY09 Actual: 19 FY10 Actual: 20 FY11 Actual: 37 FY12: 39 FY13: 45
<b>Contributing DoD Components:</b> <i>DTRA</i>		
<b>DoD Strategic Objective 3.3-1F2C</b> <i>Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.3.1-1F2C: Percentage of general purpose force (GPF) deployed to support CoCom security force assistance requirements that have received focused SFA training. USD(P&R))	3.3.1-1F2C: Beginning in FY 2013, 95 percent of GPF units/teams deployed to support CoCom SFA requirements will have received focused SFA training.	FY07 – 11 Actual: Non-applicable FY12: Not available FY13: 95%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.3.2-1F2C: Average number of trained or deployed civilian expeditionary ministerial-level advisors (USD(P))	3.3.2-1F2C: By FY 2014, the DoD will maintain an annual average of 100 civilian expeditionary advisors to provide ministerial-level training and advice to partner nations.	FY07 – 09 Actual: Non-applicable FY10 Actual: 17 FY11 Actual: 45 FY12: 60 FY13: 75
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, Air Force, DSCA, and OSD</i>		
3.3.3-1F2C: Average number of countries with active Defense Institution Reform Initiative (DIRI) programs (USD(P))	3.3.3-1F2C: By FY 2015, the DoD will expand its Defense Institution Reform Initiative (DIRI) program to include 30 countries.	FY07 – 10 Actual: Non-applicable FY 11 Actual: 17 FY12: 22 FY13: 26
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, Air Force, DSCA, and OSD</i>		
<b>Forces and Infrastructure Category 1X1: Operational Command &amp; Control Systems</b>		
<b>DoD Strategic Objective 3.4-1X1</b>		
<i>Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.</i>		
<i>*Agency Priority Goal 1: By September 30, 2013, the DoD will attain a passing score on a comprehensive cybersecurity inspection that assesses compliance with technical, operational, and physical security standards, on an overwhelming majority of inspected military cyberspace organizations resulting in improved hardening and cyber defense. (DoD CIO)<sup>2/</sup></i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.4.1-1X1: Percent of DoD's nuclear command, control, and communications (NC3) cryptographic modernization plan completed (DoD CIO)	3.4.1-1X1: By FY 2016, the DoD will have completed 100 percent of its NC3 cryptographic modernization action plan for the most critical 25 networks.	FY07 – 10 Actual: Not available FY11 Actual: 12% FY12: 32% FY13: 44%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, NSA, and DISA</i>		
*3.4.2-1X1: Percent of inspected DoD military cyberspace organizations that attain a passing grade (score of xx percent or better) on a Command Cyber Readiness Inspection (CCRI) <sup>3/</sup> (DoD CIO)	3.4.2-1X1: By FY 2013, xx percent of inspected DoD military cyberspace organizations will attain a passing grade (score of xx percent or better) on a Command Cyber Readiness Inspection. <sup>3/</sup>	FY07 – 11 Actual: Non-applicable <sup>2/</sup> *FY12: xx% <sup>3/</sup> *FY13: xx% <sup>3/</sup>
<b>Contributing DoD Components:</b> <i>All</i>		
<b>DoD Forces and Infrastructure Category 2D: Science and Technology</b>		
<b>DoD Strategic Objective 3.5-2D:</b>		
<i>Maintain a strong technical foundation within the Department's Science and Technology (S&amp;T) program.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
3.5.1-2D: Percent of completing demonstration programs transitioning each year (USD(AT&L))	3.5.1-2D: Beginning in FY 2008, the DoD will transition 30 percent of completing demonstration programs per year.	FY07 Actual: Not available FY08 Actual: 43.1% FY09 Actual: 52.6% FY10 Actual: 61.5% FY11 Actual: 83% FY12: 30% FY13: 30%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, DLA, DARPA, CBDP, and OSD</i>		

**DoD STRATEGIC GOAL #4: PRESERVE AND ENHANCE THE ALL-VOLUNTEER FORCE.**

**DoD Forces and Infrastructure Category 2M: Defense Health Program**

**DoD Strategic Objective 4.1-2M:**

*Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.*

*\*Agency Priority Goal 2: By September 30, 2013, the DoD will: 1) increase the use of Recovery Care Coordinators and ensure WII Service members have active recovery plans; 2) improve effectiveness of behavioral health programs and ensure all Service members complete quality post-deployment health screenings; and 3) accelerate the transition of WII Service members into veteran status by reducing the processing time required for disability evaluation boards. (USD(P&R))*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase (USD(P&R))	4.1.1-2M: Beginning in FY 2007, the DoD will maintain an average Defense Health Program (DHP) medical cost per equivalent life increase at or below the average healthcare premium increase in the civilian sector.	FY07 Actual: -0.8% FY08 Actual: 1.1% FY09 Actual: 6.7% FY10 Actual: -1% FY11 Actual: 1.4% FY12: </=0% FY13: </= 0%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, and Marine Corps</i>		
4.1.2-2M: Percentage of Armed Forces who meet Individual Medical Readiness (IMR) requirements (USD(P&R))	4.1.2-2M: By FY 2015, 85 percent of the Armed Forces will have an IMR that indicates readiness for deployment.	FY07 Actual: Not available FY08 Actual: 67% FY09 Actual: 69% FY10 Actual: 74% FY11 Actual: 78% FY12: 82% FY13: 82%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, and Marine Corps</i>		
4.1.3-2M: Percent of Service members who are processed through the Integrated Disability Evaluation System (IDES) within 295 days (Active) or 305 days (Reserve) (USD(P&R))	4.1.3-2M: By FY 2014, 80 percent of Service Members will be processed through the IDES within 295 days (Active) or 305 days (Reserve) components.	FY07 Actual: Non-applicable FY08 Actual: 4% <sup>4/</sup> FY09 Actual: 27% <sup>4/</sup> FY10 Actual: 44% <sup>4/</sup> FY11 Actual: 100% <sup>4/</sup> FY12: 60% FY13: 70%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, and Marine Corps</i>		
4.1.4-2M: Percent of Veterans Affairs (VA) and DoD core medical facilities that have transitioned to joint data centers (DCMO)	4.1.4-2M: By FY 2017, 100 percent of Veterans Affairs (VA) and DoD core medical facilities will have transitioned to joint data centers.	FY07 – 11 Actual: Non-applicable FY12: 11% FY13: 17%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
*4.1.5-2M: Percent of wounded, ill and injured (WII) Service members who are enrolled in a Service recovery coordination program and have an established and active recovery plan administered by a DoD trained Recovery Care Coordinator (USD(P&R))	4.1.5-2M: By FY 2012, 100 percent of wounded, ill, and injured (WII), who are enrolled in a Service recovery coordination program, will have an established and active recovery plan administered by a DoD trained Recovery Care Coordinator.	FY07 – 11 Actual: Non-applicable *FY12: 100% *FY13: 100%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
*4.1.6-2M: Percent of wounded, ill and injured (WII) Service members who are assigned to a DoD trained Recovery Care Coordinator (RCC) within 30 days of being enrolled in a Wounded Warrior Program (USD(P&R))	4.1.6-2M: By FY 2012, 100 percent of wounded, ill, and injured (WII) Service members will be assigned to a DoD trained Recovery Care Coordinator within 30 days of being enrolled in a Wounded Warrior Program.	FY07 – 11 Actual: Non-applicable *FY12: 100% *FY13: 100%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
<b>DoD Forces and Infrastructure Category 2P: Central Personnel Administration</b>		
<b>DoD Strategic Objective 4.2-2P:</b> <i>Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.2.1-2P: Percent variance in Active component end strength (USD(P&R))	4.2.1-2P: For each fiscal year, the DoD Active component end strength will not vary by more than three percent from the SECDEF/NDAA-prescribed end strength for that fiscal year.	FY07 Actual: 0.9% FY08 Actual: 2.1% FY09: 0 – 3% FY09 Actual: 0.9% FY10 Actual: 0.4% FY11 Actual: -0.5% FY12: +/-3% FY13: +/-3%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.2.2-2P: Percent variance in Reserve component end strength (USD(P&R))	4.2.2-2P: For each fiscal year, the DoD Reserve component end strength will not vary by more than three percent from the SECDEF/NDAA-prescribed end strength for that fiscal year.	FY07 Actual: -1.7% FY08 Actual: 0% FY09: +/-3% FY09 Actual: 1% FY10 Actual: 0.6% FY11 Actual: 0.2% FY12: +/-3% FY13: +/-3%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.2.3-2P: Percentage of the Department's active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home (USD(P&R))	4.2.3-2P: By FY 2015, 95 percent of active duty Army personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11 Actual: 85.7% FY12: 80% FY13: 80%
<b>Contributing DoD Components:</b> <i>Army</i>		
4.2.4-2P: Percentage of the Department's active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home (USD(P&R))	4.2.4-2P: By FY 2011, 95 percent of active duty Navy personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11 Actual: 95.6% FY12: 95% FY13: 95%
<b>Contributing DoD Components:</b> <i>Navy</i>		
4.2.5-2P: Percentage of the Department's active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home (USD(P&R))	4.2.5-2P: By FY 2015, 95 percent of active duty Marine personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11 Actual: 94% FY12: 95% FY13: 95%
<b>Contributing DoD Components:</b> <i>Marine Corps</i>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.2.6-2P: Percentage of the Department's active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home USD(P&R))	4.2.6-2P: By FY 2011, 95 percent of active duty Air Force personnel will meet the deployment to dwell objective of 1:2.	FY07 – 10 Actual: Not available FY11 Actual: 97.3% FY12: 95% FY13: 95%
<b>Contributing DoD Components:</b> <i>Air Force</i>		
4.2.7-2P: Percent of Reserve Component (RC) Service members mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5 (USD(P&R))	4.2.7-2P: By FY 2013, 80 percent of the RC Service members undergoing mobilization will have a dwell ratio of 1:5 or greater.	FY07 – 10 Actual: Not available FY11 Actual: 71.8% FY12: 71% FY13: 80%
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
4.2.8-2P: Number of days for all external civilian hiring actions (end-to-end timeline) (USD(P&R))	4.2.8-2P: By FY 2012, the Department will improve and maintain its timeline for all external (direct hire authority, expedited hire authority, and delegated examining) civilian hiring actions to 80 days or less.	FY07 – 08 Actual: Not available FY09 Actual: 155 FY10 Actual: 116 FY11 Actual: 104 FY12: 80 FY13: 80
<b>Contributing DoD Components:</b> <i>All</i>		
<b>DoD Forces and Infrastructure Category 2R: Central Personnel Benefits</b>		
<b>DoD Strategic Objective 4.3-2R:</b> <i>Better prepare and support families during the stress of multiple deployments.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.3.1-2R: Percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.1-2R: Beginning in FY 2012, the DoD (except Navy) will maintain at least 90 percent of worldwide government-owned Family Housing inventory at good or fair (Q1-Q2) condition.	FY07 – 10 Actual: Not available FY11 Actual: 80% FY12: 81% FY13: 82%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.3.2-2R: Percent of the worldwide inventory for government-owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition (USD(AT&L))	4.3.2-2R: By FY 2017 the DoD (except Navy) will maintain at least 90 percent of the worldwide government- owned permanent party unaccompanied housing at good or fair (Q1-Q2) condition.	FY07 – 10 Actual: Not available FY11 Actual: 85% FY12: 85% FY13: 87%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.3.3-2R: Cumulative percent of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1 or Q2) standards (USD(P&R))	4.3.3-2R: By FY 2018, 100 percent of DoDEA schools will meet the OSD acceptable standard of good or fair (Q1 or Q2) standards.	FY07 – 11 Actual: Not available FY12: 35% FY13: 36%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.3.4-2R: Cumulative number of military spouses who have obtained employment through the Military Spouse Employment Partnership (MSEP) (USD(P&R))	4.3.4-2R: By FY 2017, a cumulative of 100,000 military spouses will have obtained employment through the Military Spouse Employment Partnership (MSEP).	FY07 – 11 Actual: Non-applicable FY12: Not available FY13: 20,000
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		

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DoD Forces and Infrastructure Category 2T: Central Training		
DoD Strategic Objective 4.4-2T: <i>Train the Total Defense Workforce with the right competencies.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
4.4.1-2T: Percent of acquisition positions filled with personnel meeting Levels II and III certification requirements (USD(AT&L))	4.4.1-2T: Beginning in FY 2007, the DoD will increase the percent of positions filled with personnel meeting Levels II and III certification requirements from the previous fiscal year.	FY07 – 11 Actual: Not available FY12: 59.9% FY13: 60%
<b>Contributing DoD Components:</b> <i>All</i>		
4.4.2-2T: Percentage of Defense Language Institute (DLI) Foreign Language Center students who achieve a 2/2/1+ Defense Language Proficiency Test (DLPT) score in reading, listening, and speaking modalities (USD(P&R))	4.4.2-2T: Beginning in FY 2012, 80 percent of DLI Foreign Language Center students will achieve a 2/2/1+ score on the DLPT in the reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale.	FY07 – 11 Actual: Not available FY12: 80% FY13: 80%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.4.3-2T: Percent of Military Departmental information assurance positions and contract requirements filled with personnel meeting certification requirements (DoD CIO)	4.4.3-2T: By FY 2016, 95 percent of Military Departmental information assurance positions and contract requirements will be filled with personnel meeting certification requirements.	FY07 – 11 Actual: Not available FY12: 70% FY13: 75%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force</i>		
4.4.4-2T: Percent satisfied of DoD annually-validated requirements for advanced Military Source Operations (MSO) and interrogation skills training (USD(I))	4.4.4-2T: By FY 2015, the DoD will satisfy 100 percent of its annually-validated requirements for advanced Military Source Operations (MSO) and interrogation skills training.	FY07 – 12 Actual: Not available FY13: 90%
<b>Contributing DoD Components:</b> <i>Army, Navy, Marine Corps, and Air Force, and DIA</i>		
4.4.5-2T: Percent of eligible DoD adjudicators that are certified (USD(I))	4.4.2-2T: Beginning in FY 2012, 90 percent of eligible (i.e., those with 24 months experience) DoD adjudicators will be certified.	FY10-09 Actual: Not available FY11 Actual: 23% FY12: 90% FY13: Deleted; achieved end state
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, DSS, DIA, NSA, and NGA</i>		



**DoD STRATEGIC GOAL #5: REFORM THE BUSINESS AND SUPPORT FUNCTIONS OF THE DEFENSE ENTERPRISE.**

**DoD Forces and Infrastructure Category 2A: Force Installations**

**DoD Strategic Objective 5.1-2A:**

***Increase use of renewable energy and reduce energy demand at DoD installations.***

*\*Agency Priority Goal 3: By September 30, 2013, the DoD will: (1) improve its facility energy performance by reducing average building energy intensity by 24 percent from the 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot, and producing or procuring renewable energy equal to 13 percent of its annual electric energy usage; and (2) improve its operational energy performance by establishing an operational energy baseline with all available data on fuel use; developing a plan for remediating data gaps; funding and implementing a comprehensive data plan; establishing and executing operational energy performance targets based on this comprehensive data for each Military Service and relevant agency. (USD(AT&L))*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.1.1-2A: Average facilities sustainment rate (USD(AT&L))	5.1.1-2A: Beginning in FY 2013, the DoD will fund facilities sustainment at a minimum of 90 percent of the Facilities Sustainment Model (FSM) requirement, with the exception of the Navy and Air Force which will fund sustainment at a minimum of 80 percent of their FSM requirement.	FY07 Actual: 90% FY08 Actual: 94% FY09 Actual: 81% FY10 Actual: 88% FY11 Actual: 83% <sup>5/</sup> FY12: 85% FY13: 86%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, DLA, TMA, and DoDEA</i>		
*5.1.2-2A: Cumulative average percent reduction in building energy intensity (USD(AT&L))	5.1.2-2A: By FY 2015, DoD will reduce average building energy intensity by 30 percent from the FY 2003 baseline of 116,134 British Thermal Units (BTUs) per gross square foot.	FY07 Actual: 10.1% FY08 Actual: 10.7% FY09 Actual: 9.7% FY10 Actual: 10.5% FY11 Actual: Not available *FY12: 21% *FY13: 24%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, TMA, and WHS</i>		
*5.1.3-2A: Percentage of renewable energy produced or procured based on DoD's annual electric energy usage (USD(AT&L))	5.1.3-2A: By FY 2025, the DoD will produce or procure renewable energy equal to 25 percent of its annual electric energy usage.	FY07 Actual: 11.9% FY08 Actual: 9.8% FY09 Actual: 9.7% FY10 Actual: 10% FY11 Actual: Not available *FY12: 12% *FY13: 13%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, DCMA, DeCA, DFAS, DIA, DLA, MDA, NGA, NSA, TMA, and WHS</i>		
5.1.4-2A: Million square feet (MSF) of excess or obsolete facilities eliminated (USD(AT&L))	5.1.4-2A: Between FY 2008 and FY 2013, the DoD will demolish a minimum of 62 million square feet (MSF) of excess or obsolete facilities.	FY07 Actual: Non-applicable FY08 Actual: 13.4 FY09 Actual: 27.2 FY10 Actual: 34.3 FY11 Actual: 41.6 FY12: 57 FY13: 62
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, TMA, DoDEA, and DLA</i>		

## Overview – FY 2013 Defense Budget

### DoD Forces and Infrastructure Category 2C: Communications & Information Infrastructure

#### DoD Strategic Objective 5.2-2C:

*Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.2.1-2C: Percent of applicable Information Technology (IT) and National Security Systems (NSS) that are Certification and Accreditation (C&A)-compliant (DoD CIO)	5.2.1-2C: By FY 2015, 99 percent of applicable Information Technology (IT) and National Security Systems (NSS) will be Certification and Accreditation (C&A)-compliant.	FY07 Actual: 90% FY08 Actual: 95% FY09 Actual: 97% FY10 Actual: 90% FY11 Actual: 92% FY12: 90% FY13: 95%
<b>Contributing DoD Components: All</b>		
5.2.2-2C: Cumulative percent reduction in the number of DoD data centers (DoD CIO)	5.2.2-2C: By FY 2015, the DoD will reduce its number of data centers by 45 percent (from 772 in FY 2010 to 428 in FY 2015) in order to increase data center storage utilization/capacity.	FY07 – 10 Actual: Non-applicable FY11 Actual: 7% FY12: 19% FY13: 31%
<b>Contributing DoD Components: All</b>		
5.2.3-2C: Cumulative percentage of DoD Non-secure Internet Protocol Router Network (NIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.3-2C: By FY 2014, 95 percent of DoD NPRNet accounts will have PKI cryptographic logon capability.	FY07 Actual: Not available FY08 Actual: 57% FY09 Actual: 87% FY10 Actual: 88% FY11 Actual: 88% FY12: 88% FY13: 93%
<b>Contributing DoD Components: All</b>		
5.2.4-2C: Cumulative percentage of DoD Secure Internet Protocol Router Network (SIPRNet) accounts with Public Key Infrastructure (PKI) cryptographic logon capability (DoD CIO)	5.2.4-2C: By FY 2014, 95 percent of DoD SIPRNet accounts will have PKI cryptographic logon capability.	FY07 – 11 Actual: Not available FY12: 50% FY13: 75%
<b>Contributing DoD Components: All</b>		

## Overview – FY 2013 Defense Budget

### DoD Forces and Infrastructure Category 2E: Acquisition Infrastructure

#### DoD Strategic Objective 5.3-2E:

**Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.**

*\*Agency Priority Goal 4: By September 30, 2013, the DoD will improve its acquisition process by ensuring that: 100 percent of Acquisition Category (ACAT) 1 programs, going through Milestone A decision reviews, will present an affordability analysis; 100 percent of ACAT 1 programs, going through milestone decision reviews, will present a competitive strategy; the average cycle time for Major Defense Acquisition Programs (MDAPs) will not increase by more than 5 percent from the Acquisition Program Baseline; the annual number of MDAP breaches – significant or critical cost overruns, for reasons other than approved changes in quantity – will be zero; and the DOD will increase the amount of contract obligations, that are competitively awarded, to 60 percent in FY 2012 and 61 percent in FY 2013. (USD(AT&L))*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
*5.3.1-2E: Percentage of contract obligations that are competitively awarded (USD(AT&L))	5.3.1-2E: Beginning in FY 2012, the DoD will increase, by one percent annually, the amount of contract obligations that are competitively awarded.	FY07 Actual: 63% FY08 Actual: 64% FY09 Actual: 63% FY10 Actual: 62.5% FY11 Actual: 58.5% *FY12: 60% *FY13: 61%
<b>Contributing DoD Components: All</b>		
*5.3.2-2E: Average percent increase from the Approved Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after (USD(AT&L))	5.3.2-2E: Beginning in FY 2011, the DoD will not increase by more than five percent from the Approved Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after.	FY07 – 09 Actual: Not available FY10 Actual: 4.4% FY11 Actual: 4.5% *FY12: </=5% *FY13: </=5%
<b>Contributing DoD Components: Army, Navy, and Air Force</b>		
5.3.3-2E: Percent of enterprise-level Information Technology (IT) software and hardware deployed as business services within 18 months of the capability business cases approval (DCMO)	5.3.3-2E: By FY 2016, 100 percent of enterprise level Information Technology (IT) software and hardware for business services will be deployed within 18 months of the capability business cases approval.	FY07 – 11 Actual: Non-applicable FY12: 70% FY13: 80%
<b>Contributing DoD Components: Army, Navy, Air Force, DeCA, DCMA, DFAS, DISA, DLA, TMA, WHS, OSD, TJS, and USTRANSCOM</b>		
5.3.4-2E: Number of Major Automated Information System (MAIS) “significant” breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months)) (DCMO)	5.3.4-2E: Beginning in FY 2011, the DoD will ensure that the number of MAIS “significant” breaches (equal to or greater than 15 percent of the APB total cost or with schedule slippages greater than six months) will not exceed one.	FY07 Actual: Not available FY08 Actual: 1 FY09 Actual: 1 FY10 Actual: 1 FY11 Actual: 2 FY12: </=1 FY13: </=1
<b>Contributing DoD Components: Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</b>		
5.3.5-2E: Number of Major Automated Information System (MAIS) “critical” breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more)) (DCMO)	5.3.5-2E: By FY 2012, the DoD will ensure that the number of MAIS “critical” breaches (equal to or greater than 25 percent of the APB total cost or with schedule slippages greater than one year) will not exceed two.	FY07 Actual: Not available FY08 Actual: 2 FY09 Actual: 6 FY10 Actual 2 FY11 Actual: 1 FY12: </=2 FY13: </=2
<b>Contributing DoD Components: Army, Navy, Air Force, Marine Corps, DISA, DLA, and TMA</b>		

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Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.3.6-2E: Average rate of acquisition cost growth from the previous year for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 (USD(AT&L))	5.3.6-2E: Beginning in FY 2012, the DoD will ensure that average rate of acquisition cost growth from the previous year for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 does not exceed three percent.	FY07 – 11 Actual: Not available FY12: <math>\leq 3\%</math> FY13: <math>\leq 3\%</math>
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
*5.3.7-2E: Number of Major Defense Acquisition Program (MDAP) breaches (equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost) for reasons other than approved changes in quantity (USD(AT&L))	5.3.7-2E: Beginning in FY 2012, the DoD will not have any MDAP breaches (significant cost overruns) for reasons other than approved changes in quantity.	FY07 – 10 Actual: Not available FY11 Actual: 4 *FY12: 0 *FY13: 0
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
5.3.8-2E: Percentage of Small Business contract obligation goals met annually (USD(AT&L))	5.3.8-2E: Beginning in FY 2012, the DoD will meet or exceed 100 percent of its contract obligation goals for the following five Small Business categories: Overall Small Business (23%), Disadvantaged (5%), Women-owned (5%), Service-disabled, Veteran-owned (3%), and Historically under-utilized (3%).	FY07 – 11 Actual: Not available FY12: 100% FY13: 100%
<b>Contributing DoD Components:</b> <i>All</i>		
5.3.9-2E: Cumulative percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009 (USD(AT&L))	5.3.9-2E: By FY 2012, 100 percent of Major Defense Acquisition Programs will be certified, as required by the Weapon Systems Acquisition Reform Act of 2009.	FY07-10 Actual: Non-applicable FY11 Actual: 60% FY12: 100% FY13: Deleted; achieved end state
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
*5.3.10-2E: Percentage of Acquisition Category (ACAT) I programs, going through a Milestone A decision review, that present an affordability analysis (USD(AT&L))	5.3.10-2E: By FY 2012, 100 percent of Acquisition Category (ACAT) I programs, going through a Milestone A decision review, will present an affordability analysis.	FY07 – 11 Actual: Non-applicable *FY12: 100% *FY13: 100%
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		
*5.3.11-2E: Percentage of Acquisition Category (ACAT) I programs, going through milestone decision reviews, that present a competitive strategy (USD(AT&L))	5.3.11-2E: By FY 2012, 100 percent of Acquisition Category (ACAT) I programs, going through milestone decision reviews, will present a competitive strategy.	FY07 – 11 Actual: Non-applicable *FY12: 100% *FY13: 100%
<b>Contributing DoD Components:</b> <i>Army, Navy, and Air Force</i>		

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DoD Forces and Infrastructure Category 2L: Logistics		
DoD Strategic Objective 5.4-2L: <i>Provide more effective and efficient logistical support to forces abroad.</i>		
Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.4.1-2L: Perfect Order Fulfillment percentage for Defense Logistics Agency (DLA)-stocked items (USD(AT&L))	5.4.1-2L: By FY 2012, the DoD will increase and maintain Perfect Order Fulfillment (POF) percentage for DLA-stocked items at or above 85.1 percent.	FY07 Actual: 73.2% FY08 Actual: 73.7% FY09 Actual: 79.9% FY10 Actual: 84.8% FY11 Actual: 86.2% FY12: 85.1% FY13: 85.1%
<b>Contributing DoD Components:</b> <i>DLA</i>		
5.4.2-2L: Army Customer Wait Time (USD(AT&L))	5.4.2-2L: By FY 2013, the DoD will maintain the Army's average customer wait time at or below 15 days.	FY07 Actual: 19 FY08 Actual: 17.4 FY09 Actual: 16.6 FY10 Actual: 16.6 FY11 Actual: 14.1 FY12: 15.5 FY13: 15
<b>Contributing DoD Components:</b> <i>Army</i>		
5.4.3-2L: Navy Customer Wait Time (USD(AT&L))	5.4.3-2L: By FY 2012, the DoD will maintain the Navy's average customer wait time at or below 15 days.	FY07 Actual: 9.1 FY08 Actual: 10.3 FY09 Actual: 12.6 FY10 Actual: 12.7 FY11 Actual: 11.4 FY12: 15 FY13: 15
<b>Contributing DoD Components:</b> <i>Navy</i>		
5.4.4-2L: Air Force Customer Wait Time (USD(AT&L))	5.4.4-2L: By FY 2012, the DoD will maintain the Air Force's average customer wait time at or below 7.5 days.	FY07 Actual: 5.5 FY08 Actual: 5.7 FY09 Actual: 6.3 FY10 Actual: 7.6 FY11 Actual: 5 FY12: 7.5 FY13: 7.5
<b>Contributing DoD Components:</b> <i>Air Force</i>		
5.4.5-2L: Percentage of excess on-hand secondary item inventory (USD(AT&L))	5.4.5-2L: By FY 2012, the DoD will reduce and maintain the percentage of excess on-hand secondary inventory to 10 percent of total on-hand secondary inventory.	FY07 Actual: Not available FY08 Actual: 14.1% FY09 Actual: 11.3% FY10 Actual: 10.7% FY11 Actual: 10.9% FY12: 10% FY13: 10%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, and DLA</i>		
5.4.6-2L: Percentage of excess on-order secondary item inventory (USD(AT&L))	5.4.6-2L: By FY 2016, the DoD will reduce and maintain the percentage of secondary item excess on-order inventory to four percent of total on order secondary item inventory.	FY07 Actual: Not available FY08 Actual: 6.9% FY09 Actual: 8.5% FY10 Actual: 5.5% FY11 Actual: 7.0% FY12: 6.6% FY13: 6.3%
<b>Contributing DoD Components:</b> <i>Army, Navy, Air Force, and DLA</i>		

## Overview – FY 2013 Defense Budget

### DoD Forces and Infrastructure Category 2U/2V: Department Headquarters and other Infrastructure

#### DoD Strategic Objective 5.5-2U/2V:

**Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.**

*\*Agency Priority Goal 5: By September 30, 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received from 80 to 100 percent.*

Performance Measures	Long-term Performance Goals	Annual Performance Goals
5.5.1-2U: Percent of DoD's Funds Balance with Treasury validated as audit-ready (USD(C/CFO))	5.5.1-2U: By FY 2014, 100 percent of DoD's Funds Balance with Treasury will be validated as audit-ready.	FY07 Actual: 5% FY08 Actual: 5% FY09 Actual: 7% FY10 Actual: 9% FY11 Actual: 9% FY12: 9% FY13: 30%
<b>Contributing DoD Components: All</b>		
5.5.2-2U: Percent of DoD's general fund Statement of Budgetary Resources for material Components validated as audit-ready (USD(C/CFO))	5.5.2-2U: By FY 2014, 100 percent of DoD's general fund Statement of Budgetary Resources for material Components will be validated as audit-ready.	FY07 Actual: 10% FY08 Actual: 10% FY09 Actual: 13% FY10 Actual: 14% FY11 Actual: 14% FY12: 14% FY13: 20%
<b>Contributing DoD Components: All</b>		
5.5.3-2U: Percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated for existence and completeness (USD(C/CFO))	5.5.3-2U: By FY 2017, 100 percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) will be validated as audit-ready for existence and completeness.	FY07 – 09 Actual: Not available FY10 Actual: 4% FY11 Actual: 4% FY12: 40% FY13: 42%
<b>Contributing DoD Components: All</b>		
*5.5.4-2U: Percent of DoD's Statement of Budgetary Resources for Appropriations Received validated as audit ready (USD(C/CFO))	5.5.4-2U: By FY 2013, the DoD will improve its audit readiness on the Statement of Budgetary Resources for Appropriations Received to 100 percent.	FY07 Actual: 14% FY08 Actual: 14% FY09 Actual: 19% FY10 Actual: 19% FY11 Actual: 80% *FY12: 83% *FY13: 100%
<b>Contributing DoD Components: All</b>		
<p><sup>1/</sup> Prior year data reflects a combination for both Iraq and Afghanistan.</p> <p><sup>2/</sup> Beginning in FY 2013, this goal was normalized to exclude the effects of surge operations.</p> <p><sup>3/</sup> Goals and results are considered sensitive and will not be made available to the public; evaluation criteria was changed, effective FY 2012.</p> <p><sup>4/</sup> Reflects a fourth quarter only result and not an annual average result.</p> <p><sup>5/</sup> Reflects result for Operations and Maintenance (O&amp;M) funds only; as most facilities sustainment funding is O&amp;M, the residual amount in other accounts is not expected to result in the goal being achieved.</p> <p>*Reflects FY 2012 – FY 2013 Agency Priority Goal.</p>		



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