



# Network Security Deployment Obligation and Expenditure Report

Third Quarter, Fiscal Year 2015

*August 25, 2015*

Fiscal Year 2015 Report to Congress



Homeland  
Security

*National Protection and Programs Directorate*

# Message from the Under Secretary

August 25, 2015

I am pleased to present the following “Network Security Deployment Obligation and Expenditure Report” for the third quarter of Fiscal Year (FY) 2015, as prepared by the National Protection and Programs Directorate (NPPD).

This document has been compiled in response to language in House Report 113-481 accompanying the *FY 2015 Department of Homeland Security (DHS) Appropriations Act* (P.L. 114-4). This report covers obligations and expenditures through June 30, 2015, and provides details about NPPD’s plans to expend funds in support of Network Security Deployment for federal departments and agencies.



Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John R. Carter  
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard  
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Hoeven  
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jeanne Shaheen  
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

If you have any questions, please do not hesitate to contact me at (202) 282-8260 or the Department’s Deputy Under Secretary for Management and Chief Financial Officer, Chip Fulghum, at (202) 447-5751.

Sincerely,

A handwritten signature in black ink that reads "Suzanne E. Spaulding". The signature is written in a cursive style.

Suzanne E. Spaulding  
Under Secretary  
National Protection and Programs Directorate

# Executive Summary

DHS's cybersecurity approach, laid out in the 2014 Quadrennial Homeland Security Review, prioritizes collaboration across the homeland security enterprise to address emerging cyber threats to national public and private-sector critical infrastructure and key resources. Although individual departments and agencies implement and oversee their own cybersecurity programs, DHS leads the Federal Government's efforts to safeguard America's infrastructure from threats that can affect national security, public safety, and economic prosperity.

The following report provides obligations and expenditures for NSD through June 30, 2015, which sets forth the programmatic context, requisite objectives, and accomplishments necessary to protect and fortify federal cyber assets and infrastructure under P.L. 114-4.

In support of DHS's mission, NSD works to drive and sustain a safe, secure, and resilient cyber ecosystem through innovative leadership, expertise, and strong strategic partnerships. NSD relies on risk management and cyber incident preparedness, prevention, and response activities to achieve these goals. This broad mission charges DHS with a pivotal role in providing the Federal Government with analysis, intrusion detection and warning, intrusion prevention, incident response, information sharing and collaboration, and vulnerability reduction.



# Network Security Deployment Obligation and Expenditure Report Third Quarter, Fiscal Year 2015

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# I. Legislative Language

This report is provided in response to House Report 113-481 accompanying the *Fiscal Year (FY) 2015 Department of Homeland Security (DHS) Appropriations Act* (P.L. 114-4).

House Report 113-481 states, in relevant part:

The Committee recommends \$377,500,000 for Network Security Deployment, \$190,000 below the amount requested and \$4,752,000 below the amount provided in fiscal year 2014. Network Security Deployment manages the National Cybersecurity Protection System (NCPS), operationally known as EINSTEIN, which is an integrated intrusion detection, analytics, information sharing, and intrusion prevention system utilizing hardware, software, and other components to support DHS cybersecurity responsibilities. ...

The Committee includes a general provision directing the CFO, in conjunction with NPPD, to submit a report detailing the obligation and expenditure of funds not later than 45 days after the date of enactment of this Act, and quarterly thereafter.

## II. Network Security Deployment Obligation and Expenditure Update

Table 1 provides an updated breakout of Network Security Deployment's (NSD) prior-year carryover funding to reflect actual obligations and expenditures through the third quarter of FY 2015, with projections for the fourth quarter of FY 2015.

Table 1: NSD Funding (FY 2014 Carryover) by Capability

| Funding /Budget Capability         | FY15 Q1 Actual    | FY15 Q2 Actual    | FY15 Q3 Actual    | FY15 Q4 Planned   | Total FY15         | Obligations YTD   | Remaining Planned |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| <b>FY2014/2015(2- Year)</b>        | 37,899,593        | 15,946,476        | 34,435,407        | 49,050,501        | 137,331,977        | 88,281,476        | 49,050,501        |
| Analytics                          | 9,750,000         | -                 | 29,105,503        | 16,147,000        | 55,002,503         | 38,855,503        | 16,147,000        |
| Core Infrastructure                | 1,025,746         | 7,271,782         | 4,562,443         | 2,104,609         | 14,964,580         | 12,859,971        | 2,104,609         |
| Information Sharing                | 1,216,707         | 2,858,255         | -                 | 13,772,000        | 17,846,962         | 4,074,962         | 13,772,000        |
| Intrusion Detection                | 2,853,739         | 1,053,410         | 650,000           | 4,275,000         | 8,832,149          | 4,557,149         | 4,275,000         |
| Intrusion Prevention               | 21,908,964        | 3,609,060         | 89                | 10,465,463        | 35,983,576         | 25,518,113        | 10,465,463        |
| Program Planning & Operations      | 1,144,437         | 1,153,969         | 117,372           | 2,286,429         | 4,702,207          | 2,415,778         | 2,286,429         |
| <b>FY2014/2015 (2- Year) Total</b> | <b>37,899,593</b> | <b>15,946,476</b> | <b>34,435,407</b> | <b>49,050,501</b> | <b>137,331,977</b> | <b>88,281,476</b> | <b>49,050,501</b> |

Table 2 provides an updated breakout of NSD's FY 2015 appropriated funding to reflect actual obligations and expenditures through the third quarter of FY 2015 with projections for the fourth quarter of FY 2015.

Table 2: NSD Funding (FY 2015) by Capability

| Funding /Budget Capability    | FY15 Q1 Actual    | FY Q2 Actual      | FY15 Q3 Actual    | FY15 Q4 Planned    | Total FY15         | Obligations YTD   | Remaining Planned  |
|-------------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|
| <b>FY2015(Annual)</b>         | 12,402,563        | 31,733,170        | 48,788,253        | 133,790,253        | 226,714,239        | 92,923,986        | 133,790,253        |
| Salaries and Benefits         | 3,657,840         | 3,731,655         | 3,718,061         | 8,221,444          | 19,329,000         | 11,107,556        | 8,221,444          |
| Analytics                     | -                 | 6,540,678         | 3,612,680         | 12,652,599         | 22,805,957         | 10,153,358        | 12,652,599         |
| Core Infrastructure           | -                 | 353,505           | 11,640,000        | 5,810,803          | 17,804,308         | 11,993,505        | 5,810,803          |
| Information Sharing           | -                 | 7,187,348         | 777,539           | 2,020,018          | 9,984,905          | 7,964,887         | 2,020,018          |
| Intrusion Detection           | -                 | 136,752           | 5,750,000         | 2,590,748          | 8,477,500          | 5,886,752         | 2,590,748          |
| Intrusion Prevention          | -                 | 3,101,274         | 8,770,530         | 56,340,092         | 68,211,896         | 11,871,804        | 56,340,092         |
| Program Planning & Operations | 8,744,723         | 10,681,958        | 14,519,442        | 46,154,549         | 80,100,672         | 33,946,123        | 46,154,549         |
| <b>FY2015/2016 (2-Year)</b>   | -                 | -                 | -                 | 150,285,761        | 150,285,761        | -                 | 150,285,761        |
| Analytics                     | -                 | -                 | -                 | 41,783,000         | 41,783,000         | -                 | 41,783,000         |
| Core Infrastructure           | -                 | -                 | -                 | 12,346,023         | 12,346,023         | -                 | 12,346,023         |
| Information Sharing           | -                 | -                 | -                 | 27,715,000         | 27,715,000         | -                 | 27,715,000         |
| Intrusion Detection           | -                 | -                 | -                 | 8,920,000          | 8,920,000          | -                 | 8,920,000          |
| Intrusion Prevention          | -                 | -                 | -                 | 49,533,738         | 49,533,738         | -                 | 49,533,738         |
| Program Planning & Operations | -                 | -                 | -                 | 9,988,000          | 9,988,000          | -                 | 9,988,000          |
| <b>FY2015 Total</b>           | <b>12,402,563</b> | <b>31,733,170</b> | <b>48,788,253</b> | <b>284,076,014</b> | <b>377,000,000</b> | <b>92,923,986</b> | <b>284,076,014</b> |

Please note that numbers are rounded to the nearest whole dollar. As such, some totals may appear to show a calculation discrepancy.