



**FY 2007
PERFORMANCE
BUDGET**

(BUDGET JUSTIFICATION)

**SELECTIVE
SERVICE
SYSTEM**



Selective Service System Performance Budget FY 2007

Table of Contents

Executive Summary.	3
Highlights of Fiscal Year 2007 Programs.	3
Strategic Goals and Objectives.	4
President's Management Agenda.	15

Executive Summary

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

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

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

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

Highlights of Fiscal Year 2007 Programs

This year's budget submission totals \$31,593,185. This total request represents the Agency's revised organizational structure and improved financial management and Information Technology (IT) systems. The FY 2007 budget includes \$1.82M for personnel delivery activities. During FY 2007, in keeping with findings resulting from analysis of its IT software and hardware systems the SSS is continuing its development of a Central Registrant Processing Portal (CRPP). The CRPP will allow the SSS to consolidate all of its separate IT systems and applications into a single interface process. The architecture that is being designed and implemented will be efficient and scalable and allow for the inclusion of preparedness of other new Agency processing functions into one all encompassing system. The CRPP is part of an entire IT mobilization initiative designed to re-architect and re-modernize all of the Agency's information systems on a single applications platform. The cost savings to the SSS

are anticipated to be quite significant in terms of software distribution, systems management and work place efficiencies.

The FY 2007 budget also includes \$10.4M for registrant reclassification program activities. During FY 2007, the SSS activities for registrant reclassification will include implementation of Local Board and Area Office structure changes and revised system development activities which should advance streamlining and communications. Additionally, FY 2007 resources also will support evaluations of the policies, procedures, and governing implementation of reclassification activities. These evaluations will validate the viability of the reclassification program for the public.

Additionally, the FY 2007 budget includes \$1.48M for Alternative Service activities. During FY 2007, SSS activities for Alternative Service will include modifications to the Alternative Service Processing System (ASPS) that will include conducting outreach sessions with peace churches and organizations. Moreover, FY 2007 resources will primarily support the System's development efforts and outreach sessions. The Agency's goal in Alternate Service is to have the specifications for the system's modifications completed.

For registration awareness and compliance activities, the SSS FY 2007 budget includes \$8.95M. During FY 2007, SSS activities for registration awareness will include focus group sessions with registrants and their influencers, as well as a renewed effort to find public service broadcast media. Activities for registration compliance will include continuing the pursuit of driver's license legislation (DLL) in many states, as well as cost cutting activities with numerous other Federal and state agencies. FY 2007 resources support these activities, as well as the continual processing of over 5,000 registrations per day. The SSS' goals in registration are to maintain high compliance rates achieved over the past two years and to increase the percentage of electronic registrations.

STRATEGIC GOALS

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

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

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

place these workers with non-military employers and track the progress of their service.

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

Personnel Delivery Program

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

Budget Overview

	FY 2007 Full Cost	FY 2005 Enacted	FY 2006 Estimate	Change from FY 2005
Total Budget Authority	\$1,823,684	\$1,436,337	\$1,640,000	\$203,663
Salaries and Benefits – Labor	\$1,316,455			
Non-Labor	\$507,229			
FTEs	5.5			

The full-cost budget request of \$1.82M and 5.5 FTEs for the Personnel Delivery Program supports the development of a data interface with the Military Entrance Processing Command (MEPCOM) and the preparation of a scheduled personnel delivery readiness exercise to validate the system.

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

Registrant Reclassification Program

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

Budget Overview

	FY 2007 Full Cost	FY 2005 Enacted	FY 2006 Estimate	Change from FY 2005
Total Budget Authority	\$10,437,077	\$7,678,000	\$8,975,000	\$1,297,000
Salaries and Benefits – Labor	\$7,420,499			
Non-Labor	3,016,578			
FTEs	35			

The full-cost budget request of \$10.44M and 35 FTEs for the Registrant Reclassification Program supports the recruitment and training of Board Members and the development and maintenance of a mobilization readiness infrastructure. In addition, this program covers a significant portion of the time of the Agency's 300 Reserve Force Officers, who perform the recruitment and training of Board Members.

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

Alternative Service Program

The purpose of the Agency's Alternative Service Program is to offer civilian work assignments for those persons granted a conscientious objector (CO) classification. The Agency is responsible for placing, managing and monitoring people in the Alternative Service Program for 24 months or until their alternative service obligation to serve is fulfilled. The SSS has historically placed people with peace churches and with Alternative Service employers who have volunteered to participate since WWII. However, other options exist today that did not exist when the program originated. To eliminate overlap with these programs, the Agency has initiated contact with the Corporation for National Service (CNS) and the Public Health Service (PHS) to place Alternative Service Workers in ASP positions in the event of a mobilization or draft.

Budget Overview

	FY 2007 Full Cost	FY 2005 Enacted	FY 2006 Estimate	Change from FY 2005
Total Budget Authority	\$1,482,157	\$896,000	\$1,032,000	\$136,000
Salaries and Benefits - Labor	\$833,520			
Non-Labor	\$648,637			
FTEs	5.5			

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

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

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

Means & Strategies

- Develop registrant induction and classification plans, policies, and procedures that are readily adaptable to differing preparedness scenarios.
- Utilize modern technology to the fullest extent wherever possible and introduce cost-savings and streamlined procedures into the Agency's revised preparedness operation.
- Redesign and integrate existing preparedness applications (automated delivery processing, claims processing & alternative service) into a centralized web-based processing portal.
- Maintain a classification infrastructure capable of responding suitably to any DoD manpower requirement.
- Provide preparedness training to Agency State Directors, Reserve Force Officers, and Board Members.
- Maintain up-to-date preparedness planning documents.
- Conduct and evaluate full scale, comprehensive preparedness evaluations.
- Continue to develop and maintain contacts within DoD, United States Military Entrance Processing Command (USMEPCOM), Federal Emergency Management Agency, and other Federal and state organizations and associations concerned with manpower delivery systems in the event of a mobilization.

- Establish and maintain Memoranda of Understanding (MOU) with transportation suppliers (i.e. Transportation Logistical Services) and other Federal and State agencies and organizations.

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

Annual Goal:

- 1.1.1 Systems test the Preparedness Functionality (Registrant Management, Claims/Appeals Processing, Alternative Service Management, Location Management, RFO Management, Board Member Management, etc.) with the results validating the design of the security and mobilization phases of the CRPP.
- 1.1.2 Develop an evaluation that will test the automation, policy directives, and physical movement of individuals from the selection process through the transfer of responsibility to the Armed Forces.

Objective 2 -- Ensure acceptable registration compliance rates.

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

To help ensure that any future draft is fair and equitable, and that residents do not lose Federal and State benefits associated with the registration requirement, many states and U.S. territories are implementing laws that require and/or allow men to register with the SSS when they apply for a state driver's license or identification card. In addition, increasing the percentage of electronic registrations (through sources such as driver's license legislation, internet and telephone registrations) reduces the Agency's cost per registration, thereby increasing the efficiency of the overall registration process. Although no requirement currently exists to register anyone other than men ages 18

through 25, the Agency's systems are designed to accommodate potential future registration requirements.

Registration Budget Overview

	FY 2007 Full Cost	FY 2005 Enacted	FY 2006 Estimate	Change from FY 2005
Total Budget Authority	\$8,951,622	\$8,450,000	\$8,575,000	\$125,000
Salaries and Benefits – Labor	\$5,788,964			
Non-Labor	\$3,162,658			
FTEs	64			

The full-cost budget request of \$8.95M and 64 FTEs for the Registration Program supports the processing of over 6,500 registrations per day, as well as registration and materials and public awareness activities. It also includes salaries and training for 56 part-time State and Territorial Directors who work an average of 12 compensated days per year.

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

Long-Term Strategic Objectives and Strategies

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

Strategic Objectives

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

Means & Strategies

- Implement special mailings to large population of low registration compliance states and areas.
- Maintain effective registrar programs in high schools and with agencies involved with the Workforce Investment Act, Farmworkers Opportunity Program, and other programs that reach potential registrants.
- Support states in their efforts to pass legislation requiring young men to register with the SSS as a condition for obtaining a motor vehicle driver's permit/license, or state identification card.

- Maintain current and negotiate new initiatives with other State and Federal agencies to facilitate registration, including tape matching, electronic data exchange, and encouraging access to information.
- Increase the Agency's registration awareness programs, to include production and distribution of information via print, radio, television, internet, military shows, and public speaking.

Objectives, Measures and Targets

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

Annual Goals:

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

1.1.3 Attain and appoint Registrars in 88% of the Nation's High Schools.

1.1.4 Obtain 86% of all registrations electronically.

Goal 2: Ensure management excellence.

In adherence to the principles of the President's Management Agenda, the SSS has begun implementation of a new, aggressive technology upgrade of Agency hardware, software, and systems development processes as it replaces its outdated technology. An overall plan and strategy to ensure alignment and integration among its human capital management process and financial, operational, information technology, and logistical processes, is under development. Included in that plan will be an expansion of the Agency's e-government, budget and performance integration, and improvements in financial performance initiatives. The Agency's procurement of an Integrated Financial Management System will greatly enhance its ability to align its budgetary resource expenditures with its goal performances.

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

An increased focus on improving policies, procedures, and standards is necessary to better align Agency operations with the PMA. Over the next five years, the Agency projects a larger than average rate of retirement, increased hiring competition from the

public and private sectors, and continued fiscal improvements. The development of a revised Agency Human Capital Management Plan is crucial as it will provide a tool to better manage the Agency's most valuable resource (personnel). Similarly, during the same period, the development of expert systems and processes will be required to upgrade the Agency's acquisition system.

Means & Strategies

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

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

Annual Goals:

- 2.1.1 Implementation of the SSS Human Capital Plan.
- 2.1.2 Implementation of the Acquisition and Logistics Management Plan.

Objective 2 -- Efficient and effective financial management.

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

Means & Strategies

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

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

Annual Goals:

2.2.1 Implementation of Financial Management IT Plans.

2.2.2 Complete Performance and Budget Integration.

Objective 3 -- Effective and efficient Information Technology management.

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

Means & Strategies

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

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

Annual Goals:

- 2.3.1** By June 2006 – Develop, test, and implement Agency COOP/Tele-work environments.
- 2.3.1a** By June 2006 – Complete proof of concept testing and development of migration plans to move off the mainframe at the Data Management Center.
- 2.3.2** By June 2007 – Design, develop, and implement plan of migration off mainframe.
- 2.3.2a** June 2005 – Completion of Phase 1B of CRPP - Completed design, development and testing of Security Management, Single Sign On and Induction/Exam Orders Management portions of CRPP. Requirements completed for rest of the CRPP system.
- 2.3.2b** June 2006 (tentative) – Completion of Phase 2 of CRPP - Completed design, development and testing of rest of Mobilization Functionality (Registrant Management, Claim/Appeals Processing, Alternative Service Management, Location Management, RFO Management, Board Member Management, etc.)

Objective 4 -- Effective and efficient management of Communications with the Public (PIA).

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

Means & Strategies

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

Objective	Measure	Baseline	Outcome
4.1: Improve the effectiveness and efficiency of Public communications and timely response.	Development of Public and Intergovernmental Affairs Plans. (PIA)	To be determined. (TBD)	Implemented PIA Plans.
4.2: In support of Goal 1, ensure that Public and Intergovernmental Affairs readiness plans are up-to-date.	Reviews and evaluations.	To be determined. (TBD)	Attainment of predetermined review/evaluation objectives.

Annual Goals:

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

President's Management Agenda

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

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

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

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

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

The SSS' strategy also is to utilize e-commerce initiatives to improve the Agency's procurement and financial processes through the implementation of an integrated financial management system. In addition, the SSS under an agreement with the Department of the Interior (National Business Center), has implemented and integrated an eTravel program.

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