



WASHINGTON HEADQUARTERS
SERVICES (WHS)

Transition Book

WASHINGTON HEADQUARTERS SERVICES (WHS)

TRANSITION BOOK

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WHS Mission Statement contained in Section 3 below.



Department of Defense DIRECTIVE

NUMBER 5110.4

May 10, 1999

DA&M

SUBJECT: Washington Headquarters Services (WHS)

- References:**
- (a) Title 10, U.S.C., "Armed Forces"
 - (b) DoD Directive 5110.4, "Washington Headquarters Services," May 6, 1991 (hereby cancelled)
 - (c) DoD Directive 5200.1, "DoD Information Security Program," December 13, 1995
 - (d) Executive Order 11958, "Classified National Security Information," April 17, 1995
 - (e) through (imm), see enclosure 1

1. REISSUANCE AND PURPOSE

Pursuant to the authority vested in the Secretary of Defense under reference (a), this Directive revises and reissues reference (b) to reflect the organization's expanded mission, functions, responsibilities, relationships, authorities, and customer base.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (IG, DoD), the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as the DoD Components").

3. MISSION

The WHS shall administer assigned operational programs and provide operational

support and administrative services to specified DoD Components and non-DoD activities as required for their efficient and effective operation.

4. ORGANIZATION AND MANAGEMENT

4.1. The WHS is established as a Field Activity of the Department of Defense. It shall consist of a Director and such subordinate organizational elements as are established by the Director within resources authorized by the Secretary of Defense.

4.2. The Director of Administration and Management, Office of the Secretary of Defense (OSD/DA &M) shall also serve as the Director, WHS.

5. FUNCTIONS AND RESPONSIBILITIES

The Director, Wasington Headquarters Services, shall:

5.1. Organize, direct, and manage the WHS and assigned resources.

5.2. Administer the following DoD-wide operational programs:

5.2.1. The Mandatory Declassification Review Program, consistent with DoD Directive 5200.1 and Executive Order (E.O.) 12958 (references (c) and (d)).

5.2.2. The DoD Regulatory Program, consistent with E.O. 12866 (reference (e)).

5.2.3. The Federal Voting Assistance Program, including administration of the Uniformed and Overseas Citizens Absentee Voting Act and the National Voter Registration Act (references (f) and (g)).

5.2.4. The DoD Freedom of Information Act Program, consistent with DoD Directive 5400.7 and DoD Instruction 5400.10 (references (h) and (i)).

5.2.5. The DoD Privacy Program, consistent with DoD Directive 5400.11 (reference (j)).

5.2.6. The DoD Security Review Program, consistent with E.O. 12958, DoD Directives 5230.9, 5400.4, and DoD Instruction 5230.29 (references (d), (k), (l), and (m)).

5.2.7. The DoD Information Requirements Program, consistent with DoD Directive 8910.1 (reference (n)).

5.2.8. The DoD Directives System and Federal Register System Programs, consistent with DoD Directive 5025.1 and DoD Manual 5025.1-M (references (o) and (p)).

5.2.9. The DoD Administrative Space Management Program for the National Capital Region (NCR), consistent with DoD Instruction 5305.5 (reference (q)). The NCR includes: the District of Columbia; Montgomery and Prince Georges Counties in Maryland; and Arlington, Fairfax, Loudoun and Prince William Counties and the cities of Alexandria and Falls Church in Virginia (reference (a)).

5.2.10. The DoD Data Collection and Reports Program for procurement, logistics, workforce, casualty, economic information, and other DoD reports as assigned.

5.2.11. The DoD Forms Management Program, consistent with DoD Instruction 7750.7 (reference (r)).

5.2.12. The detail of DoD Personnel to duty outside of the Department of Defense, consistent with DoD Directive 1000.17 (reference (s)).

5.2.13. Other DoD-wide operational programs as may be required.

5.3. Provide the following operational support and administrative services, as required, to specified DoD Components and non-DoD activities.

5.3.1. Financial management and accounting services, including: program budget formulation, presentation and execution; accounting and reporting; financial systems support; and internal control system design and maintenance.

5.3.2. Correspondence control, records management, systematic declassification review, Privacy Act implementation, reference and electronic message services.

5.3.3. Civilian and military human resource management and related activities.

5.3.4. Personnel security clearance, adjudication and appeals processes.

5.3.5. Information technology and data systems support.

5.3.6. Facilities management and associated support services for all DoD-occupied administrative space in the National Capital Region (NCR) and other locations as required, to include: real property and building management; administrative space acquisition and management; maintenance, repair, alteration, design and construction; safety and environmental management; renovation program planning and execution; concessions, childcare, parking management, office services, graphics and presentations services; and transportation matters.

5.3.7. Physical and information security law enforcement and protection for DoD-occupied administrative space in the NCRT and for designated DoD officials at non-DoD facilities in the NCRT, as required.

5.3.8. Other operational support and administrative services as may be required.

5.4. Provide personnel resources and associated organizational support, as required, for:

5.4.1. Specified White House functions;

5.4.2. Assigned Departmental activities (including, but not limited to DoD temporary boards and commissions, the Pentagon Renovation Project, and the Defense Fellows and Executive Exchange Programs);

5.4.3. Legal services provided to the WHS and organizations supported by the WHS, in accordance with DoD Directive 5145.4, "Defense Legal Services Agency" (reference (t)); and

5.4.4. Other DoD or non-DoD activities, as designated.

6. RELATIONSHIPS

In the performance of assigned functions and responsibilities, the Director, WHS, shall:

6.1. Coordinate and exchange information and advice with the DoD Components and other Governmental and non-Government agencies having collateral or related responsibilities.

6.2. Make use of established facilities and services in the Department of Defense and other Government Agencies, whenever practical, to avoid duplication and to achieve maximum efficiency and economy.

7. AUTHORITIES

The Director, WHH, or designee, is specifically delegated authority to:

7.1. Obtain such information, consistent with the policies and criteria of DoD Directive 8910.1 (reference (1)), advice, and assistance from DoD Components, as necessary to carry out assigned responsibilities and functions.

7.2. Communicate directly with heads of DoD Components and other Executive Departments and Agencies, representatives of the Legislative Branch, and members of the public, as necessary, in carrying out assigned responsibilities and functions. Communications to the Commanders-in-Chief of the Combatant Commands shall be coordinated with the Chairman of the Joint Chiefs of Staff. Direct communication with the Commanders-in-Chief of the Combatant Commands is authorized in matters dealing with policy or administration of the Freedom of Information Act and the Mandatory Declassification Review Programs.

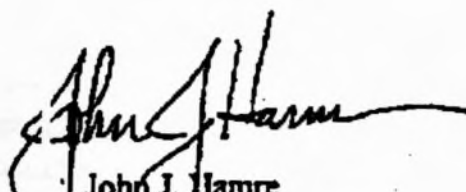
7.3. In the absence of a known DoD originator of classified information, declassify official DoD information submitted for mandatory declassification review, and in response to Freedom of Information Act actions.

7.4. Act as the principal DoD Liaison with the General Services Administration (GSA) for all administrative services and real property matters, including lease administration and enforcement in the MICR, and other locations as required.

7.5. Exercise the delegations of authority contained in enclosure 2.

8. EFFECTIVE DATE

This Directive is effective immediately.


John J. Hamre
Deputy Secretary of Defense

Enclosures - 2

- E1. References, continued**
- E2. Delegations of Authority**

E1. ENCLOSURE 1REFERENCES continued

- (e) Executive Order 12866, "Regulatory Planning and Review," September 30, 1993
- (f) 42 U.S.C. 1973ff et seq., Uniformed and Overseas Citizens Absentee Voting Act
- (g) 42 U.S.C. 1973gg et seq., National Voter Registration Act
- (h) DoD Directive 5400.7, "DoD Freedom of Information Act (FOIA) Program," September 29, 1997
- (i) DoD Instruction 5400.10, "OSD Implementation of DoD Freedom of Information Act (FOIA) Program," January 24, 1991
- (j) DoD Directive 5400.11, "Department of Defense Privacy Program," June 9, 1982
- (k) DoD Directive 5230.9, "Clearance of DoD Information for Public Release," April 9, 1996
- (l) DoD Directive 5400.4, "Provision of Information to Congress," January 30, 1978
- (m) DoD Instruction 5230.29, "Security and Policy Review of DoD Information for Public Release," May 6, 1996
- (n) DoD Directive 3910.1, "Management and Control of Information Requirements," June 11, 1993
- (o) DoD Directive 5025.1, "DoD Directives System," June 24, 1994
- (p) DoD 5025.1-M, "DoD Directives System Procedures," August 1994
- (q) DoD Instruction 5305.5, "Space Management Procedures, National Capital Region," May 13, 1966
- (r) DoD Instruction 7750.7, "DoD Form Management Program," May 31, 1990
- (s) DoD Directive 000.17, "Detail of DoD Personnel to Duty Outside the Department of Defense," February 24, 1997
- (t) DoD Directive 5145.4, "Defense Legal Service Agency," December 15, 1989
- (u) Title 5, U.S.C., "Government Organization and Employees"
- (v) DoD 1400.25M Subchapter 451, "DoD Civilian Personnel Manual," December 1996
- (w) DoD Directive 5105.4, "Department of Defense Federal Advisory Committee Management Program," September 5, 1989
- (x) Executive Order 10450, "Security Requirements for Government Employment," April 27, 1953
- (y) Executive Order 12333, "United States Intelligence Activities," December 4, 1981
- (z) DoD Directive 5200.2, "DoD Personnel Security Program (DoDSP)," April 9, 1999
- (aa) DoD 5200.2-R, "DoD Personnel Security Program," January 1987

- (bb) Joint Federal Travel Regulations, Volume 1, "Uniformed Service Members," current edition
- (cc) Joint Travel Regulations, Volume 2, "DoD Civilian Personnel," current edition
- (dd) Title 37, U.S.C., "Pay and Allowances"
- (ee) Title 44, U.S.C., "Public Printing and Documents"
- (ff) DoD Directive 5015.2, "DoD Records Management Program," April 11, 1997
- (gg) DoD Directive 5200.8, "Security of DoD Installations and Resources," April 25, 1991
- (hh) Title 40, U.S.C., "Public Buildings, Properties and Works"
- (ii) DoD Directive 5200.1, "DoD Information Security Program," December 13, 1996
- (jj) DoD 5200.1-R, "Information Security Program," January 1, 1997
- (kk) DoD Directive 5200.28, "Security Requirements for Automated Information Systems (AIS)," March 21, 1981
- (ll) DoD 5200.28-M, "ADP Security Manual," January 1973
- (mm) DoD Directive 5120.11, "DoD Concession Committee," January 13, 1999

E2. ENCLOSURE 2

DELEGATIONS OF AUTHORITY

E2.1.1. Pursuant to the authority vested in the Secretary of Defense, and subject to the direction, authority, and control of the Secretary of Defense, and in accordance with DoD policies, Directives, and Instructions, the Director, WHS, or in the absence of the Director, the person acting for the Director, is hereby delegated authority as required in the administration and operation of the WHS to:

E2.1.1.1. Exercise the powers vested in the Secretary of Defense by 5 U.S.C. 301, 302(b), 3101, and 5107 (reference (u)) on the employment, direction, and general administration of civilian personnel.

E2.1.1.2. Fix rates of pay for wage-rate employees exempted from the Classification Act of 1949 by 5 U.S.C. 5102 (reference (u)) on the basis of rates established under the Federal Wage System. In fixing such rates, the Director, WHS, shall follow the wage schedule established by the DoD Wage Fixing Authority.

E2.1.1.3. Administer oaths of office to those entering the Executive Branch of the Federal Government or any other oath required by law in connection with employment therein, in accordance with 5 U.S.C. 2903 (reference (u)), and designate in writing, as may be necessary, appropriate employees of WHS to perform this function.

E2.1.1.4. Establish an Incentive Awards Board, and pay cash awards to, and incur necessary expenses for the honorary recognition of, civilian members of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or service, benefit or affect organizations serviced by WHS, in accordance with 5 U.S.C. 4513 (reference (u)), OPM regulations, and DoD 1400.25-14, subchapter 451, "DoD Civilian Personnel Manual," December 1996 (reference (u)). Incur necessary expenses for the honorary recognition of Military employees of Defense Components in accordance with 10 U.S.C. 1124 and 1125 (reference (a)).

E2.1.1.5. Establish advisory committees and employ temporary or intermittent experts or consultants for the performance of functions consistent with 10 U.S.C. 173; 5 U.S.C. 3109(b); DoD Directive 5101.4, "DoD Federal Advisory Committee Management Program," September 5, 1989 (references (a), (u) and (w)).

E2.1.1.6. In accordance with 5 U.S.C. 7532; Executive Orders 10450, 12333, and 12958; and DoD Directive 5200.2, "DoD Personnel Security Program," May 6, 1992, as appropriate (references (u), (s), (y), (f) and (z)):

E2.1.1.6.1. Designate the sensitivity of positions.

E2.1.1.6.2. Authorize, in case of an emergency, the appointment to a sensitive position, for a limited period of time, of a person for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.

E2.1.1.6.3. Request investigations, issue personnel security clearances and, if necessary, in the interest of national security, suspend, revoke, or deny a security clearance for personnel assigned, detailed to, or employed by those organizations served by WHS. Any action under this paragraph shall be taken in accordance with procedures prescribed in DoD 5200.2-R, "DoD Personnel Security Program," January 1987 (reference (aa)).

E2.1.1.6.4. Operate a Clearance Appeals Board, which shall decide appeals from denials or revocations of security clearances.

E2.1.1.7. Promulgate financial management policy, practices and procedures for the effective control over and accountability for all funds, property, and other assets of assigned components.

E2.1.1.7.1. Authorize and approve allocations and allotments of apportioned obligation authority.

E2.1.1.7.2. Develop and execute plans, programs and budgets for assigned components within the framework and process of the Department's planning, programming and budgeting system.

E2.1.1.8. Authorize and approve:

E2.1.1.8.1. Temporary duty travel for WHS military personnel in accordance with the DoD Joint Federal Travel Regulations, Volume 1, "Uniformed Service Members," (reference (bb)).

E2.1.1.8.2. Travel for WHS civilian personnel in accordance with the DoD Joint Travel Regulations, Volume 2, "DoD Civilian Personnel," (reference (cc)).

E2.1.1.8.3. Invitational travel to non-DoD employees whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, WHS activities, in accordance with Volume 2, Joint Travel Regulations (reference (cc)).

E2.1.1.8.4. Overtime work for civilian personnel in accordance with 5 U.S.C., chapter 55, subchapter V (reference (u)), and applicable OPM regulations.

E2.1.1.9. Approve the expenditure of funds available for travel by military personnel for expenses incidental to attendance at meetings of technical, scientific, professional, or other similar organizations in such instances when the approval of the Secretary of Defense, or designee, is required by law (37 U.S.C. 412 (reference (dd)), 5 U.S.C. 4110 and 4111 (reference (u))).

E2.1.1.10. Implement and maintain an active and continuing records disposition program pursuant to Chapters 29, 31, and 33 of title 44, U.S.C. (reference (ee)) and DoDD 5015.2, "DoD Records Management," April 11, 1997 (reference (ff)).

E2.1.1.11. Utilize the Government purchase card for making micropurchases of material and services, other than personal services, in compliance with DoD policy.

E2.1.1.12. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals, as required for effective administration and operation, consistent with 41 U.S.C. 3702 (reference (ee)).

E2.1.1.13. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of Directives, Instructions, publications and reference documents, pursuant to the policies and procedures prescribed in DoD 5025.1-M, "DoD Directives System Procedures," August 1994 (reference (p)).

E2.1.1.14. Implement and maintain the Privacy Program pursuant to title 5, U.S.C. 552a (reference (u)).

E2.1.1.15. Implement and maintain the Freedom of Information Act Program pursuant to title 5, U.S.C. 552 (reference (u)).

E2.1.1.16. Enter into support and service agreements with the Military Departments, other DoD Components, or other Government Agencies, as required for the effective performance of assigned responsibilities and functions.

E2.1.1.17 Enter into and administer contracts, directly or through a Military Department, a DoD contracting organization, or other Government Department or Agency, as appropriate, for supplies, equipment, and services required to accomplish assigned responsibilities and functions. To the extent that any law or Executive Order specifically limits the exercise of such authorities to persons at the Secretariat level of a Military Department, such authorities shall be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

E2.1.1.18 Establish and maintain appropriate property accounts and appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for property contained in the authorized property accounts that have been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

E2.1.1.19. Promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, WHS, pursuant to DoD Directive 5200.8, "Security of DoD Installations and Resources," April 25, 1991 (reference (gg)).

E2.1.1.20. Lease or outlease property under terms that will promote the national defense or that will be in the public interest, pursuant to those authorities in 10 U.S.C. (reference (i)) and those authorities delegated to the Secretary of Defense under title 40 U.S.C. (reference (hh)).

E2.1.1.21. Implement and maintain the Information Security Program as prescribed by E. O. 12958 (reference (c)), DoDD 5200.1 and DoD 5200.1-R (references (ii) and (jj)).

E2.1.1.22. Implement and maintain the security requirements for Information Technology systems as prescribed by E. O. 12958 (reference (d)), 5200.28 and DoD 5200.28-M (references (kk) and (ll)).

E2.1.1.23. Approve contractual instruments for commercial-type concessions, and maintain general supervision over commercial-type concessions operated by or through the Department of Defense in the NCR, in accordance with DoD Directive 5120.18, "DoD Concessions Committee," January 13, 1999 (reference (mm)).

E2.1.1.2.1. Act as custodian of the seal of the Department of Defense and attest to the authenticity of official records of the Department of Defense under said seal (10 U.S.C. 112) (reference (a)).

E2.1.1.2.2. Exercise the authorities vested in the Secretary of Defense by 10 U.S.C. 2674 (reference (a)).

E2.1.1.2.3. Exercise with respect to the Pentagon Reservation those authorities delegated to the Secretary of Defense by the Administrator of the General Services Administration under title 40 U.S.C. "Public Buildings, Property and Works" (reference (hh)).

E2.1.1.2.4. Exercise with respect to the Pentagon Reservation those authorities specifically granted to the Secretary of Defense in chapter 159 of title 10, "Real Property; Related Personal Property; and Lease of Non-excess Property" (reference (a)).

The Director, WHS, may redelegate these authorities, as appropriate, and in writing, except as otherwise provided by law or regulation.

DEPUTY SECRETARY OF DEFENSE

1010 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-1010

AUG 23 2000

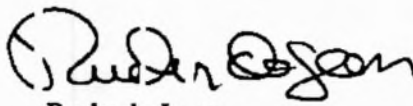


MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
COMPTROLLER OF THE DEPARTMENT OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND DEVELOPMENT
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Delegation of Responsibility for Pentagon Security

Effective immediately, the Chief, Defense Protective Service (DPS), operating under the oversight of the Director, Washington Headquarters Services, is responsible for providing security for the Pentagon and associated leased office spaces.

To assist the Chief, DPS, a Pentagon Security Advisory Group (PSAG) will be established which the Chief, DPS will co-chair with the senior military assistant to DEPSECDEF. The PSAG will function as a collection point for security concerns, validate vulnerabilities, and examine/initiate countermeasures. The PSAG will also provide customer input to DPS as well as act as a coordinating body for all security initiatives in the Pentagon and leased areas. The PSAG membership will include senior security representatives of the Military Departments, Joint Staff, National Security Agency, Defense Intelligence Agency and the Assistant Secretary of Defense for Command, Control, Communications and Intelligence. Additional advisors will be added at the discretion of the co-chairs as required.

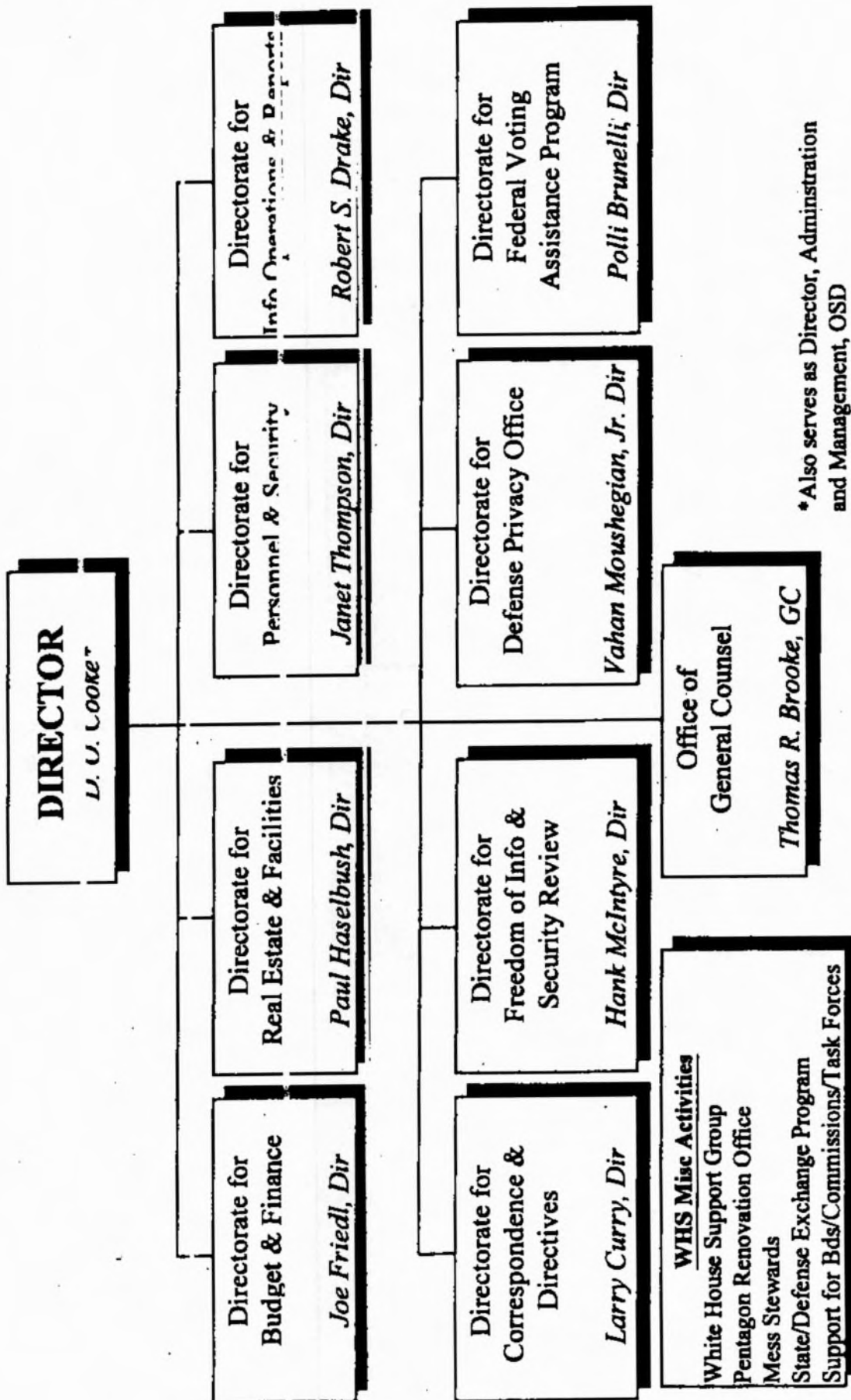

Rudy deLeon

SIGNER'S COPY

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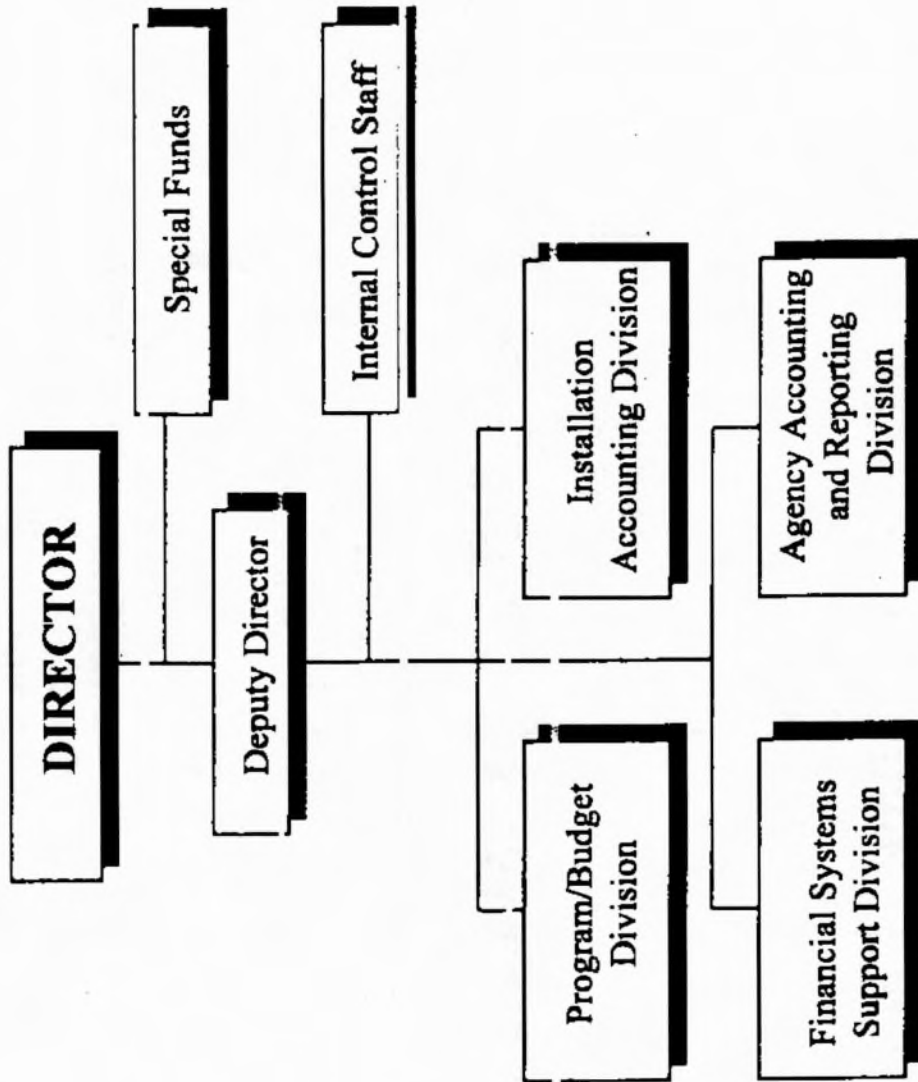


WASHINGTON HEADQUARTERS SERVICES



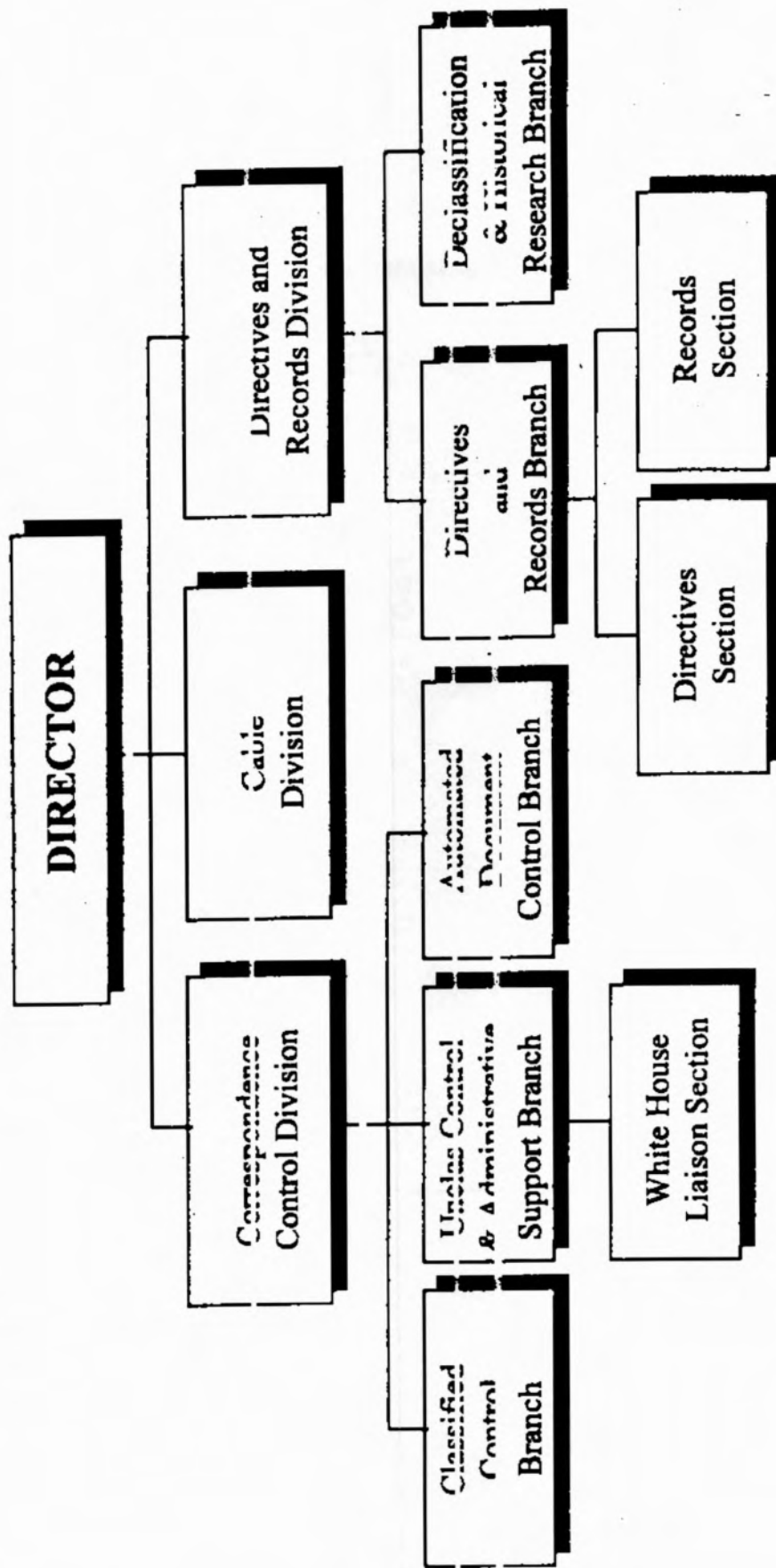
*Also serves as Director, Administration and Management, OSD

DIRECTORATE FOR BUDGET AND FINANCE



Mission: For designated DoD Components, the Directorate will: formulate, present, and execute the Program Objective Memoranda (POM), President's Budgets, and Future-Year Defense Plans (FYDP); administer the Official Representation Funds Program, including the development of policies for use of these funds throughout the Department; provide information system technology and management; provide installation level accounting support; develop, establish, and administer control procedures for apportionments and allocations; develop, implement, and assist the accounting and reporting systems for the DoD Trust Funds and appropriation level reporting; and administer the Government Travel Card Program.

DIRECTORATE FOR CORRESPONDENCE AND DIRECTIVES



Mission: Provide responsive, accurate and timely administrative support to the Secretary and Deputy Secretary of Defense and their immediate staff, to include: correspondence processing, executive services and 24/7 worldwide communications capability. Provide program management for DoD Directives System, Records Management Program, Privacy Act Program, and systematic review of OSD documents for declassification.

DIRECTORATE FOR DEFENSE PRIVACY OFFICE

DIRECTOR

Executive Secretary, Defense Privacy Board

Privacy Act of 1974

Right to Financial Privacy Act of 1978

Mission: Direct and administer the DoD Privacy Program to ensure compliance with the Privacy Act of 1974; oversee the DoD program for obtaining information from financial institutions to ensure compliance with the Right to Financial Privacy Act of 1978; and provide operational and administrative support to the Defense Privacy Board.

DIRECTORATE FOR FEDERAL VOTING ASSISTANCE PROGRAM

DIRECTOR

Legislative Affairs

Election Activities

Media Relations and Public Affairs

Political Liaison

International and Governmental Affairs

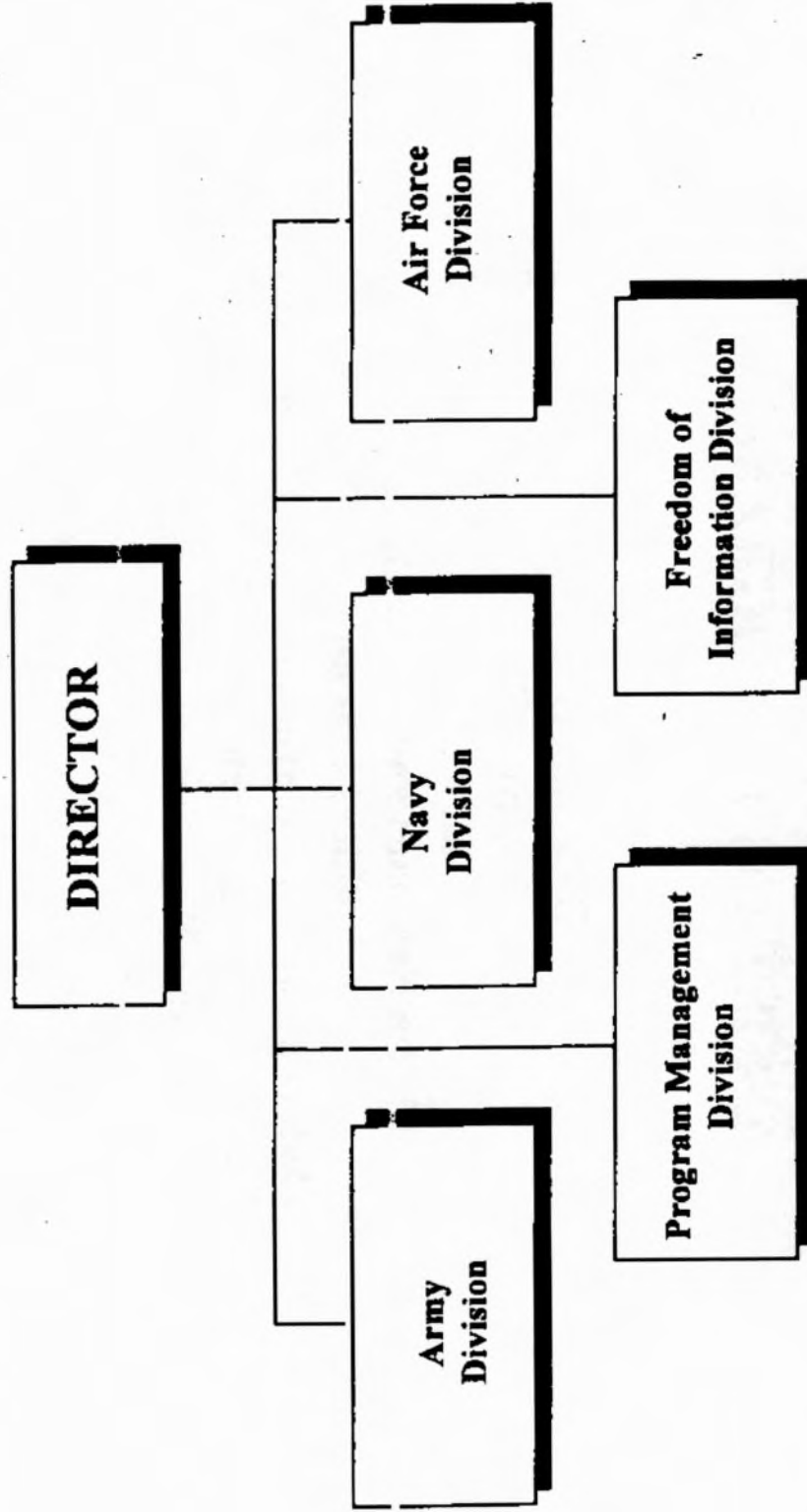
Corporate and International Activities

Voter Registration Agencies

Voting Information Center

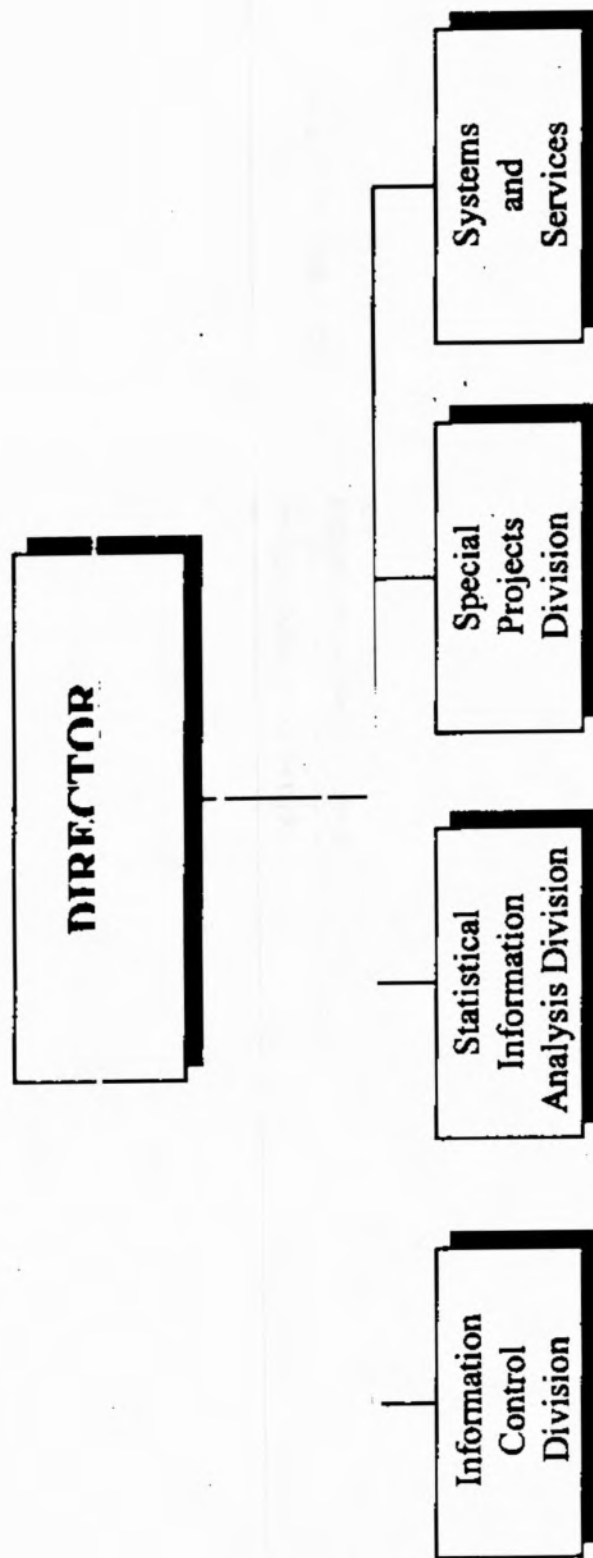
Mission: Administers the Uniformed and Overseas Citizens Absentee Voting Act, 42 USC 1973ff. The Act covers the voting rights of all members of the Uniformed Services, merchant marine, their family members, and all other U.S. citizens outside the United States. Management of the program requires coordination with Executive Branch Departments and Agencies, the Congress, State and local governments and political parties, U.S. corporations, and national and international organizations. Conducts national and international "Get Out the Vote" campaigns and manages the voting assistance program of the Department of Defense, including Guard and Reserve Components. Administers those provisions of the National Voter Registration Act designating Armed Forces Recruitment Offices to be State Voter Registration Agencies for all purposes of the Act.

DIRECTORATE FOR FREEDOM OF INFORMATION AND SECURITY REVIEW



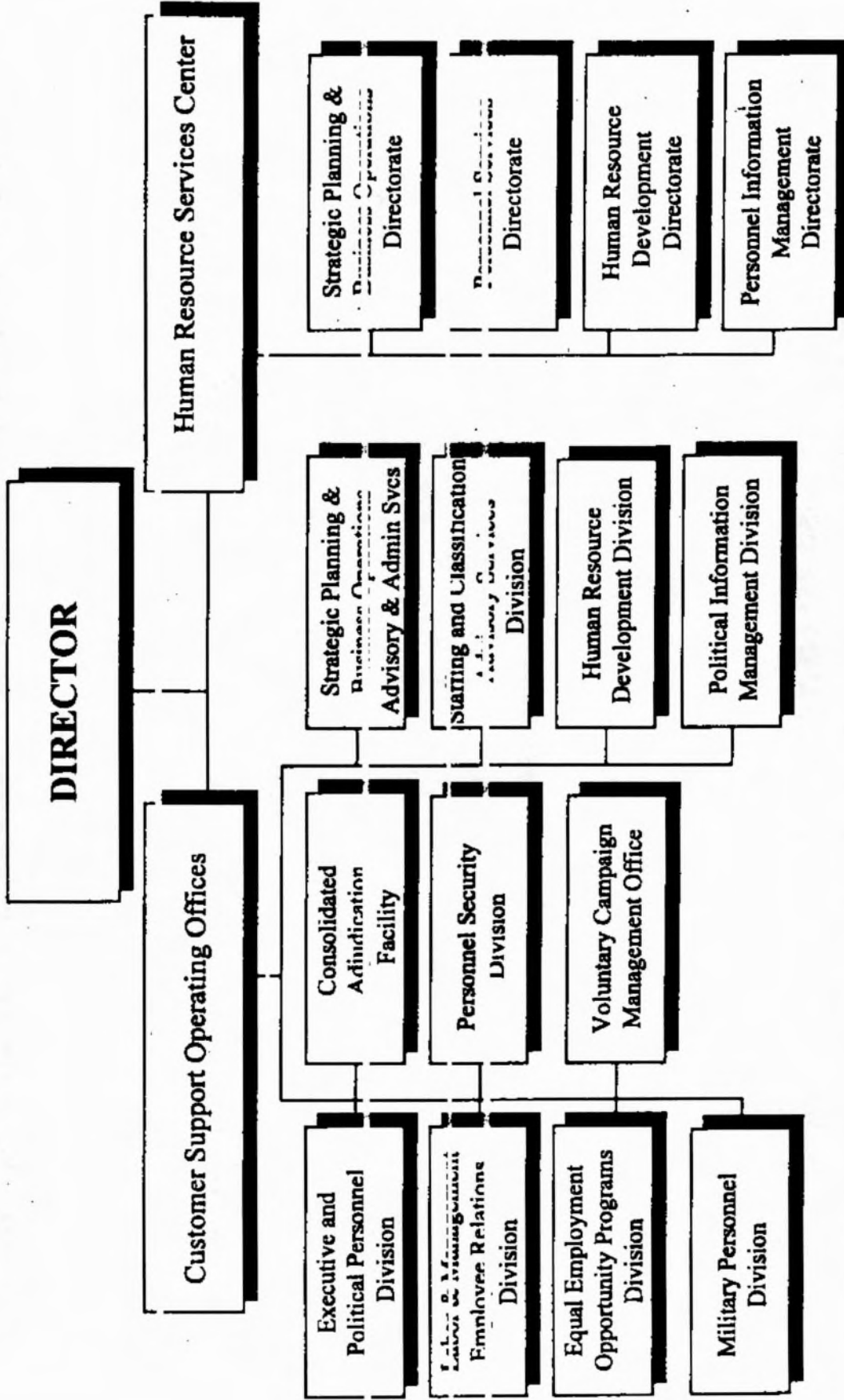
Mission: Review official speeches, photographs, films, and other information originated within the Department of Defense (DoD) intended for public release, or similar material submitted for review by other Executive Agencies of the U.S. Government, and ensure conformity to established DoD national security policy and programs. Develop Freedom of Information Act (FOIA) policy for DoD and process FOIA requests and appeals for the Office of the Secretary of Defense and the Joint Staff.

DIRECTORATE FOR INFORMATION OPERATIONS AND REPORTS



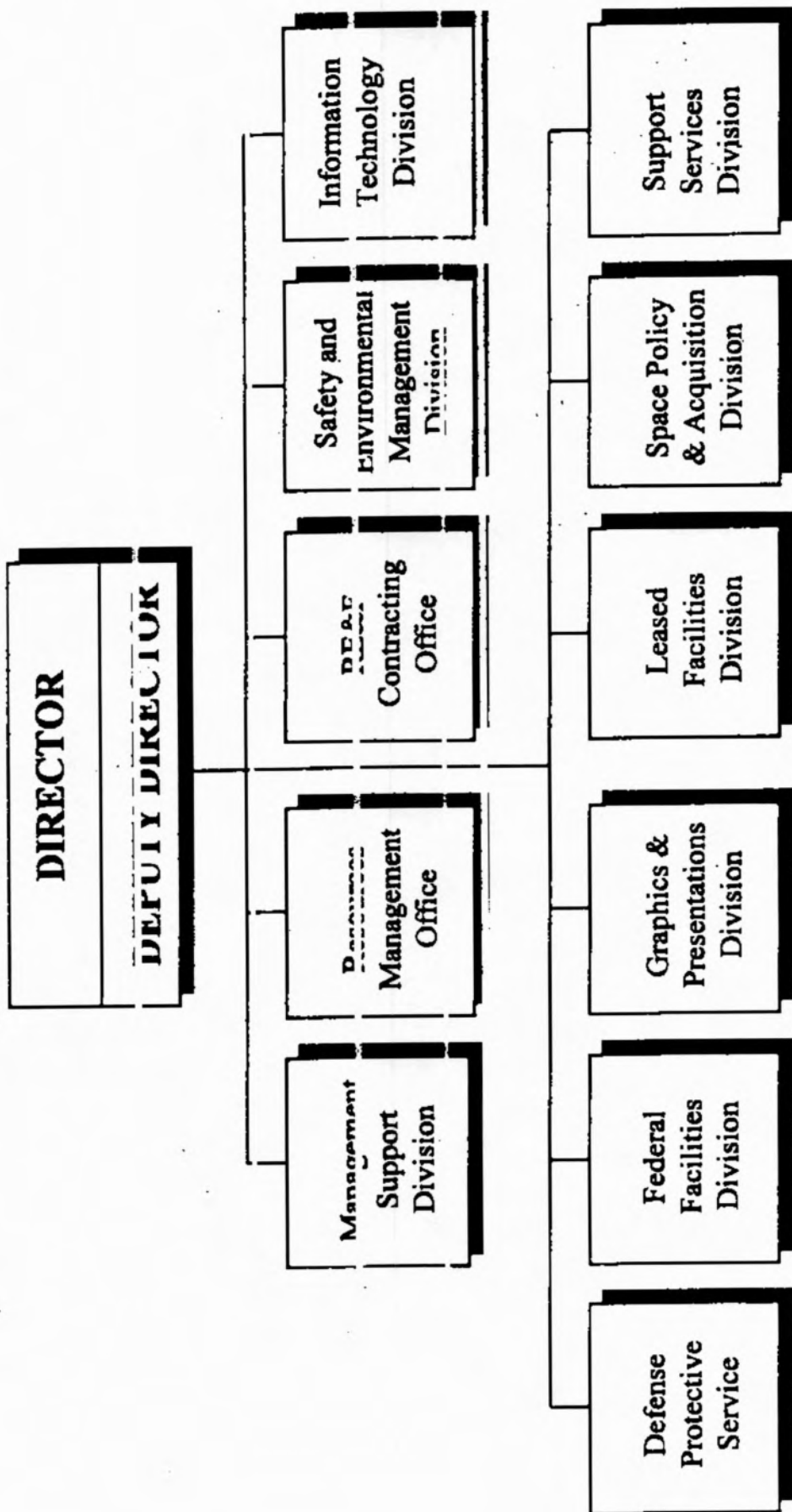
Mission: To apply information management and information technology strategies to meet selected reporting and management goals in support of the requirements of designated DoD Components and other outside organizations, as appropriate.

DIRECTORATE FOR PERSONNEL AND SECURITY



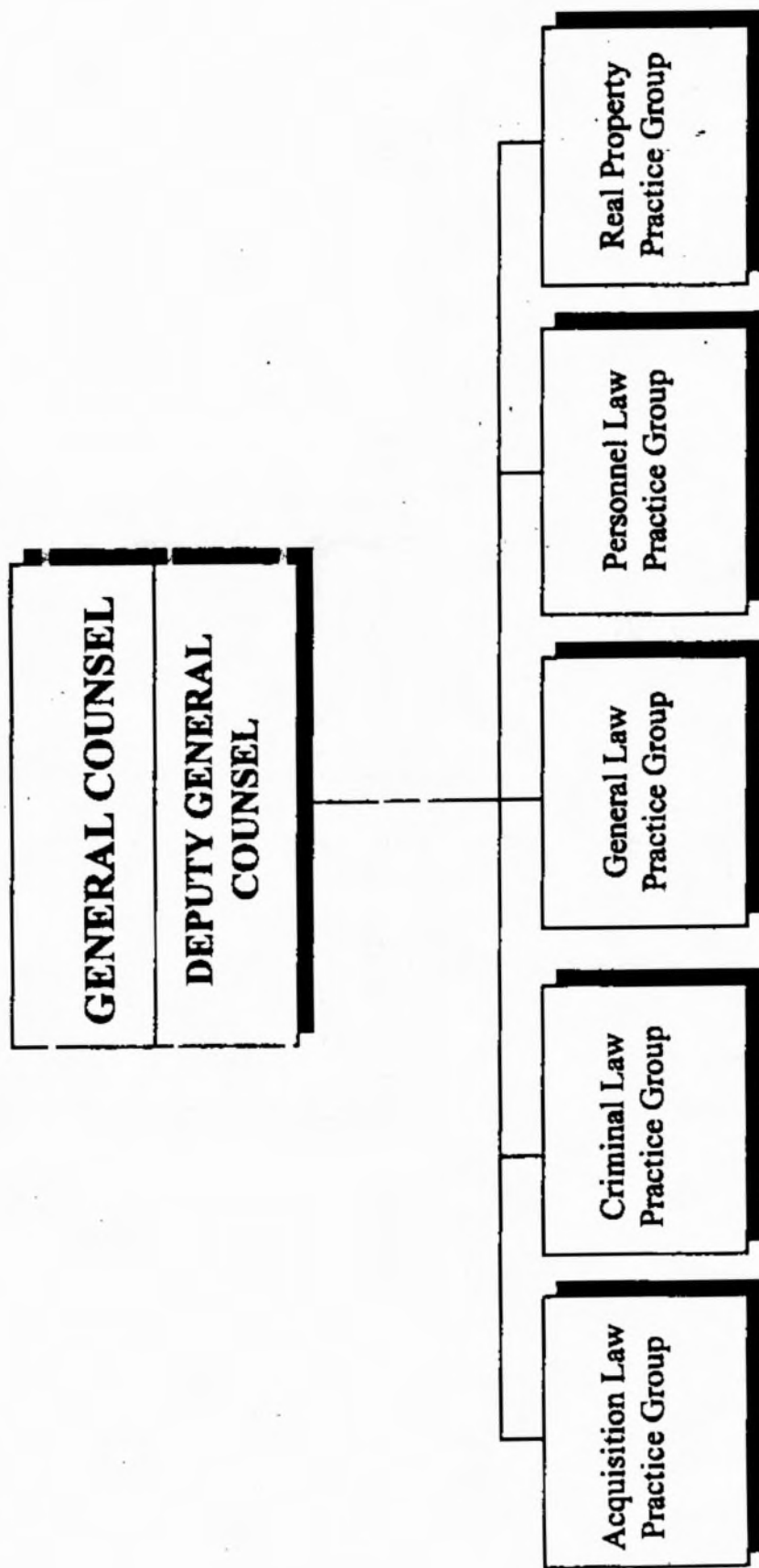
Mission: To perform human resource and personnel security services for military and civilian personnel assigned to designated DoD Components and outside organizations, as appropriate.

DIRECTORATE FOR REAL ESTATE AND FACILITIES



Mission: To provide administrative and operational support to specified DoD activities in the National Capital Region (NCR), including space management, law enforcement, maintenance, repair and alteration of assigned buildings, custodial, physical security, building administration, graphics services, acquisition, property management, environmental safety, occupational health, industrial hygiene, fire protection, and other support services.

OFFICE OF THE GENERAL COUNSEL



Mission: Provide full service legal advice, counsel, and litigation services to the Director, Washington Headquarters Services, and the WHS Directorates, and provide legal support, as required, to the Defense organizations supported by WHS.

MISCELLANEOUS ACTIVITIES

White House Support Group: Manpower resources assigned to activities located at both the White House and related executive office buildings, in support of the Commander-in-Chief and the National Military Command structure. Activities supported include the White House Military Office, National Security Council, Presidential Emergency Operations Center, President's Foreign International Advisory Board, and the White House Photo Office.

Pentagon Renovation Office: Responsible for overall management of the Pentagon renovation, to include design, construction, contracting functions, tenant moves, and information and telecommunications management.

Mess Stewards: Responsible for the operation of the Secretary of Defense Executive Dining Facility to provide a suitable facility where the Secretary and Deputy Secretary of Defense can conduct business, dine, and host special functions for foreign dignitaries, official visitors, and other guests, as necessary, in the execution of the responsibilities of their respective offices.

State/Defense Exchange Program: Provides an exchange of civilian and military personnel for the purpose of providing training which promotes mutual understanding and cooperation between the two departments and the personnel assigned.

Support for Temporary Boards/Commissions/Task Forces: Responsible for management oversight, administrative support, and coordination with other support activities in facilitating the support requirements for the various boards, commissions, and task forces.



Washington Headquarters Services

STRATEGIC

PLANS

105

Volume 1

*Providing comprehensive management
and operational, executive, and support services for
DoD components, other federal government activities,
and the public.*

Willing

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Service



DEPARTMENT OF DEFENSE
WASHINGTON HEADQUARTERS SERVICES
115D DEFENSE PENTAGON
WASHINGTON, DC 20301-1155

*Message from the Director,
Washington Headquarters Services*

We recently completed the first phase of the most fundamental and comprehensive internal review of Washington Headquarters Services since the organization was established over twenty years ago. This review is examining how effectively and efficiently we are providing program support and services to our many customers. At this point, we have developed a plan which defines the strategic direction for Washington Headquarters Services and maps the processes and philosophy for ongoing renewal and improvement over the next decade. The plan was developed through a collaborative process by the Washington Headquarters Services Directors, their representatives and myself, over a period of several months. We are fully committed to the principles, goals and objectives it sets forth.

The plan is contained in the following pages of this brochure. It provides the keys to unlocking the opportunities and benefits for both our customers and our organizational family. To ensure that the bold initiative envisioned by this plan are carried out, we ask for your participation and support as we work to realize our vision of the future.

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introduction

Washington Headquarters Services (WHS) is a flexibly organized field operating activity of the Department of Defense (DoD) that continues to provide a broad variety of operational and support services to the Office of the Secretary of Defense (OSD), other DoD components, selected other federal government activities, and the general public. More specifically, WHS' core competencies include financial management and accounting services, civilian and military human resource management, information management and systems support, facilities management and support services, and physical and information security. In addition, WHS serves DoD and the general public in the areas of voting assistance, information release, and privacy programs. Those interested in how WHS developed over time can find a short history in the Appendix.

The time has come for WHS to take a look at its offices and their missions and capabilities to ensure that it is positioned to be the pre-eminent service provider in DoD. This plan sets the strategic direction for WHS for the period 2000–2005. It begins with the vision, followed by a statement of the mission. Next comes a brief summary of the environment in which WHS operates, followed by a discussion of the guiding principles that govern its activities. The plan continues with the goals and objectives that lead to realizing the vision and effectively accomplishing the mission.

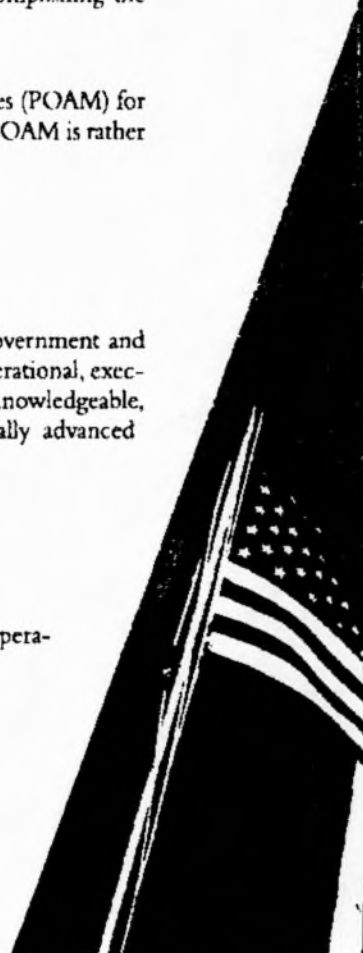
No plan would be complete without a Plan of Action and Milestones (POAM) for accomplishing the tasks necessary to meet the objectives. Since this POAM is rather detailed and lengthy, it is published as Volume 2 of the plan •

vision

WHS is the DoD component recognized as a creative leader in government and the provider of choice for innovative program management and operational, executive, and support services. WHS is staffed with an empowered, knowledgeable, and motivated workforce operating in a progressive, technologically advanced environment •

mission

The WHS mission is to provide comprehensive management and operational, executive, and support services for DoD components, other federal government activities, and the public •



environment

The environment in which WHS operates as it pursues its vision is an important variable in mission accomplishment. This section synthesizes how the environment will affect mission performance and the organization in the future. ■

mission environment

In the downsizing and organizational reform of the Department over the last two decades, WHS has filled the critical role of providing consolidated support and services in its competency areas that previously were redundantly performed among other components. This consolidation of services has allowed the principal customers of WHS -- OSD, Joint Staff, the military departments, defense agencies, and other DoD field activities -- to focus on their core mission functions.

WHS has now evolved into an organization that performs support and service functions across the entire Department. It also provides consolidated administrative support to the White House and, to some degree, Congress. WHS also provides support for DoD and the general public by consolidating operational support for programs such as federal voting assistance, freedom of information, privacy, and data collection and reports. Direct support for DoD programs accounts for only about one-third of the overall workload. The budget clearly shows that the majority of funds allocated to WHS are in support of organizations outside of OSD and for programs and initiatives that benefit the entire Department of Defense.

Over the years, WHS grew in size from 327 authorized personnel to a peak of 1,960 in FY 1994. Since then, although it has been assigned additional responsibilities, concerted efforts to streamline the organization have resulted in reducing the staff to approximately 1,658 people by the end of FY 1999. The trend in streamlining and consolidating functions in WHS will continue.

management environment

In the midst of growing responsibilities and shrinking resources, WHS finds itself in a fortunate management environment. Senior DoD leadership is committed to fundamentally altering the way the Department conducts its business. This commitment is exhibited in programs such as paperless offices, electronic commerce, and the like, that share the common characteristic of being innovative and forward looking. Many other government-wide programs are also pushing to reverse the way the government

conducts its business. The National Partnership for Reinventing Government (formerly the National Performance Review) is just one. The Government Performance and Results Act sets forth many requirements that serve as enablers for customer-service minded government managers who wish to improve their agency's performance. Among the initiatives used increasingly within the governmental sector are competing functions with the private sector and other governmental agencies, wherever appropriate, to achieve economies and enhanced operational effectiveness. WHS is positioned to take advantage of the opportunities presented by this climate to spread the benefits across many other organizations.

technology environment

Much of the work WHS does is directed at providing service to customers. Many service requests are amenable to processing in an electronic information environment. The technology to accomplish such processing is growing rapidly. Most, if not all, of the government agencies receiving services from WHS have robust computer capabilities available to them. This fact allows WHS to choose from a variety of ways to receive, process, and disseminate the information required. Even in those areas that do not require a high degree of computerization, alternative technologies are emerging that will improve the effectiveness and efficiency of delivering services. In addition, the key process that WHS performs - managing service delivery - is one that is experiencing some of the greatest growth and innovation in both the government and private sectors. This situation provides WHS managers with a great deal of flexibility to tailor their service delivery mechanisms and gives them a rich reservoir from which to draw future service enhancements.

guiding principles

This plan uses a set of principles serving as guides for crafting and assessing the effectiveness of all WHS activities. They are organized here into focus areas as a way to enhance reader understanding. However, they will be applied to virtually every area of WHS activity and will not be limited to any specific mission area. The guiding principle focus areas are as follows:

focus on the customer

A very high proportion of WHS' effort is directed toward providing customer service. It is important for WHS to concentrate on customer needs and to develop or revise procedures to meet those needs.

- WHS must meet customers' needs in a way that satisfies the customer. WHS must approach such service as a direct response to the customer and create a culture that is valued among its employees for providing high-quality and prompt advice and service to those customers. WHS must instill in its customer service representatives a sense of urgency in meeting time-sensitive customer needs.

- A total-service orientation must drive all WHS activities. WHS must approach all actions from the perspective of the customer outcome. The job of WHS' employees is not to make their own jobs easier, but to ensure that the customer's needs are met.

In order to maintain its total-service orientation, WHS must concentrate on integrating the efforts of the whole organization to solve the customer's problems.

- High-quality results occur when organizations pool their talents and resources. WHS will provide comprehensive and integrated services. Cross-functional teams working together to solve problems. All WHS employees should feel that they are part of a team. All WHS employees should coordinate their efforts with respect to the customer's needs.
- Integrating efforts to provide complete customer service begins with developing knowledgeable employees. One-stop service will make it unnecessary for the customer to deal with several WHS offices separately to achieve an outcome. Knowledgeable and responsive personnel are aware of which other parts of WHS can assist in meeting customers' needs and how best to access those capabilities.

- WHS' emphasis on integration provides a means of providing its customers with a broader range of services. As a problem-solving organization, WHS helps customers meet their needs by anticipating which services can further assist in achieving the outcome.
- The individual offices within WHS not only share systems and processes — they share knowledge about each other to further enhance their understanding of total support capabilities. They actively keep their peers and coworkers informed so that they can serve their customers better and so that all individuals within WHS become increasingly knowledgeable, aware, and capable of mutual support.

focus on our people

WHS' people are at the core of everything that the organization does. WHS is committed to taking care of its employees by providing a stable work environment and ensuring a good quality of work life.

- Providing a stable work environment ranks high on the list of WHS core values. People do their best work when they know, on a consistent basis, what is expected of them. They must also be assured that the standards of performance will be administered evenly and fairly across the organizational structure.
- WHS workers must have a good quality of work life. Employee satisfaction begets customer satisfaction. Employees who are involved, listened to, and encouraged can better identify and creatively solve problems. Another part of ensuring a good quality of work life is providing stimulating jobs that allow workers to exercise the authority needed to get the job done and linking that authority to the responsibility for making sure it gets done right. This goes a long way toward having the work that they do energize them and provide them with job satisfaction.

focus on quality

The WHS commitment to quality is unwavering. Not only do the members of the WHS workforce believe that work done for the customers should be done right the first time, they also value and recognize creativity in workers as they seek to meet the customers' total-service needs. To do this, they remain open to new processes and procedures.

In summary, WHS leaders know that in order to succeed, they must ensure that they produce the products and fulfill their customers need, when they need them. This means that they must concentrate on outputs, manage products, and provide a working environment that motivates and empowers employees to put the customer first.

goals

The development of this plan required comparison of the current state of the organization with the vision. This examination showed how well WHS measured up to the vision. This examination showed the need for actions needed to bridge the gap between where we are today and where we want to be in five years. There are four goals that we have identified and their focus areas are as follows:

- **Management** — How WHS will work

WHS will employ an overall management strategy that ensures effective integration and collaboration throughout WHS horizontally and vertically.

- **Customers** — Whom WHS will be working for

WHS will facilitate customers' access to integrated services and a customer-oriented approach in all aspects of the business.

- **Employees** — How WHS workers will treat each other.

WHS will develop a customer-focused and results-oriented workforce and make WHS the employer of choice for service-minded government employees.

- **Quality Through Innovation and Flexibility** — How WHS will improve quality performance.

WHS will apply emerging technology and advanced customer-support techniques to achieve the highest quality customer service.



objectives

One of the questions to be answered in pursuing a strategic plan is, what must be done to reach the goals? Each goal has its own outcome. This describes the end state and describes how that end state contributes to achieving the vision. Each goal also includes a strategy that tells how to go about getting to the goal's outcome. Each goal has a series of specific objectives to measure progress toward goal accomplishment. The objectives are written so measurement can be made of their accomplishment, and — in the Plan, Vision and Milestones in Volume 2 — each is assigned to a responsible person or element for accountability purposes. The target dates for completing each objective are initial estimates. Since this plan is a living document, these target dates may change over time. The rest of this section sets forth the outcomes, strategies, and objectives for the four goals.

management

goal: Employ an overall management style that emphasizes effective integration and collaboration throughout WHS horizontally and vertically.

goal outcome: The overarching theme for this goal is "integration." The integration of information, management, and action begins at the highest levels within WHS and carries through to the last worker in the chain of responsibility. When this goal is attained, WHS will have a better-informed staff able to work in a responsive, streamlined, collaborative manner to deliver outstanding service consistently.

strategy: The principal means of achieving better integration at all levels of the organization. This collaboration involves the several directors and continues down using integrated projects that have cross directorial implications. WHS will work to ensure that this collaborative effort is efficient and effective sharing of information.

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objectives: Create an environment for the development of current and future strategic goals.

The intent of this objective is to provide a forum for the planning, integration, collaborative. The nucleus of this meeting will be the directors of total WHS capabilities and meet customer needs. Implementation accomplished by working group to develop this strategic plan.

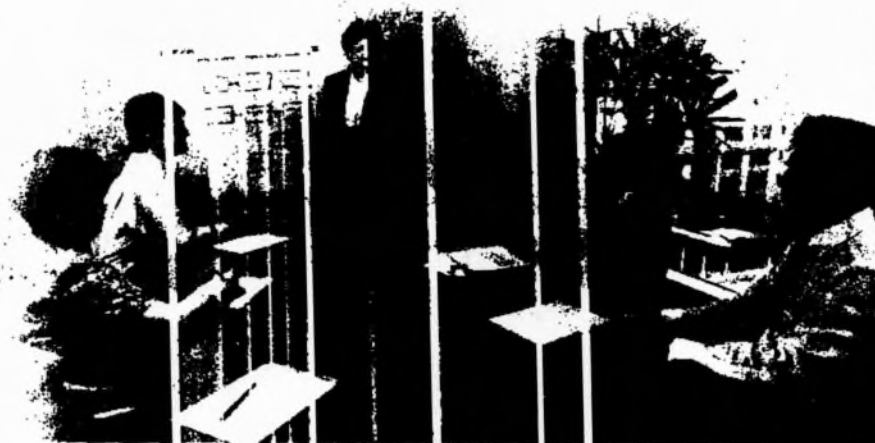
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Institute a knowledge-based team approach to solve major problems and increase productivity by the fourth quarter of FY 2001.

Whereas the previous objective envisioned a static team approach, this objective's intent is to assemble teams to perform specific tasks and build up commissions. The team approach builds, reinforces, and maintains knowledge by continually rotating different people through tasks that are valuable for those WFS tasks that recur and these teams may evolve into more permanent, cross-functional teams.

Hold WFS directors accountable for implementing the WFS strategic goals and objectives by the fourth quarter of FY 2001.

This objective calls for developing a team that promotes leadership and a dialogue within WFS about cross-functional issues. To achieve this through first-line supervisors must in order to motivate employees to achieve the objectives and attain the goals so that WFS can meet its mission and vision statement. Accountability also includes a commitment to the mission and vision. To determine how well this plan is being implemented, the directors will adopt and use performance measures throughout the organization and be able to compare those measures objectively with those of other similar organizations in government and the private sector.



customers

goal: Facilitate customers' access to integrated services and use a results-oriented approach in all aspects of the business.

goal outcome: The attainment of this goal will give WHS a top flight reputation as the provider of choice for satisfying customers by delivering timely and efficient integrated services. This recognition is important for two reasons. First, WHS should be the best at what it does -- this gives the employees a great deal of job satisfaction. Second, WHS no longer has "captive" customers. Potential customers are now allowed to seek out the best service providers. WHS must rise above the competition in order to survive.

strategy: This goal's strategy has two steps. The first is to revise and streamline business processes with increased focus on customer requirements. The second is to train and motivate the service providers to concentrate on satisfying total customer needs.

objectives: Develop and articulate a results-oriented customer service philosophy by the fourth quarter of FY 2001.

A clear statement of the leadership's commitment to provide high quality, responsive customer service is the foundation for motivating the organization to meet the goal.

Realign business processes to emphasize results, and make those processes easier for customers to access by the first quarter of FY 2004.

The intent of this objective is to reengineer the business processes to be increasingly cost-effective, efficient, and responsive to customers. Several associated tasks lead to achieving this objective. First, the Business Process Review, Biennial Review, and Departmental Review will be developed. Second, a Business Process Improvement Plan will be developed, and followed up with a series of process and workload studies. Third, organizational assessment will be conducted to streamline the organization. Fourth, consideration will be given to the use of technology to achieve the desired results. This will be followed by the development of a plan approved by the Director. Finally, progress toward achieving the objective will be monitored.

ing customer service. Several associated harmonies will be used, such as the old Activities, and new mechanisms. The intent of contact. This will be tedious for improvement. The work valued. A contractor-supported ended process improvements to service. During this process, full to the economies that can be sector and other government on of the improvements that are be set and continually monitor

Embrace and use employee incentive program initiatives to improve customer service by third quarter of FY 2003.

- The intent of this objective is to ensure that the company's commitment to customer service is real and appropriate reward system will be implemented.

Institute a program to train all employees to increase their ability to provide excellent customer service by the second quarter of FY 2003.

- This objective calls for the institution of a training program of willing, helpful customer service throughout the organization. The internal program to educate and train workers in the company, performance measurement system, and employee incentive program.



employees

goal: Develop a customer-focused and results-oriented workforce and make WHS the employer of choice for service-minded government employees.

goal outcome: This goal is designed to produce a workforce that is focused on satisfying customer needs. WHS should be a workplace that minimizes distractions and provides for personal achievement for a high-quality, well-trained workforce. These factors are essential in achieving this goal. Overall goal accomplishment can be measured through customer surveys and other performance measurement techniques.

strategy: The primary approach is to recruit, develop, and retain motivated, skilled, and loyal employees dedicated to providing exceptional customer service. Providing the workforce with challenging assignments, career growth opportunities, comprehensive training, appropriate rewards and incentives, state-of-the-art technologies, and sound quality-of-life programs will allow WHS to attract and retain good workers.

objectives: Develop a WHS leadership development program to meet future needs by the second quarter of FY 2003.

- Current personnel policies and regulations prohibit programs that preselect personnel for leadership positions. However, a program that properly educates the workforce can make its members more competitive for positions with increasing responsibilities. Such a program should result in more of the WHS workforce staying for longer terms of employment at higher performance levels.

Recruit and retain employees by emphasizing the use of retention allowances, recruitment bonuses, recognition of accomplishments, rewards, alternative workplace programs, and other incentives by the second quarter of FY 2003.

- Many tools to do this are available within the federal government's personnel system. The organization that makes good use of them attracts and retains good workers. Some innovative opportunities for recognizing excellent work may require minor internal adjustments to take advantage of them. This objective is designed to explore those opportunities.

Use innovative recruitment strategies to entice and retain interested high-quality occupational specialists by the second quarter of FY 2003.

- One way for WHS to "grow" a workforce is to involve potential new members of that workforce in a broad range of work experiences. Available intern programs provide the opportunity to convince this prospective workforce that working at WHS is interesting, challenging, and rewarding. The senior professional workforce must also have incentive and educational programs that demonstrate to them that being a part of the WHS workforce is a career-enhancing experience.

Ensure that employees are capable of using emerging technologies by the second quarter of FY 2003.

- As new technologies become more available, WHS must develop means of measuring how well the workforce is able to use those technologies and execute a training plan to update their skills. This internal continuing education program must provide the workforce with meaningful training so they can become increasingly effective in delivering customer service.

Implement a WHS cross-assignment and development program by the second quarter of FY 2003.

- Employee development should not be limited to technology training. Truly effective employees know where they fit in the bigger picture of the total organization's mission environment. This can be done through a comprehensive orientation program for all employees. Highly motivated employees are interested in improving their knowledge, skills, and abilities. One successful method of giving those employees easy access to training is through a Web-based electronic bulletin board is one way of doing this. Another method is to have employees have personal experience in aspects of the organization's mission. This can be done through a primary area of expertise. An employee cross-training program can be used to cross-detail selected personnel to give them a better understanding of the organization's mission.



quality through innovation and flexibility

goal: Apply emerging technology and advanced customer-support techniques to achieve the highest quality customer service.

goal outcome: This goal requires that WHS develop and maintain a state-of-the-art information infrastructure that meets both common and unique customer requirements while providing the necessary safeguards for sensitive information. Since technology is constantly emerging, this goal's accomplishment will be measured by benchmarking technology used within other similar government organizations.

strategy: Exploit emerging technology and advanced customer support techniques to enhance WHS integration, business process reengineering, and resource allocation to meet customer requirements.

objectives: Establish a WHS IT Manager's Forum for developing IT strategies and priorities to meet WHS internal and external customer requirements by the fourth quarter of FY 2001.

- Many WHS offices have similar information-handling needs. This forum provides a mechanism for sharing information about requirements and solutions across the WHS Directorates to obtain the maximum benefit from their collective efforts.

Identify common applications, data, and databases and the ways of maximizing their deployment by the third quarter of FY 2002.

- Information sharing is facilitated by using a common set of interoperable tools and databases. This does not necessarily mean that everyone has to use the same application. The challenge is to find the commonalities and to leverage them effectively and efficiently throughout the whole organization.

Establish methods of disseminating information, workflow management, and training using Web-based technology by the fourth quarter of FY 2002.

This objective is closely linked to the preceding one. The main difference is that this objective includes customers in the equation. When this strategic plan was developed, Web based technology showed the most promise for non-application-specific information sharing. WHS must pursue this technology as it evolves, while keeping an awareness of even newer technologies as they develop and mature.

plan of action & milestones

Goals and objectives, by themselves, do not ensure progress toward achieving them. Specific tasks and projects to bring them about are required. This plan includes the objectives, along with the estimated work required to achieve them. This plan constitutes the Plan of Action and Milestones (POAM). The POAM will track specific progress toward fulfilling this strategic plan.

Because the POAM is fairly detailed and specific in content, it is presented separately as Volume 2 of this plan. The projects included here have target timeframes which will change over time. Some will be completed, while others will be deleted as they are overruled by change. The constant is that each project in the POAM is linked through a performance measurement system to how WHS achieves its vision, and contributes directly to how WHS achieves its vision. The POAM is a performance measurement system to keep track of progress and plan implementation.

summary

The leadership of Washington Headquarters Services is committed to making WHS a pre-eminent customer service organization. Meeting that vision will be accomplished by achieving the goals and objectives in this plan. In doing so, WHS will become the quality benchmark against which all other customer service organizations will be measured.



appendix: *historical perspective*

Washington Headquarters Services (WHS) was established as a Department of Defense (DoD) Field Activity on 1 October 1977 as part of a DoD headquarters streamlining initiative undertaken by then Secretary of Defense Harold Brown. Administrative support functions located in the Office of the Secretary of Defense (OSD) that serviced the OSD staff, along with a number of other DoD clients, were transferred to the organization. The transferred functions included budget and accounting, civilian and military personnel administration, office services, counterterrorism, travel, correspondence, cables, directives, and records management. The new organization consisted of 327 personnel, a reduction of 10 percent in the staff formerly required to perform these functions.

The DoD leadership formed a WHS-type organization for three reasons. First, about 60 percent of the workforce receiving administrative support from OSD at that time was in other DoD components. Second, Secretary Brown wanted to remove operating functions from OSD in order to focus the staff on policy analysis and oversight. Third, pressure was mounting within the Department and from Congress to reduce OSD's size.

Soon after WHS was created, the DoD leadership realized that it provided a logical, convenient, and efficient organizational repository for other common support functions beyond those originally assigned; several of these are described below:

- In FY 1978, WHS assumed centralized responsibility for managing administrative space in the National Capital Region (NCR), including coordinating with the General Services Administration (GSA) the operation, maintenance, and capital repair of 89 DoD-occupied, GSA-controlled buildings, including the Pentagon.
- Also in FY 1978, the Federal Voting Assistance Program was transferred from the Armed Forces Information Service. The current program was based on the Federal Voting Assistance Act of 1955, which covered mostly DoD military members and their dependents, and the Overseas Citizens Voting Rights Act of 1975, which extended absentee voting rights to U.S. citizens residing overseas. In 1978, the President signed into law an amendment to both these acts to improve the administration and operation of voting procedures for citizens covered by the acts. In 1986, the Uniformed and Overseas Citizens Absentee Voting Act consolidated these acts and included amendments that defined the program's charter to cover the voting rights of all members of the Uniformed Services (including the Coast Guard, the Commissioned Corps of the Public Health Service, and the National Oceanic and Atmospheric Administration), and the Merchant Marine, their family members, and all other U.S. citizens residing outside the United States, increasing the represented population to more than six million potential voters. Finally, in 1993, the National Voter Registration Act designated Armed Forces Recruitment Offices as Voter Registration Agencies, further expanding the program's coverage to over 6,000 recruiting offices.

- In FY 1988, GSA delegated to the Secretary of Defense responsibility for managing, protecting, maintaining, and operating the Pentagon complex and over thirty other federally owned and leased facilities throughout the NCR. The Secretary assigned this function to WHS.
- In FY 1991, Congress transferred full real property ownership, including management, operation, and budgeting responsibility for the Pentagon Reservation, from the Administrator, GSA, to the Secretary of Defense, who passed these functions along to WHS.
- In FY 1993, the Defense Information Systems Agency transferred responsibility for providing personnel to support certain Presidential contingency programs in the White House to WHS.
- In FY 1994, WHS assumed consolidated responsibility for adjudicating personnel security clearances for the defense agencies (except the National Security Agency, Defense Intelligence Agency, and Defense Mapping Agency) and DoD field activities.
- In FY 1996, as part of a DoD-wide initiative to modernize, consolidate, and downsize civilian personnel operations, WHS became responsible for establishing a Human Resource Services Center in the NCR, to provide centralized personnel services and support to defense agencies, DoD field activities, and other DoD components.
- In FY 1998, as part of the Defense Reform Initiative to remove more operational functions from OSD, WHS received the mission of operating four programs for the Department. One is the Defense Privacy Program, which implements the Privacy Act of 1974 Department-wide. The other three are information release programs that are implemented Department-wide: the Freedom of Information Act Program mandated by law; the Mandatory Declassification Review Program mandated by Executive order; and the Security Review Program mandated by DoD directive.

This brief history shows that in the more than twenty years since its formation, WHS has evolved as it accrued individual missions and functions. For the most part, these missions and functions have come with their own organizational structure and, in some cases, organizational culture. The result is an organizational structure that has not been fully rationalized and integrated. The WHS leadership realizes that the time has come to improve upon this situation by making deliberate plans to improve program integration and customer service.

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WASHINGTON HEADQUARTERS SERVICES

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Department of Defense DIRECTIVE

NUMBER 5110.4

May 10, 1999

DA&M

SUBJECT: Washington Headquarters Services (WHS)

- References:**
- (a) Title 10, U.S.C., "Armed Forces"
 - (b) DoD Directive 5110.1, "Washington Headquarters Services," May 6, 1991 (hereby canceled)
 - (c) DoD Directive 5200.1, "DoD Information Security Program," December 13, 1996
 - (d) Executive Order 12958, "Classified National Security Information," April 17, 1995
 - (e) through (mm), see enclosure 1

1. REISSUANCE AND PURPOSE

Pursuant to the authority vested in the Secretary of Defense under reference (a), this Directive revises and reissues reference (b) to reflect the organization's expanded mission, functions, responsibilities, relationships, authorities, and customer base.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (IG, DoD), the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as the DoD Components).

3. MISSION

The WHS shall administer assigned operational programs and provide operational

support and administrative services to specified DoD Components and non-DoD activities as required for their efficient and effective operation.

4. ORGANIZATION AND MANAGEMENT

4.1. The WHS is established as a Field Activity of the Department of Defense. It shall consist of a Director and such subordinate organizational elements as are established by the Director within resources authorized by the Secretary of Defense.

4.2. The Director of Administration and Management, Office of the Secretary of Defense (OSD/D.A&M) shall also serve as the Director, WHS.

5. FUNCTIONS AND RESPONSIBILITIES

The Director, Washington Headquarters Service, shall:

5.1. Organize, direct, and manage the WHS and assigned resources.

5.2. Administer the following DoD-wide operational programs:

5.2.1. The Mandatory Declassification Review Program, consistent with DoD Directive 5200.1 and Executive Order (E.O.) 12958 (references (c) and (d)).

5.2.2. The DoD Regulatory Program, consistent with E.O. 12866 (reference (e)).

5.2.3. The Federal Voting Assistance Program, including administration of the Uniformed and Overseas Citizens Absentee Voting Act and the National Voter Registration Act (references (f) and (g)).

5.2.4. The DoD Freedom of Information Act Program, consistent with DoD Directive 5400.7 and DoD Instruction 5400.10 (references (h) and (i)).

5.2.5. The DoD Privacy Program, consistent with DoD Directive 5400.11 (reference (j)).

5.2.6. The DoD Security Review Program, consistent with E.O. 12958, DoD Directives 5230.9, 5400.4, and DoD Instruction 5230.29 (references (d), (k), (l), and (m)).

5.2.7. The DoD Information Requirements Program, consistent with DoD Directive 8910.1 (reference (n)).

5.2.8. The DoD Directives System and Federal Register System Programs, consistent with DoD Directive 5025.1 and DoD Manual 5025.1-M (references (o) and (p)).

5.2.9. The DoD Administrative Space Management Program for the National Capital Region (NCR), consistent with DoD Instruction 5305.5 (reference (q)). The NCR includes: the District of Columbia; Montgomery and Prince Georges Counties in Maryland; and Arlington, Fairfax, Loudoun and Prince William Counties and the cities of Alexandria and Falls Church in Virginia (reference (a)).

5.2.10. The DoD Data Collection and Reports Program for procurement, logistics, workforce, casualty, economic information, and other DoD reports as assigned.

5.2.11. The DoD Forms Management Program, consistent with DoD Instruction 7750.7 (reference (r)).

5.2.12. The detail of DoD Personnel to duty outside of the Department of Defense, consistent with DoD Directive 1000.17 (reference (s)).

5.2.13. Other DoD-wide operational programs as may be required.

5.3. Provide the following operational support and administrative services, as required, to specified DoD Components and non-DoD activities.

5.3.1. Financial management and accounting services, including: program budget formulation, presentation and execution; accounting and reporting; financial systems support; and internal control system design and maintenance.

5.3.2. Correspondence control, records management, systematic declassification review, Privacy Act implementation, reference and electronic message services.

5.3.3. Civilian and military human resource management and related activities.

5.3.4. Personnel security clearance, adjudication and appeals processes.

5.3.5. Information technology and data systems support.

5.3.6. Facilities management and associated support services for all DoD-occupied administrative space in the National Capital Region (NCR) and other locations as required, to include: real property and building management; administrative space acquisition and management; maintenance, repair, alteration, design and construction; safety and environmental management; renovation program planning and execution; concessions, childcare, parking management, office services, graphics and presentations services; and transportation matters.

5.3.7. Physical and information security, law enforcement and protection for DoD-occupied administrative space in the NCR and for designated DoD officials at non-DoD facilities in the NCR, as required.

5.3.8. Other operational support and administrative services as may be required.

5.4. Provide personnel resources and associated organizational support, as required, for:

5.4.1. Specified White House functions;

5.4.2. Assigned Departmental activities including, but not limited to DoD temporary boards and commissions, the Pentagon Renovation Project, and the Defense Fellows and Executive Exchange Programs);

5.4.3. Legal services provided to the WHS and organizations supported by the WHS, in accordance with DoD Directive 5454, "Defense Legal Services Agency" (reference (t)); and

5.4.4. Other DoD or non-DoD activities, as designated.

6. RELATIONSHIPS

In the performance of assigned functions and responsibilities, the Director, WHS, shall:

6.1. Coordinate and exchange information and advice with the DoD Components and other Governmental and non-Government agencies having collateral or related responsibilities.

6.2. Make use of established facilities and services in the Department of Defense and other Government Agencies, wherever practical, to avoid duplication and to achieve maximum efficiency and economy.

7. AUTHORITY:

The Director, WHI, or designee, is specifically delegated authority to:

7.1. Obtain such information, consistent with the policies and criteria of DoD Directive 8910.1 (reference (1)), advice, and assistance from DoD Components, as necessary to carry out assigned responsibilities and functions.

7.2. Communicate directly with heads of DoD Components and other Executive Departments and Agencies, representatives of the Legislative Branch, and members of the public, as necessary, in carrying out assigned responsibilities and functions. Communications to the Commanders-in-Chief of the Combatant Commands shall be coordinated with the Chairman of the Joint Chiefs of Staff. Direct communication with the Commanders-in-Chief of the Combatant Commands is authorized in matters dealing with policy or administration of the Freedom of Information Act and the Mandatory Declassification Review Programs.

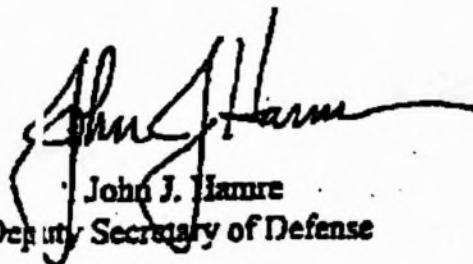
7.3. In the absence of a known DoD originator of classified information, declassify official DoD information submitted for mandatory declassification review, and in response to Freedom of Information Act actions.

7.4. Act as the principal DoD Liaison with the General Services Administration (GSA) for all administrative services and real property matters, including lease administration and enforcement in the DCR, and other locations as required.

7.5. Exercise the delegations of authority contained in enclosure 2.

8. EFFECTIVE DATE

This Directive is effective immediately.



John J. Hamre
Deputy Secretary of Defense

Enclosures - 2

- E1. Reference, continued
- E2. Delegations of Authority

E1. ENCLOSURE 1REFERENCE continued

- (e) Executive Order 12866, "Regulatory Planning and Review," September 30, 1993
- (f) 42 U.S.C. 1973ff et seq., Uniformed and Overseas Citizens Absentee Voting Act
- (g) 42 U.S.C. 1973gg et seq., National Voter Registration Act
- (h) DoD Directive 5400.7, "DoD Freedom of Information Act (FOIA) Program," September 29, 1997
- (i) DoD Instruction 5400.10, "OSD Implementation of DoD Freedom of Information Act (FOIA) Program," January 21, 1991
- (j) DoD Directive 5400.11, "Department of Defense Privacy Program," June 9, 1982
- (k) DoD Directive 5230.9, "Clearance of DoD Information for Public Release," April 9, 1996
- (l) DoD Directive 5400.4, "Provision of Information to Congress," January 30, 1978
- (m) DoD Instruction 5230.29, "Security and Policy Review of DoD Information for Public Release," May 6, 1996
- (n) DoD Directive 3910.1, "Management and Control of Information Requirements," June 11, 1993
- (o) DoD Directive 5025.1, "DoD Directives System," June 24, 1994
- (p) DoD 5025.1-M, "DoD Directives System Procedures," August 1994
- (q) DoD Instruction 5305.5, "Space Management Procedures, National Capital Region," May 13, 1966
- (r) DoD Instruction 7750.7, "DoD Force Management Program," May 31, 1990
- (s) DoD Directive 1000.17, "Detail of DoD Personnel to Duty Outside the Department of Defense," February 24, 1997
- (t) DoD Directive 5445.4, "Defense Legal Services Agency," December 15, 1989
- (u) Title 5, U.S.C., "Government Organization and Employees"
- (v) DoD 1400.25M, Subchapter 451, "DoD Civilian Personnel Manual," December 1996
- (w) DoD Directive 105.4, "Department of Defense Federal Advisory Committee Management Program," September 5, 1989
- (x) Executive Order 10450, "Security Requirements for Government Employment," April 27, 1953
- (y) Executive Order 12333, "United States Intelligence Activities," December 4, 1981
- (z) DoD Directive 5200.2, "DoD Personnel Security Program (DoDSP)," April 9, 1999
- (aa) DoD 5200.2-R, "DoD Personnel Security Program," January 1987

- (bb) Joint Federal Travel Regulations, Volume 1, "Uniformed Service Members," current edition
- (cc) Joint Travel Regulations, Volume 2, "DoD Civilian Personnel," current edition
- (dd) Title 37, U.S.C., "Pay and Allowances"
- (ee) Title 44, U.S.C., "Public Printing and Documents"
- (ff) DoD Directive 5015.2, "DoD Records Management Program," April 11, 1997
- (gg) DoD Directive 5200.8, "Security of DoD Installations and Resources," April 25, 1991
- (hh) Title 40, U.S.C., "Public Buildings, Properties and Works"
- (ii) DoD Directive 5200.1, "DoD Information Security Program," December 13, 1996
- (ij) DoD 5200.1-R "Information Security Program," January 1, 1997
- (kk) DoD Directive 5200.28, "Security Requirements for Automated Information Systems (AIS)," March 21, 1988
- (ll) DoD 5200.28-14, "ADP Security Manual," January 1973
- (mm) DoD Directive 5120.11, "DoD Concession Committee," January 13, 1999

E2 ENCLOSURE 2**DELEGATIONS OF AUTHORITY**

E2.1.1. Pursuant to the authority vested in the Secretary of Defense, and subject to the direction, authority, and control of the Secretary of Defense, and in accordance with DoD policies, Directives, and Instructions, the Director, WHS, or in the absence of the Director, the person acting for the Director, is hereby delegated authority as required in the administration and operation of the WHS to:

E2.1.1.1. Exercise the powers vested in the Secretary of Defense by 5 U.S.C. 301, 302(b), 3101 and 5107 (reference (u)) on the employment, direction, and general administration of civilian personnel.

E2.1.1.2. Fix rates of pay for wage-rate employees exempted from the Classification Act of 1949 by 5 U.S.C. 5102 (reference (u)) on the basis of rates established under the Federal Wage System. In fixing such rates, the Director, WHS, shall follow the wage schedule established by the DoD Wage Fixing Authority.

E2.1.1.3. Administer oaths of office to those entering the Executive Branch of the Federal Government or any other oath required by law in connection with employment therein, in accordance with 5 U.S.C. 2903 (reference (u)), and designate in writing, as may be necessary, appropriate employees of WHS to perform this function.

E2.1.1.4. Establish an Incentive Awards Board, and pay cash awards to, and incur necessary expenses for the honorary recognition of, civilian members of the Government whose suggestions, inventions, supererogatory accomplishments, or other personal efforts, including special acts or service, benefit or affect organizations serviced by WHS, in accordance with 5 U.S.C. 4513 (reference (u)), OPM regulations, and DoD 1400.25-11, subchapter 451, "DoD Civilian Personnel Manual," December 1996 (reference (u)). Incur necessary expenses for the honorary recognition of Military employees of Defense Components in accordance with 10 U.S.C. 1124 and 1125 (reference (a)).

E2.1.1.5. Establish advisory committees and employ temporary or intermittent experts or consultants for the performance of functions consistent with 10 U.S.C. 173; 5 U.S.C. 3109(b); DoD Directive 5101.4, "DoD Federal Advisory Committee Management Program," September 11, 1989 (references (a), (u) and (w)).

E2.1.1.6 In accordance with 5 U.S.C. 7532; Executive Orders 10450, 12333, and 12958; and DoD Directive 5200.2, "DoD Personnel Security Program," May 6, 1992, as appropriate (references (u), (x), (y), (d) and (z)):

E2.1.1.6.1. Designate the sensitivity of positions.

E2.1.1.6.2. Authorize, in case of an emergency, the appointment to a sensitive position, for a limited period of time, of a person for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.

E2.1.1.6.3. Request investigations, issue personnel security clearances and, if necessary, in the interest of national security, suspend, revoke, or deny a security clearance for personnel assigned, detailed to, or employed by those organizations serviced by WHS. Any action under this paragraph shall be taken in accordance with procedures prescribed in DoD 5200.2-R, "DoD Personnel Security Program," January 1987 (reference (as)).

E2.1.1.6.4. Operate a Clearance Appeals Board, which shall decide appeals from denials or revocations of security clearances.

E2.1.1.7. Promulgate financial management policy, practices and procedures for the effective control over and accountability for all funds, property, and other assets of assigned component.

E2.1.1.7.1. Authorize and approve allocations and allotments of apportioned obligation authority.

E2.1.1.7.2. Develop and execute plans, programs and budgets for assigned components within the framework and process of the Department's planning, programming and budgeting system.

E2.1.1.8. Authorize and approve:

E2.1.1.8.1. Temporary duty travel for WHS military personnel in accordance with the DoD Joint Federal Travel Regulations, Volume 1, "Uniformed Service Members," (reference (bb)).

E2.1.1.8.2. Travel for WHS civilian personnel in accordance with the DoD Joint Travel Regulations, Volume 2, "DoD Civilian Personnel," (reference (cc)).

E2.1.1.8.3. Invitations travel of non-DoD employees whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, WHS activities, in accordance with Volume 2, Joint Travel Regulations (reference (cc)).

E2.1.1.8.4. Overtime work for civilian personnel in accordance with 5 U.S.C., chapter 54, subchapter V (reference (u)), and applicable OPM regulations.

E2.1.1.9. Approve the expenditure of funds available for travel by military personnel for expenses incidental to attendance at meetings of technical, scientific, professional, or other similar organizations in such instances when the approval of the Secretary of Defense, or designee, is required by law (37 U.S.C. 412 (reference (dd)), 5 U.S.C. 4110 and 4111 (reference (u))):

E2.1.1.10. Implement and maintain an active and continuing records disposition program pursuant to Chapters 29, 31, and 33 of title 44, U.S.C. (reference (ee)) and DoDD 5115.2, "DoD Records Management," April 11, 1997 (reference (ff)).

E2.1.1.11. Utilize the Government purchase card for making micropurchases of material and services, other than personal services, in compliance with DoD policy.

E2.1.1.12. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals, as required for effective administration and operation, consistent with 44 U.S.C. 3702 (reference (ee)).

E2.1.1.13. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of Directives, Instructions, publications and reference documents, pursuant to the policies and procedures prescribed in DoD 5025.1-M, "DoD Directives System Procedures," August 1994 (reference (p)).

E2.1.1.14. Implement and maintain the Privacy Program pursuant to title 5, U.S.C. 552a (reference (u)).

E2.1.1.15. Implement and maintain the Freedom of Information Act Program pursuant to title 5, U.S.C. 552 (reference (u)).

E2.1.1.16. Enter into support and service agreements with the Military Departments, other DoD Components, or other Government Agencies, as required for the effective performance of assigned responsibilities and functions.

E2.1.1.17. Enter into and administer contracts, directly or through a Military Department, a DoD contracting organization, or other Government Department or Agency, as appropriate, for supplies, equipment, and services required to accomplish assigned responsibilities and functions. To the extent that any law or Executive Order specifically limits the exercise of such authorities to persons at the Secretariat level of a Military Department, such authorities shall be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

E2.1.1.18. Establish and maintain appropriate property accounts and appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for property contained in the authorized property accounts that have been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

E2.1.1.19. Promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, WHS, pursuant to DoD Directive 5200.8, "Security of DoD Installations and Resources," April 25, 1991 (reference (gg)).

E2.1.1.20. Lease or outlease property under terms that will promote the national defense or that will be in the public interest, pursuant to those authorities in 10 U.S.C. (reference (s)) and those authorities delegated to the Secretary of Defense under title 40 U.S.C. (reference (hh)).

E2.1.1.21. Implement and maintain the Information Security Program as prescribed by E. O. 12958 (reference (d)), DoDD 5200.1 and DoD 5200.1-R (references (ii) and (j)).

E2.1.1.22. Implement and maintain the security requirements for Information Technology systems as prescribed by E. O. 12958 (reference (d)), 5200.28 and DoD 5200.28-M (references (kk) and (ll)).

E2.1.1.23. Approve contractual instruments for commercial-type concessions, and maintain general supervision over commercial-type concessions operated by or through the Department of Defense in the NCR, in accordance with DoD Directive 5120.18, "DoD Concessions Committee," January 13, 1999 (reference (mm)).

E2.1.1.24. Act as custodian of the seal of the Department of Defense and attest to the authenticity of official records of the Department of Defense under said seal (10 U.S.C. 112) (reference (a)).

E2.1.1.25. Exercise the authorities vested in the Secretary of Defense by 10 U.S.C. 2674 (reference (a)).

E2.1.1.26. Exercise with respect to the Pentagon Reservation those authorities delegated to the Secretary of Defense by the Administrator of the General Services Administration under title 41 U.S.C., "Public Buildings, Property and Works" (reference (hh)).

E2.1.1.27. Exercise with respect to the Pentagon Reservation those authorities specifically granted to the Secretary of Defense in chapter 159 of title 10, "Real Property; Related Personal Property; and Lease of Non-excess Property" (reference (a)).

The Director, WHS, may redelegate these authorities, as appropriate, and in writing, except as otherwise provided by law or regulation.



DEPUTY SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010



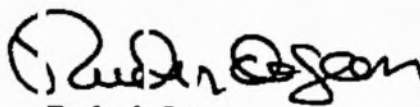
AUG 23 2000

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
COMPTROLLER OF THE DEPARTMENT OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND DEVELOPMENT
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF THE DCD FIELD ACTIVITIES

SUBJECT: Delegation of Responsibility for Pentagon Security

Effective immediately, the Chief, Defense Protective Service (DPS), operating under the oversight of the Director, Washington Headquarters Services, is responsible for providing security for the Pentagon and associated leased office spaces.

To assist the Chief, DPS, a Pentagon Security Advisory Group (PSAG) will be established which the Chief, DPS will co-chair with the senior military assistant to DEPSECDEF. The PSAG will function as a collection point for security concerns, validate vulnerabilities, and examine/initiate countermeasures. The PSAG will also provide customer input to DPS as well as act as a coordinating body for all security initiatives in the Pentagon and leased areas. The PSAG membership will include senior security representatives of the Military Departments, Joint Staff, National Security Agency, Defense Intelligence Agency and the Assistant Secretary of Defense for Command, Control, Communications and Intelligence. Additional advisors will be added at the discretion of the co-chairs as required.


Rudy deLeon

SIGNER'S COPY

U10645 /00



WASHINGTON HEADQUARTERS SERVICES
MAJOR SERVICES AND SUPPORT PROVIDED
 (as of: 30 September 1999)

<u>MAJOR SERVICES AND SUPPORT PROVIDED</u>	<u>CUSTOMERS</u>		
	<u>OSD</u>	<u>OTHER</u>	<u>TOTAL</u>
CIVILIAN PERSONNEL MANAGEMENT: This includes activities related to civilian personnel staffing, employee development, labor management and employee relations position classification, and other Federal Human Resources Management activities.			
Population Services:	1750 (17%)	8329 (83%)	10,079
MILITARY PERSONNEL MANAGEMENT: This includes managing the military assignment system for serviced activities, as well as providing pay support, administration of the military awards program, and assuring compliance with Acquisition Corps requirements.			
Population Services:	956 (43%)	1245 (57%)	2201
PERSONNEL SECURITY ADJUDICATION: This involves the review, evaluation and adjudication of personnel security investigations, counterintelligence reports, and criminal investigations in order to make determinations concerning access to classified information. Also involves maintenance of the Defense Central Index of Investigations on serviced population.			
Population Services (including Congressional staffs):	1750 (1.7%)	103,500 (98.3%)	105,250
PROTECTIVE SERVICES: This encompasses a broad range of physical security and law enforcement services, to include security guards, antiterrorism and force protection, and security systems installation, maintenance, monitoring, and response.			
Population Services:	2,706 (3%)	87,294 (97%)	90,000
REAL PROPERTY MANAGEMENT: This includes day-to-day operation of the Pentagon Reservation and over 140 other DoD/WHHS controlled federally owned and leased buildings within the National Capital Region.			
Floor Space Serviced (square footage):	1.2 mil (9%)	15.8 mil (91%)	17 mil

DOD-WIDE SUPPORT SERVICE

FEDERAL VOTING ASSISTANCE: This involves administering the Uniformed and Overseas Citizens Absentee Voting Act and the Federal responsibilities of the National Voter Registration Act designating Armed Forces Recruitment Offices as voter registration agencies.

DOD-WIDE REPORTS, FORMS, AND REGULATORY PROGRAM MANAGEMENT: Reports Management involves information DoD collects internally and externally from other Federal agencies and the public. Forms Management involves the review, design, approval, and dissemination of electronic DoD forms world-wide. The DoD Regulatory Program involves management and preparation of the DoD Unified Agenda and Regulatory Plan sent to the Office of Management and Budget.

DEFENSE PRIVACY: This involves overseeing the administration of the Defense Privacy Program DoD-wide, which implements the Privacy Act of 1974, as amended.

INFORMATION RELEASE PROGRAMS: This involves implementation of the Freedom of Information Act (FOIA) and Mandatory Declassification Review (MDR) provisions of Executive Order 12958 for all of DoD. Also includes reviewing of information proposed for release to the public and the Congress submitted by all DoD components and processing FOIA, MDR, and the access portions of Privacy Act cases for OSD/JS received from the general public.

DOD-WIDE STATISTICAL REPORTING: This involves the application of information technology strategies to meet DoD statutory and other reporting and information dissemination requirements in the areas of procurement and personnel, (military and civilian workforce in DoD)

CUSTOMERS

Uniformed Service personnel of all DoD components, their family members, and other U.S. citizens overseas.

All DoD components, the Congress, and the public.

All DoD components, their employees, other U.S. citizens, and aliens admitted for permanent residence are potentially impacted.

All DoD components and the general public.

All DoD components, the Congress, and the public.





WASHINGTON HEADQUARTERS SERVICES

SECRETARY/DEPUTY SECRETARY OF DEFENSE

DIRECTOR ADMINISTRATION AND MANAGEMENT

DIRECTOR, WASHINGTON HEADQUARTERS SERVICES

*D. O. Cooke**

Directorate for
Budget & Finance

Joe Friedl, Dir

Directorate for
Real Estate & Facilities

Paul Haselbush, Dir

Directorate for
Personnel & Security

Janet Thompson, Dir

Directorate for
Info Operations & Reports

Robert S. Drake, Dir

Directorate for
Correspondence &
Directives

Larry Curry, Dir

Directorate for
Freedom of Info &
Security Review

Hank McIntyre, Dir

Directorate for
Defense Privacy Office

Vahan Moushegian, Jr. Dir

Directorate for
Federal Voting
Assistance Program

Polli Brunelli, Dir

WHS Misc Activities

White House Support Group
Pentagon Renovation Office
Mess Stewards

State/Defense Exchange Program
Support for Bds/Commissions/Task Forces

Office of
General Counsel

Thomas R. Brooke, GC

*Also serves as Director, Administration
and Management, OSD



Regulatory Authority

Implement and maintain DoD compliance with Executive Order 13150, Federal Workplace Transportation in the National Capital Region

Implement and maintain a government travel card program in compliance with Public Law 105-264, Travel and Transportation Act of 1978

Implement and maintain DoD compliance with The Right to Financial Privacy Act of 1978

Those contained in Section 7 and Enclosure 2 of DoD Directive 5110.4, "Washington Headquarters Services," May 10, 1979 (next under)



Department of Defense DIRECTIVE

NUMBER 5110.4

May 10, 1999

DA&M

SUBJECT: Washington Headquarters Services (WHIS)

- References:**
- (a) Title 10, U.S.C., "Armed Forces"
 - (b) DoD Directive 5110.4, "Washington Headquarters Services," May 6, 1991 (hereby canceled)
 - (c) DoD Directive 5200.1, "DoD Information Security Program," December 13, 1996
 - (d) Executive Order 12958 "Classified National Security Information," April 17, 1995
 - (e) through (mm), see enclosure 1

1. REISSUANCE AND PURPOSE

Pursuant to the authority vested in the Secretary of Defense under reference (a), this Directive revises and reissues reference (b) to reflect the organization's expanded mission, functions, responsibilities, relationships, authorities, and customer base.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (IG, DoD), the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as the DoD Components).

3. MISSION

The WHS shall administer assigned operational programs and provide operational

support and administrative services to specified DoD Components and non-DoD activities as required for their efficient and effective operation.

4. ORGANIZATION AND MANAGEMENT

4.1. The WHS is established as a field Activity of the Department of Defense. It shall consist of a Director and such subordinate organizational elements as are established by the Director within resources authorized by the Secretary of Defense.

4.2. The Director of Administration and Management, Office of the Secretary of Defense (OSD/DA&M) shall also serve as the Director, WHS.

5. FUNCTIONS AND RESPONSIBILITIES

The Director, Washington Headquarters Services, shall:

5.1. Organize, direct, and manage the WHS and assigned resources.

5.2. Administer the following DoD-wide operational programs:

5.2.1. The Mandatory Declassification Review Program, consistent with DoD Directive 5200.1 and Executive Order (E.O.) 12958 (references (c) and (d)).

5.2.2. The DoD Regulatory Program, consistent with E.O. 12866 (reference (e)).

5.2.3. The Federal Voting Assistance Program, including administration of the Uniformed and Overseas Citizens Absentee Voting Act and the National Voter Registration Act (references (f) and (g)).

5.2.4. The DoD Freedom of Information Act Program, consistent with DoD Directive 5400.7 and DoD Instruction 5400.10 (references (h) and (i)).

5.2.5. The DoD Privacy Program, consistent with DoD Directive 5400.11 (reference (j)).

5.2.6. The DoD Security Review Program, consistent with E.O. 12958, DoD Directives 5230.9, 5400.4, and DoD Instruction 5200.29 (references (d), (k), (l), and (m)).

5.2.7. The DoD Information Requirements Program, consistent with DoD Directive 8910.1 (reference (n)).

5.2.8. The DoD Directives System and Federal Register System Programs, consistent with DoD Directive 5025.1 and DoD Manual 5025.1-M (references (o) and (p)).

5.2.9. The DoD Administrative Space Management Program for the National Capital Region (NCR), consistent with DoD Instruction 5305.5 (reference (q)). The NCR includes: the District of Columbia; Montgomery and Prince Georges Counties in Maryland; and Arlington, Fairfax, Loudoun and Prince William Counties and the cities of Alexandria and Falls Church in Virginia (reference (a)).

5.2.10. The DoD Data Collection and Reports Program for procurement, logistics, workforce, casualty, economic information, and other DoD reports as assigned.

5.2.11. The DoD Forms Management Program, consistent with DoD Instruction 7750.7 (reference (i)).

5.2.12. The detail of DoD Personnel to duty outside of the Department of Defense, consistent with DoD Directive 1000.17 (reference (s)).

5.2.13. Other DoD-wide operational programs as may be required.

5.3. Provide the following operational support and administrative services, as required, to specified DoD Components and non-DoD activities.

5.3.1. Financial management and accounting services, including: program budget formulation, presentation and execution; accounting and reporting; financial systems support; and internal control system design and maintenance.

5.3.2. Correspondence control, records management, systematic declassification review, Privacy Act implementation reference and electronic message services.

5.3.3. Civilian and military human resource management and related activities.

5.3.4. Personnel security clearance, adjudication and appeals processes.

5.3.5. Information technology and data systems support.

5.3.6. Facilities management and associated support services for all DoD-occupied administrative space in the National Capital Region (NCR) and other locations as required to include: real property and building management; administrative space acquisition and management; maintenance, repair, alteration, design and construction; safety and environmental management; renovation program planning and execution; concessions, childcare, parking management, office services, graphics and presentations services; and transportation matters.

5.3.7. Physical and information security, law enforcement and protection for DoD-occupied administrative space in the NCR and for designated DoD officials at non-DoD facilities in the NCR, as required.

5.3.8. Other operational support and administrative services as may be required.

5.4. Provide personnel resources and associated organizational support, as required, for:

5.4.1. Specified White House functions;

5.4.2. Assigned Departmental activities (including, but not limited to DoD temporary boards and commissions, the Pentagon Renovation Project, and the Defense Fellows and Executive Exchange Program);

5.4.3. Legal services provided to the WHS and organizations supported by the WHS, in accordance with DoD Directive 5145.4, "Defense Legal Services Agency" (reference (t)); and

5.4.4. Other DoD or non-DoD activities, as designated.

6. RELATIONSHIPS

In the performance of assigned functions and responsibilities, the Director, WHS, shall:

6.1. Coordinate and exchange information and advice with the DoD Components and other Governmental and non-Government agencies having collateral or related responsibilities.

6.2. Make use of established facilities and services in the Department of Defense and other Government Agencies, whenever practical, to avoid duplication and to achieve maximum efficiency and economy.

7. AUTHORITIES

The Director, WHS, or designee, is specifically delegated authority to:

7.1. Obtain such information, consistent with the policies and criteria of DoD Directive 8910.1 (reference (n)), advice, and assistance from DoD Components, as necessary to carry out assigned responsibilities and functions.

7.2. Communicate directly with heads of DoD Components and other Executive Departments and Agencies, representatives of the Legislative Branch, and members of the public, as necessary, in carrying out assigned responsibilities and functions. Communications to the Commanders-in-Chief of the Combatant Commands shall be coordinated with the Chairman of the Joint Chiefs of Staff. Direct communication with the Commanders-in-Chief of the Combatant Commands is authorized in matters dealing with policy or administration of the Freedom of Information Act and the Mandatory Declassification Review Program.

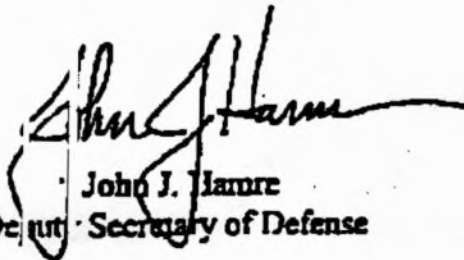
7.3. In the absence of a known DoD originator of classified information, declassify official DoD information submitted for mandatory declassification review, and in response to Freedom of Information Act actions.

7.4. Act as the principal DoD Liaison with the General Services Administration (GSA) for all administrative services and real property matters, including lease administration and enforcement in the NCR, and other locations as required.

7.5. Exercise the delegations of authority contained in enclosure 2.

8. **EFFECTIVE DATE**

This Directive is effective immediately.


John J. Hamre
Deputy Secretary of Defense

Enclosures - 2

- E1. References, continued
- E2. Delegations of Authority

E1. ENCLOSURE 1

REFERENCES, continued

- (e) Executive Order 12866, "Regulatory Planning and Review," September 30, 1993
- (f) 42 U.S.C. 1973f et seq., Uniformed and Overseas Citizens Absentee Voting Act
- (g) 42 U.S.C. 1973g et seq., National Voter Registration Act
- (h) DoD Directive 5400.7, "DoD Freedom of Information Act (FOIA) Program," September 29, 1997
- (i) DoD Instruction 5400.10, "OSD Implementation of DoD Freedom of Information Act (FOIA) Program," January 24, 1991
- (j) DoD Directive 5400.11, "Department of Defense Privacy Program," June 9, 1982
- (k) DoD Directive 5430.9, "Clearance of DoD Information for Public Release," April 9, 1996
- (l) DoD Directive 5400.4, "Provision of Information to Congress," January 30, 1978
- (m) DoD Instruction 5230.29, "Security and Policy Review of DoD Information for Public Release," May 6, 1996
- (n) DoD Directive 8110.1, "Management and Control of Information Requirements," June 11, 1993
- (o) DoD Directive 5125.1, "DoD Directives System," June 24, 1994
- (p) DoD 5025.1-M, "DoD Directives System Procedures," August 1994
- (q) DoD Instruction 305.5, "Space Management Procedures, National Capital Region," May 23, 1966
- (r) DoD Instruction 7750.7, "DoD Form Management Program," May 31, 1990
- (s) DoD Directive 1040.17, "Detail of DoD Personnel to Duty Outside the Department of Defense," February 24, 1997
- (t) DoD Directive 515.4, "Defense Legal Services Agency," December 15, 1989
- (u) Title 5, U.S.C., "Government Organization and Employees"
- (v) DoD 1400.25M, Subchapter 451, "DoD Civilian Personnel Manual," December 1996
- (w) DoD Directive 5105.4, "Department of Defense Federal Advisory Committee Management Program," September 5, 1989
- (x) Executive Order 11450, "Security Requirements for Government Employment," April 27, 1953
- (y) Executive Order 12333, "United States Intelligence Activities," December 4, 1981
- (z) DoD Directive 5200.2, "DoD Personnel Security Program (DoDSP)," April 9, 1999
- (aa) DoD 5200.2-R, "DoD Personnel Security Program," January 1987

DEPUTY SECRETARY OF DEFENSE

1011 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

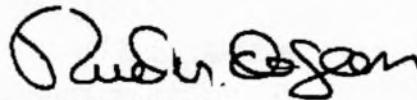
AUG 23 2000

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
COMPTROLLER OF THE DEPARTMENT OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND DEVELOPMENT
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Delegation of Responsibility for Pentagon Security

Effective immediately, the Chief, Defense Protective Service (DPS), operating under the oversight of the Director, Washington Headquarters Services, is responsible for providing security for the Pentagon and associated leased office spaces.

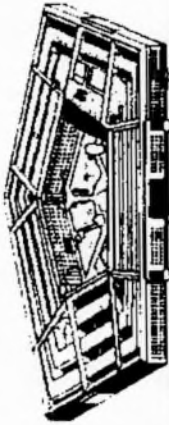
To assist the Chief, DPS, a Pentagon Security Advisory Group (PSAG) will be established which the Chief, DLS will co-chair with the senior military assistant to DEPSECDEF. The PSAG will function as a collection point for security concerns, validate vulnerabilities, and examine/initiate countermeasures. The PSAG will also provide customer input to DPS as well as act as a coordinating body for all security initiatives in the Pentagon and leased areas. The PSAG membership will include senior security representatives of the Military Departments, Joint Staff, National Security Agency, Defense Intelligence Agency and the Assistant Secretary of Defense for Command, Control, Communications and Intelligence. Additional advisors will be added at the discretion of the co-chairs as required.


Rudy deLeon

SIGNER'S COPY

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Washington Headquarters Services Organizational Assessment

Prepared pursuant to GSA Federal Supply Schedule Contract No. GS-23F-9737H. The views expressed here are those of the Logistics Management Institute at the time of issue but not necessarily those of Washington Headquarters Services or the Director, Washington Headquarters Services. Permission to quote or reproduce any part except for government purposes must be obtained from the Logistics Management Institute.

Logistics Management Institute
2000 Corporate Ridge
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Annotated Final Briefing Report July 31, 2000

This is the final report of the organization assessment of Washington Headquarters Services conducted by the Logistics Management Institute under Task Order DASWO1-99-F-3187. Steve Lieberman led the LMI project team. Team members were Gil Brauch, Mario Macaluso, Terry Sullivan, and Dennis Wampler.

The report is in an annotated briefing format. Although some presentation pages require little amplification, those that do will have text on this facing page so that the reader can view both the notes and the presentation being referred to at the same time.

During this project, the team collected much data and information. The raw data are in a Microsoft Access database, which has been transmitted to the project Contracting Officer's Representative on a compact disk. Selected reports from that database, which are referred to in this annotated briefing, have been collected into an annex to the briefing as a separate document.

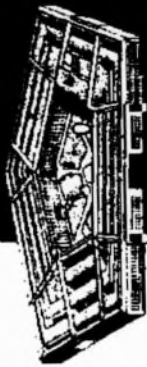
The briefing is organized into four parts. The Introduction gives a short background for the project. The Methodology explains how the assessment was organized and conducted. The Assessment Results contains an explanation of the significant findings as we assessed the data and information that we collected. Along with the findings are sets of conclusions and recommendations that stemmed from the analysis. Finally, we outline the next steps the Director of Washington Headquarters Services and his management team can take toward implementing the recommendations.



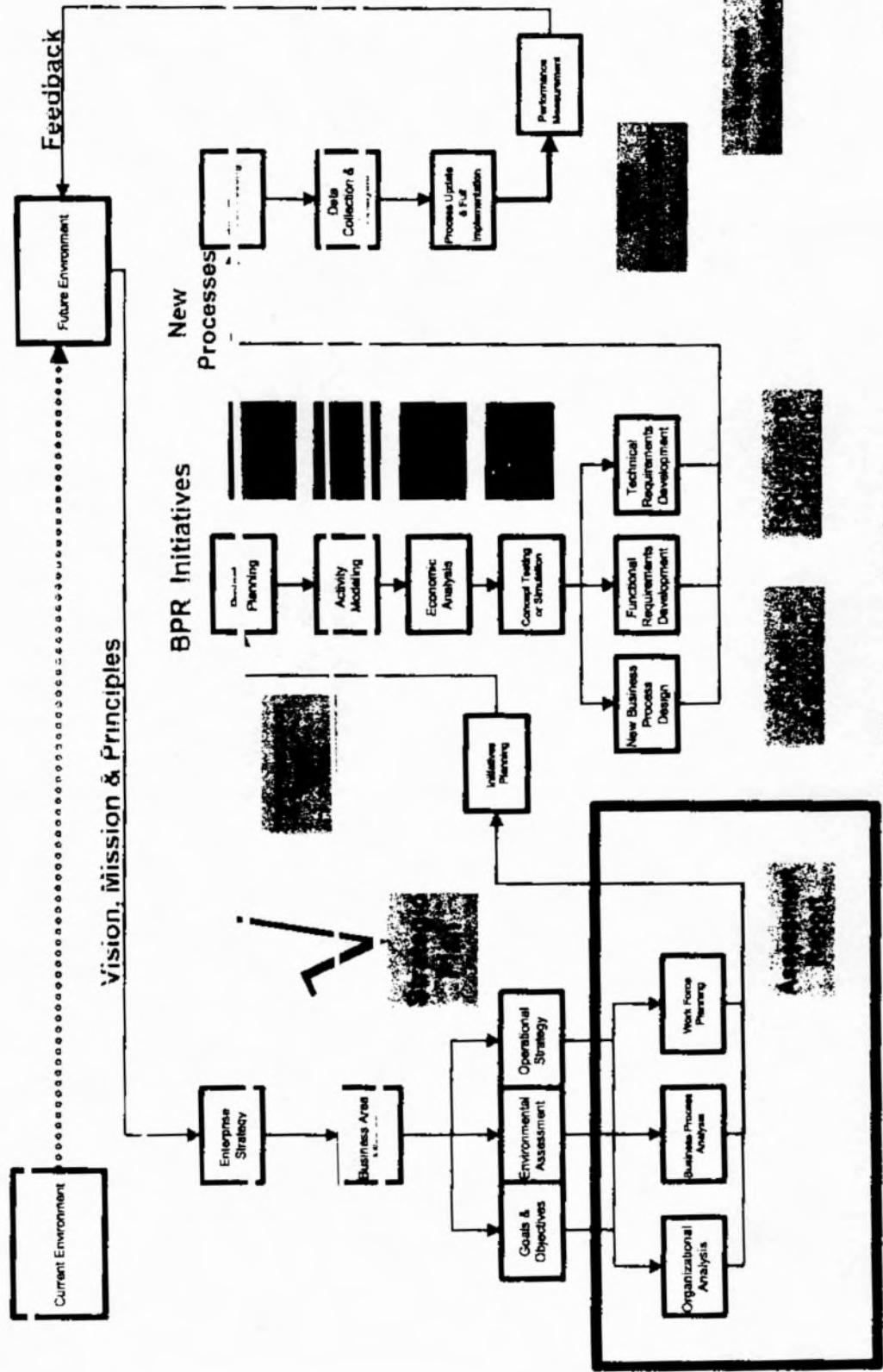
Agenda

- ◆ **Introduction**
- ◆ **Methodology**
- ◆ **Assessment Results**
 - **Findings**
 - **Conclusions**
 - **Recommendations**
- ◆ **Next Steps**

This organization assessment is part of the overall Washington Headquarters Services (WHS) Organizational Transformation Model, depicted here. During a previous project, the Logistics Management Institute facilitated production of the WHS Strategic Plan 2000–2005, which serves as a foundation for enterprise transformation. This project covers the elements inside the red box. Its fundamental purpose is to describe the as-is condition of WHS and compare it to the to-be model articulated in the WHS Strategic Plan.



WHS Organizational Transformation



The next section of the briefing covers how we conducted the organizational assessment.



Agenda

- ◆ Introduction
- ◆ **Methodology**
- ◆ Assessment Results
 - Findings
 - Conclusions
 - Recommendations
- ◆ Next Steps

The LMI Project Team appreciated the excellent cooperation and support from all levels within WHS during this project. This was most evident as we went through the extensive interview and data collection processes, which laid the foundation for our analysis.

The team conducted 57 interviews with the Directorate Heads and their division-level managers. We used structured interviews that we have developed as we conducted previous assessments for other organizations---adapted for particular WHS circumstances. These interviews gave the team unique insights about how WHS operated and what was important to keep the enterprise afloat and on an even keel.

In addition to conducting the interviews, we collected hard data from every WHS organization element about the workload of the employees. These data sheets include workload information at the task level for 1,445 staff years of effort. All government civilian and military employees were covered, as well as contractors who work in direct support of those employees. Functions that have been totally contracted out, such as custodial services for the Pentagon, were not included in the level of effort data.

After these data were collected, we asked the division-level managers to characterize the data according to selected key characteristics. This then provided the raw database we used in subsequent analyses.



How We Gathered Information

- ◆ **Interviews—57**
 - **Directors**
 - **Division-level managers**
- ◆ **Data Collection Sheets—60**
 - **One sheet for each division**
 - **Covers 1,445 staff years of effort**
 - ❖ **Civilian employees (GS and WB)**
 - ❖ **Military**
 - ❖ **“On-site” contractors**

One of the key tools we used in our analysis was the WHS Strategic Plan 2000-2005. This plan has been approved by the Director, WHS, as the blueprint for the future. As such, it forms the foundation on which the organization will build. Our original tasking asked us to determine what WHS needs to consider doing to better position itself to achieve the goals and objectives articulated in the Strategic Plan.



Tools Used in the Analysis

- ◆ **Washington Headquarters Services Strategic Plan 2000–2005**
 - **It has been approved and briefed to all WHS as the guide for the future**
 - **Original tasking—use analysis to develop recommendations to get WHS aligned with the Strategic Plan**

To guide us in our assessment, we asked some key analytical questions: The overall question is from our tasking: How well is WHS positioned to achieve the vision, mission, and goals of the Strategic Plan?

To answer this question, we needed to determine exactly what WHS does as an organization. Every organization has core functions that it performs. Our first task was to determine those Core Business Functions for WHS. We then used the data we collected to analyze the level of effort dedicated to those Core Business Functions. Next, we looked at the organization structure to see where that level of effort was being expended, by function. Finally, we used this data and the information gained during the interview and analysis process to determine any major issues which, if left unmitigated, could seriously hamper WHS management's efforts to achieve the goals and objectives of the Strategic Plan.



Tools Used in the Analysis

Key Analytical Questions

How well is **WHS** positioned to achieve the Strategic Plan's vision, mission, and goals?

- ❖ What are the Core Business Functions and how do they support the Plan?
- ❖ How is the workforce level of effort aligned with the Core Business Functions?
- ❖ Is the organizational structure appropriate to the Core Business Functions?
- ❖ What are the distracters to achieving the Plan's objectives?

Our assessment results relate to the key analytical questions. For each question, we present our findings, reach some conclusions based on those findings, and provide some recommendations for actions that can be taken to better position WHS for Strategic Plan implementation.



Agenda

- ◆ Introduction
- ◆ Methodology
- ◆ Assessment Results
 - Findings
 - Conclusions
 - Recommendations
- ◆ Next Steps

Our first task is to define the WHS Core Business Functions and to determine how they support implementation of the WHS Strategic Plan 2000–2005.



Answers to Key Analytical Questions

How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?

WHAT ARE THE CORE BUSINESS FUNCTIONS AND HOW DO THEY SUPPORT THE PLAN?

- How is the workforce level of effort aligned with the Core Business Functions?
- Is the organizational structure appropriate to the Core Business Functions?
- What are the distracters to achieving the Plan's objectives?

A Core Business Function has the characteristics shown on this slide. It is important to remember that we are talking here about functions at a fairly high level of aggregation. We are not talking about processes, which may span one or more Core Business Functions, or about tasks, which may be performed within a process and be the same for more than one Core Business Function. In essence, we are talking about those *really important* things that WHS is expected to do and expected to do well.



What Are the Core Business Functions?

What is a Core Business Function?

- It goes to the heart of your mission
- It has high impact on your strategic outlook and gives leverage for improving performance
- It is essential to organization survival
- It involves a significant portion of organization resources

The most obvious place to start looking for Core Business Functions is in the authorizing documents for the organizations. Our primary source was the Mission and Functions Guidebook for the Washington Headquarters Services, June 1999. We also looked at how WHS is organized today because most ongoing enterprises are organized to accommodate those functions that are most important to them.

In our study, from our interviews we gained additional information about WHS functions and how management viewed them. We also were able to analyze the workload data according to the characteristics that the division-level managers used to describe their work. Finally, we used the potential impact on overall mission accomplishment as a factor to determine what the WHS Core Business Functions are.



What Are the Core Business Functions?

How do you find Core Business Functions?

- Charters and organization and functions manuals
- Existing organization alignments
- Manager input through interviews
- Study and analysis of worker/manager data concerning activities and tasks
- Analysis of mission impacts

DoD Directive 5110.4, as extracted in the Mission and Functions Guidebook for the Washington Headquarters Services, June 1999, lists the functions shown here as major mission functions. The organization of the listing is the same as reflected in the reference document with the exception that the last bullet on the chart combines five distinctly separate programs into one entry. This was done to keep the list all on one page. In our analysis, each program was analyzed separately.

This list formed our basic candidate list for Core Business Functions. Our subsequent analysis was used to refine it.



What Are the Core Business Functions?

Finding 1—Initial Candidate Listing

THIS MISSIONS and Functions Guidebook lists the following functions:

- ✧ Administrative support including:
 - ✧ Financial management and accounting
 - ✧ Civilian and military personnel management
 - ✧ Personnel information security
 - ✧ Office services
 - ✧ Correspondence
 - ✧ Cables
 - ✧ Directives and records management
- ✧ Information and data systems support
- ✧ Information technology support
- ✧ DoD reports, forms, data elements, and data code standardization
- ✧ Facilities management and support services
- ✧ Physical security
- ✧ Federal Voting Assistance, Privacy, Freedom of Information, Mandatory Declassification and Security Review Programs

When we examined the current WHS organizational structure, we found that it is basically functionally organized. We understand from the interview process that some of the organization structure came about as WHS assimilated new missions and functions and received previously existing organizations more-or-less intact as resources to accomplish those functions. Nonetheless, WHS is, for the most part, functionally structured. We were readily able to map the initial candidate list from Finding 1 into this structure.



What Are the Core Business Functions?

Finding 2

➤ The major WHS organization structure appears to be functionally oriented

- ❖ Budget and Finance
- ❖ Correspondence and Directives
- ❖ Personnel and Security
- ❖ Information Operations and Reports
- ❖ Real Estate and Facilities
- ❖ Freedom of Information and Security Review
- ❖ Defense Privacy
- ❖ Federal Voting Assistance

When we interviewed WHS managers, they talked to us about what mattered to them. All were, of course, very interested in performing their assigned missions. Beyond that, we observed that they talked most about the six general subjects shown here as how they spend most of their time. Not all managers talked about every subject. In the aggregate, these topics recurred throughout the interview process.

Our continuing analysis shows that many of these topics map into both the lists from Finding 1 and Finding 2.



What Are the Core Business Functions?

Finding 3

➤ **Analysis of interviews with WHS managers reveals that they manage in terms of:**

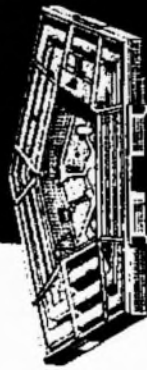
- ❖ **Financial resources**
- ❖ **Personnel resources**
- ❖ **Managing documents and document flow**
- ❖ **Assessing document content**
- ❖ **Information technology resources**
- ❖ **Space and facilities**

We asked division-level managers to categorize each task and function that we collected data on within 1 of 10 predefined functional processes. This chart shows the results of that categorization. We based the functional categories on our experience from doing previous organization assessments, tailored to the WHS mission and organization.

We can map these results into Findings 1 through 3 to assist in our overall assessment.

Of particular interest are the functional categories of Personnel Management, Facilities Management, Physical Security, and Other, which clearly dominate the remaining categories. These four functional categories comprise 82 percent of the total effort. The baseline is 1,445 staff years. They are descriptive data that we will use in later analyses.

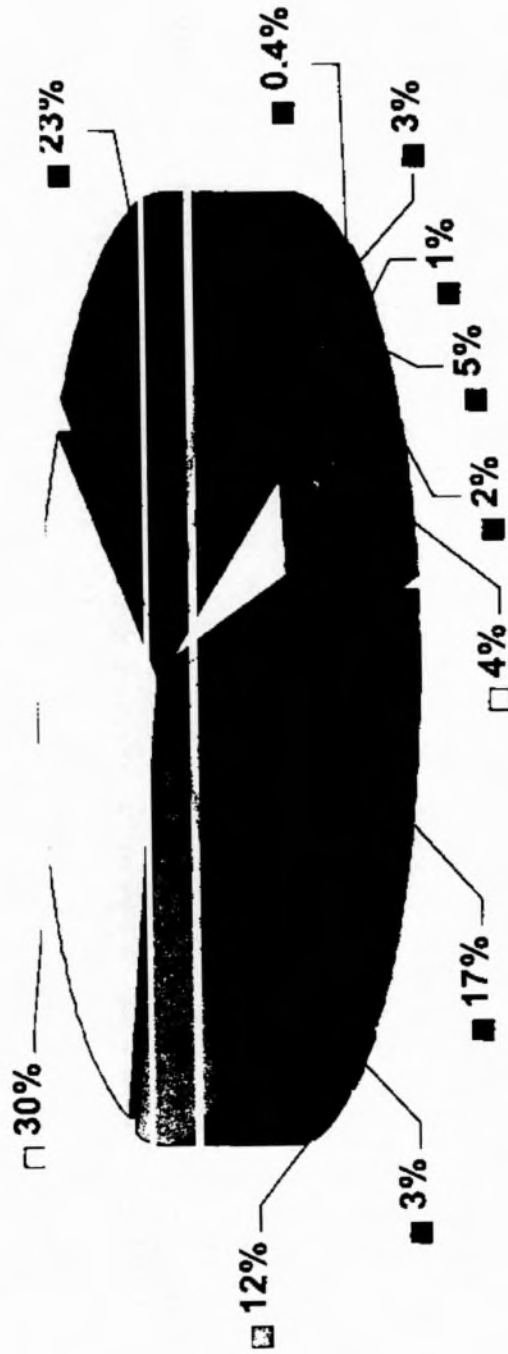
NOTE: Data for this chart is on Page 1 of the Appendix.



What Are the Core Business Functions?

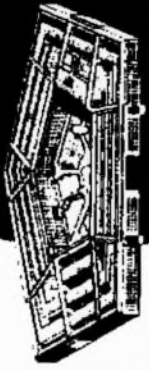
Finding 4

➤ WHS workforce data by process have the following distribution:



- Fin Mgt
- Info Sys Sec
- Doc Mgt
- Psnl Mgt
- Info Sec
- Info Mgt
- Fac Mgt
- Doc Sec
- Other
- Phys Sec
- Info Sys Mgt

A major effect of the WHS mission accomplishment is how well WHS serves its customers. Part of our analysis leading up to defining WHS Core Business Functions considered which of the four WHS general customer bases, shown here, were served by the functions.



How Do the Core Business Functions Support the Plan?

Finding 5

- The WHS customer base has four major components
 - ✦ Office of the Secretary of Defense
 - ✦ Other DoD organizations
 - ✦ Other Federal agencies and organizations
 - ✦ The public
- Not all functions serve all customer bases

When we analyzed the initial candidate listing from Finding 1 (Chart 12) with respect to the Strategic Plan, the WHS organization structure, management emphasis, level of effort, and effect on customers, we developed a clearly discernable set of Core Business Functions—a list that will not surprise you.



What Are the Core Business Functions?

Conciusion:

- The initial candidate listing, when analyzed, yields a clearly differentiable set of functions
 - ✦ Analysis is with respect to:
 - ✦ The Strategic Plan
 - ✦ Organization structure
 - ✦ Management emphasis
 - ✦ Level of effort
 - ✦ Customer impact

We believe the WHS Core Business Functions are best described as shown here. The color coding shown here will be used in our data slides throughout the rest of the presentation. The data slides describe the characteristics of these functions.

The subparagraphs under Information Management and Executive Services speak in terms of your current functional vernacular to more clearly illustrate those subfunctions that have been encompassed within the six major Core Business Functions. You will notice that five of the Core Business Functions appear to be functionally based, while the sixth—Executive Services—has no sharp functional focus. Later in the briefing, we address some of the specifics on why we chose to do this. At this point, Executive Services is clearly focused on your principal customer, the Office of the Secretary of Defense.

The Other Non-core Services category includes two types of activities. First, there are activities that do not fit into any of the six major Core Business Functions. Second, these are activities that support Core Business Functions, but cannot be clearly apportioned to any one of them. General Administrative Support is the most prominent example.



What Are the Core Business Functions?

The WHS Core Business Functions are

- Financial Management
- Executive Services
 - ✦ Executive Support Services
 - ✦ Direct support to principals
 - ✦ Communications
 - ✦ Transportation
 - ✦ Correspondence and direct information support services (Security Review)
 - ✦ Audio-visual and graphics support
 - ✦ Supplies and services support
- ✦ Special programs and projects (includes FOIP, FVAP, and DPP)
- Human Resources Management
- Information Management
 - ✦ Document and general information management
 - ✦ Information technology management
- Physical Security
- Real Property and Facilities Management
- **Other Non-core services, including general administration**

Assuming that these six Core Business Functions are correctly cast, our next task is to determine if they support implementation of the WHS Strategic Plan 2000-2005.

Our analysis begins with the mission statement in that plan: "The WHS mission is to provide comprehensive management and operational, executive, and support services for DoD components, other Federal government activities, and the public." Here we have arrayed the Core Business Functions against the mission areas. We find that all of the mission areas are covered by the six Core Business Functions, with all of them except Physical Security touching more than one mission area.



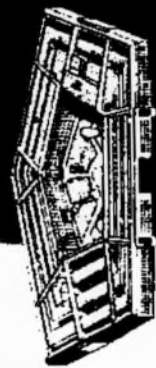
How Do the Core Business Functions Support the Plan?

Finding 1

- Each Core Business Function contributes to one or more mission area of the Mission Statement

	Management Services	Operational Support	Executive Support Services	General Support Services
Financial Management	✓	✓		
Executive Services		✓	✓	✓
Human Resources Management	✓	✓		✓
Information Management	✓	✓		
Physical Security		✓		
Real Property and Facilities Management	✓	✓		✓

Next we arrayed the Core Business Functions against the customer bases in the mission statement. Although there are only three customers explicitly named in the mission statement, our analysis shows that the Office of the Secretary of Defense is a "first among equals" in the general customer category called "DoD components" in the mission statement. Here we see that each Core Business Function serves the DoD customer base, with three, Executive Services, Human Resources Management, and Information Management, reaching beyond the department.



How Do the Core Business Functions Support the Plan?

Finding 2

- Each Core Business Function serves one or more of the customer bases in the Mission Statement

	OSD	Other DoD	Other Federal Agencies	Public
Financial Management	✓	✓		
Executive Services	✓	✓	✓	✓
Human Resources Management	✓	✓	✓	
Information Management	✓	✓	✓	✓
Physical Security	✓	✓		
Real Property and Facilities Management	✓	✓		

When we regroup the activities in the database according to the six Core Business Functions, we find that they cover 87 percent of the total effort within WHS. We also find that, with the exception of Physical Security and Real Estate and Facilities Management, the level of effort is fairly evenly divided among the remaining functions. Financial Management is somewhat smaller, but it does have a distinctive place of its own, as we discuss later.

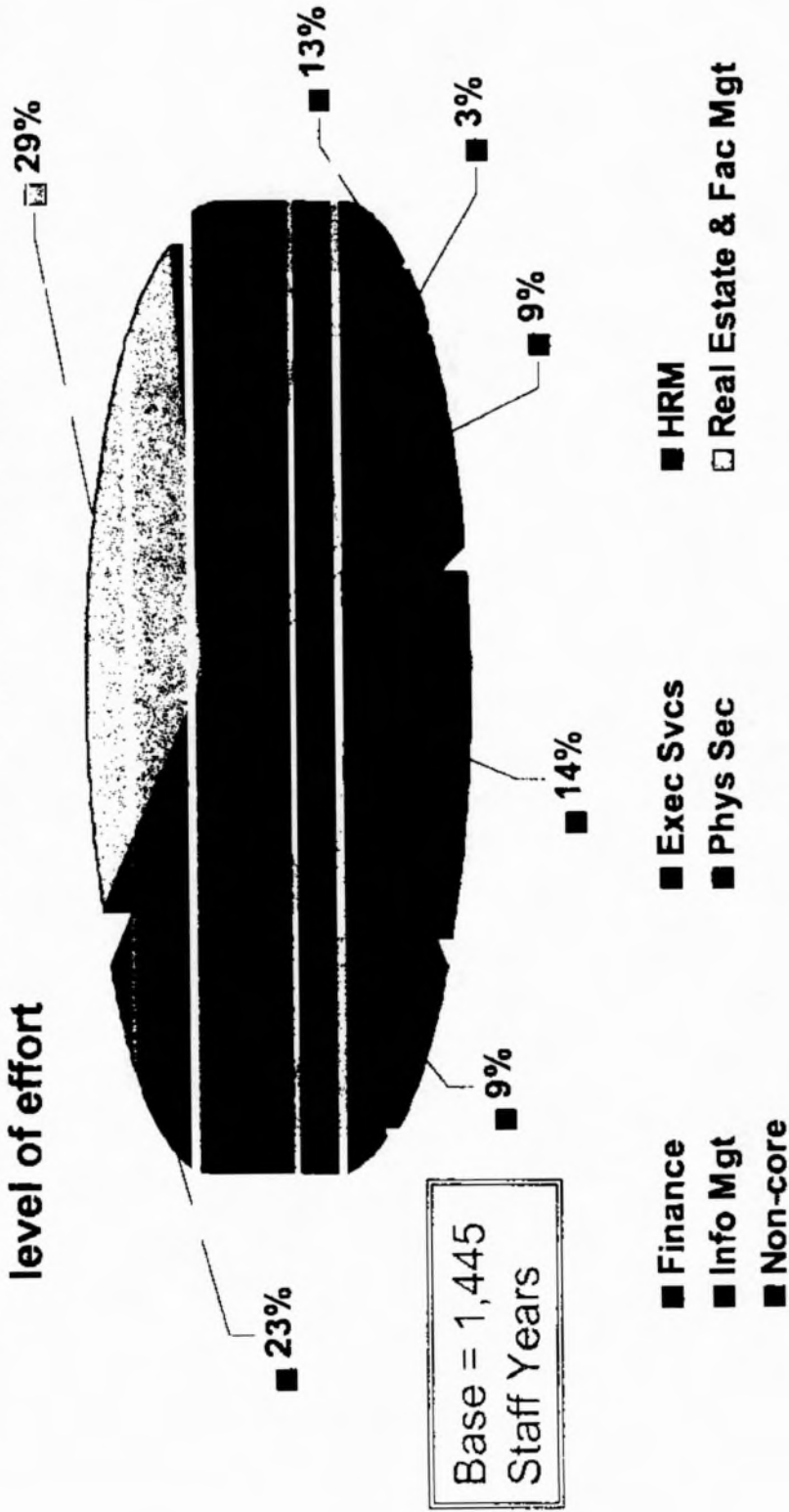
NOTE: Data for this chart is on Page 1 of the Appendix.



How is the workforce level of effort aligned with the Core Business Functions?

Finding 3

- The six Core Business Functions cover 87% of the WHS total level of effort



When we use the criteria for a Core Business Function outlined on Chart 10, we conclude that the six Core Business Functions will fully support implementation of the WHS Strategic Plan 2000–2005. They also cover a significant portion of the WHS level of effort.



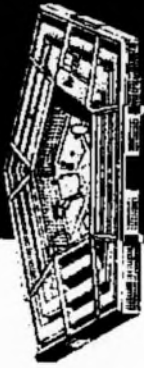
How Do the Core Business Functions Support the Plan?

Conclusion

- The Core Business Functions give full support to the implementation of the WHS Strategic Plan 2000–2005
- The Core Business Functions cover all of the most important activities

We recommend that WHS adopt the following six functions as its Core Business Functions:

- Financial Management
- Executive Services
- Human Resources Management
- Information Management
- Physical Security
- Real Property and Facilities Management



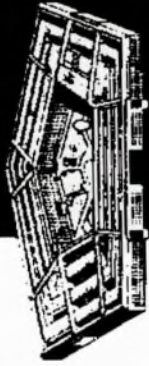
How Do the Core Business Functions Support the Plan?

Recommendation

➤ That WHS adopt the following six functions as its Core Business Functions

- ✦ Financial Management
- ✦ Executive Services
- ✦ Human Resources Management
- ✦ Information Management
- ✦ Physical Security
- ✦ Real Property and Facilities Management

In this next section, we examine how the WHS workforce level of effort aligns with the Core Business Functions.



Answers to Key Analytical Questions

How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?

- What are the Core Business Functions and how do they support the Plan?

HOW IS THE WORKFORCE LEVEL OF EFFORT ALIGNED WITH THE CORE BUSINESS FUNCTIONS?

- Is the organizational structure appropriate to the Core Business Functions?
- What are the distracters to achieving the Plan's objectives?

This and the six following slides have the same format. The characteristics of the level of effort for each of the six Core Business Functions and the Non-core Business Functions will be described (clockwise from upper left quadrant): by current organizational directorate; type of employee (civilian GS grade, civilian WB grade, military [all grades], "on-site" contractor); functional process involvement; and who within WHS is involved in coordinating actions. All representations are presented in pie charts that depict the percentages of the total level of effort. Where additional comments are necessary for a particular segment, that segment is visually separated from the pie and a comment box has been inserted with the relevant points. Annotations on the facing pages of each chart expand discussion points.

The following comments apply to the Financial Management Core Business Function, which comprises 50 staff years of effort, or about 3 percent of the total WHS level of effort.

- ◆ The directorate most heavily involved is Budget and Finance. Because of the nature of the functions performed by WHS for Financial Management, all (internal as well as external) customers have some residual financial program management functions within their organizations. Within WHS, this is most pronounced in Real Estate and Facilities. Most of this Financial Management level of effort is associated with managing the revolving fund. This is in line with common practice for your other customers.
- ◆ As expected, mostly civilian GS grade employees are involved in this Core Business Function.
- ◆ There is very little process crossover in this Core Business Function.
- ◆ The pattern of internal coordination is much as one would expect; everyone is involved in some manner through coordination, but Budget and Finance and Real Estate and Facilities are the most active participants.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

- ◆ Upper left quadrant - Pages 7-9
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



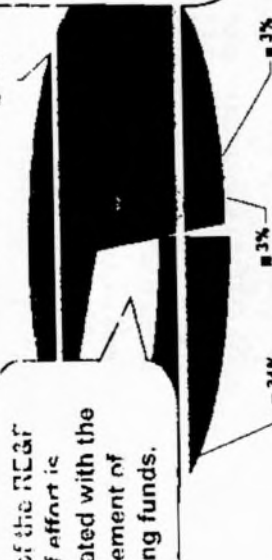
How is the workforce level of effort aligned with the Core Business Functions?

Finding 1: 3% or 50 staff years in Financial Management CBF

By Directorate

Much of the RE&F level of effort is associated with the management of revolving funds.

Level of effort outside B&F is primarily for program management related tasks. This is true for all customers inside and outside WHS.



■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Type Employee



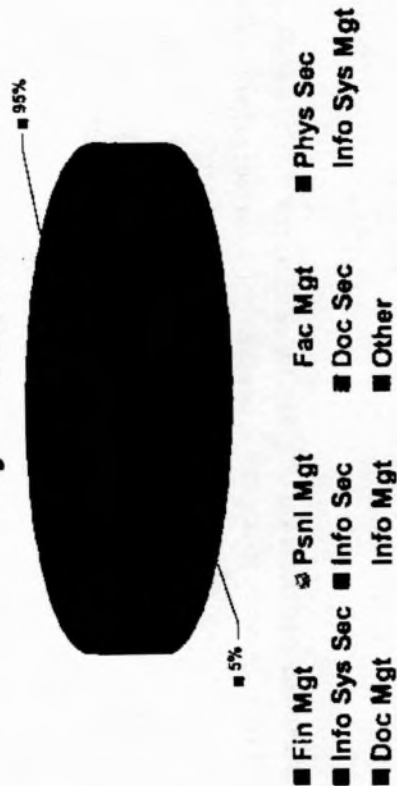
■ Civilian (GS) ■ Civilian (WB) ■ Military ■ Contractor

By Internal Coordination



■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Process



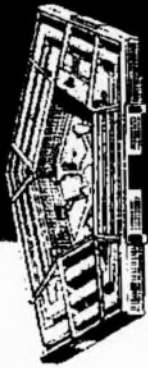
■ Fin Mgt ■ Info Sys Sec ■ Doc Mgt ■ Fac Mgt ■ Phys Sec
 ■ Info Sys Mgt

The Executive Services Management Core Business Function is shown here. It comprises 127 staff years of effort, or about 9 percent of the total WHS level of effort.

- ◆ Real Estate and Facilities and Correspondence and Directives have about equal shares of the preponderance of this Core Business Function. This is primarily because the function is comprised of those activities that are focused on the Office of the Secretary of Defense as the primary customer. The Real Estate and Facilities share is comprised mostly of office services and graphics support. The Correspondence and Directives portion involves mostly the correspondence control and Watch Center functions of that directorate.
- ◆ This function has the preponderance of military personnel involved as compared to the other Core Business Functions. Most of these are involved in the Watch Center function.
- ◆ Because this is a customer-focused Core Business Function, there is a greater dispersion of work processes here than in most of the others. In the aggregate, however, those processes involved in information handling and processing comprise 58 percent of the level of effort.
- ◆ Even though the level of effort is dominated by the combination of Real Estate and Facilities and Correspondence and Directives, the most active participant by a significant margin for coordination is Correspondence and Directives.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

- ◆ Upper left quadrant - Pages 11-13
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



How is the workforce level of effort aligned with the Core Business Functions?

Finding 2: 9% or 127 staff years in Executive Services CBF

By Directorate

C&D level of effort is primarily direct support of principals and correspondence control



RE&F level of effort is primarily office services and graphics support

■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Type Employee



■ Civilian (GS) ■ Civilian (WB) ■ Military ■ Contractor

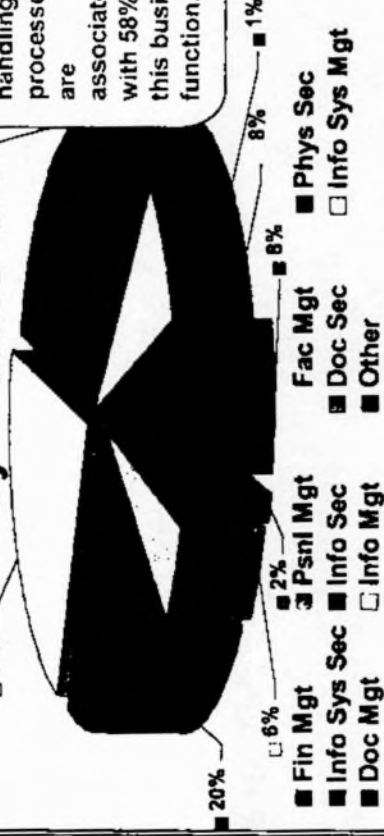
By Internal Coordination



■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Process

Information handling processes are associated with 58% of this business function.



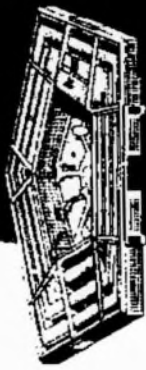
■ Fin Mgt ■ Info Sys Sec ■ Doc Mgt ■ Fac Mgt ■ Phys Sec ■ Info Sys Mgt ■ Doc Sec ■ Other

Shown here is the Human Resources Management Core Business Function, which comprises 194 staff years of effort, or about 14 percent of the total WHS level of effort.

- ◆ The directorate most heavily involved is Personnel and Security, as expected. The nature of the Human Resources Management function is that everybody does some of it, mostly from the perspective of personnel supervisory functions and requisitioning. Within WHS, however, Real Estate and Facilities performs some Human Resources Management functions that appear to be redundant with those performed in Personnel and Security. One particular function of negotiating and administering labor/management agreements stands out in this regard.
- ◆ Here, as in Financial Management, mostly civilian GS grade employees are involved in this Core Business Function—a not surprising finding.
- ◆ Most of the process involvement here is Personnel Management, as you would expect.
- ◆ The pattern of internal coordination is equally as unremarkable; it follows a pattern similar to Financial Management where everyone is involved to some extent, but Personnel and Security staff appropriately are the most active.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

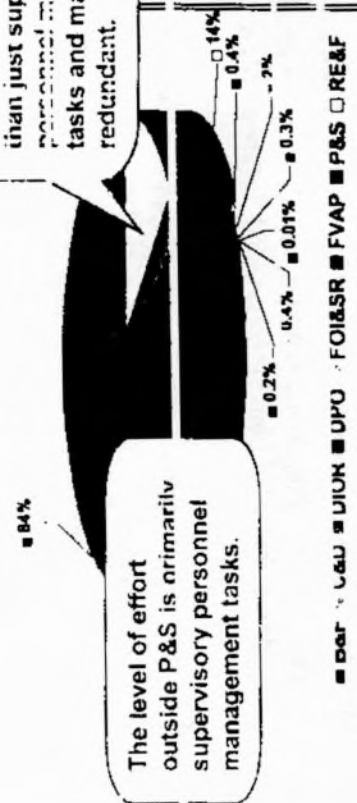
- ◆ Upper left quadrant - Pages 15-20
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



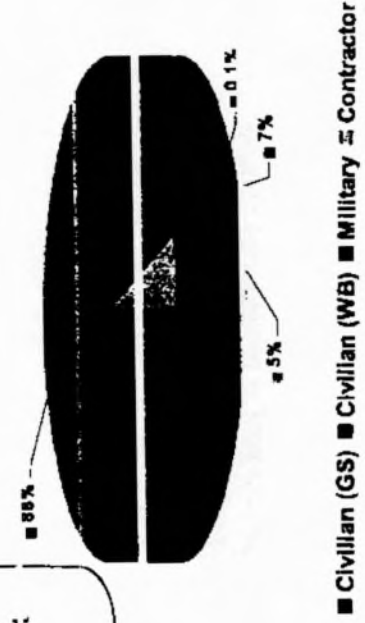
How is the workforce level of effort aligned with the Core Business Functions?

Finding 3: 14% or 194 staff years in Human Resources Management CBF

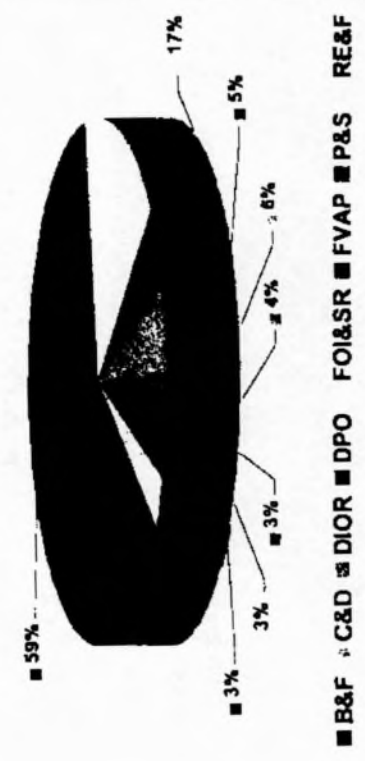
By Directorate



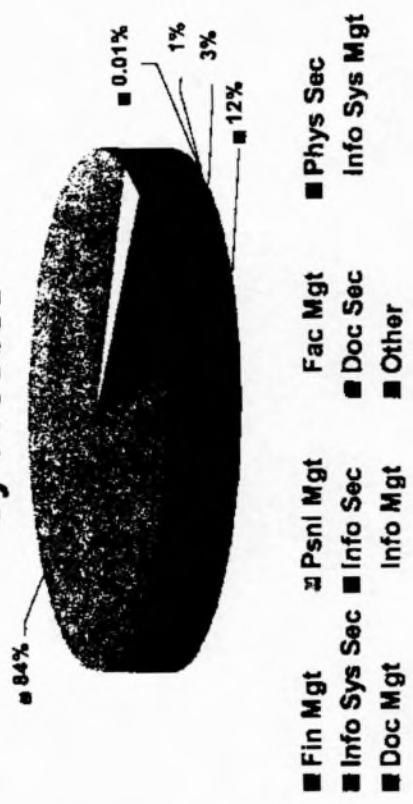
By Type Employee



By Internal Coordination



By Process



This chart shows the Information Management Core Business Function, which comprises 132 staff years of effort, or about 9 percent of the total WHS level of effort.

- ◆ Here we see that Correspondence and Directives, Freedom of Information and Security Review, and Real Estate and Facilities all have significant levels of effort. In fact, two of these three have a greater level of effort than does Information Operations and Reports, which is the nominal home of the WHS Chief Information Officer. When seen at a more micro level, we find that all three of these directorates are performing functions that normally are under the direct supervision of the CIO.
- ◆ Thirty percent of the level of effort has contractor involvement.
- ◆ Nearly half (48 percent) of this Core Business Function is involved with Information Technology (Information System Management and Information System Security). The second largest involvement (Information Security) covers those functions in the various declassification and security review programs.
- ◆ The pattern of internal coordination is as dispersed as the level of effort by directorate, with Information Operations and Reports being the most active.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

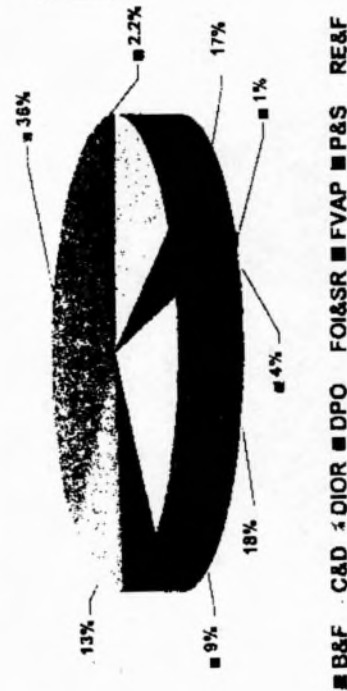
- ◆ Upper left quadrant - Pages 21-24
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1

By Directorate

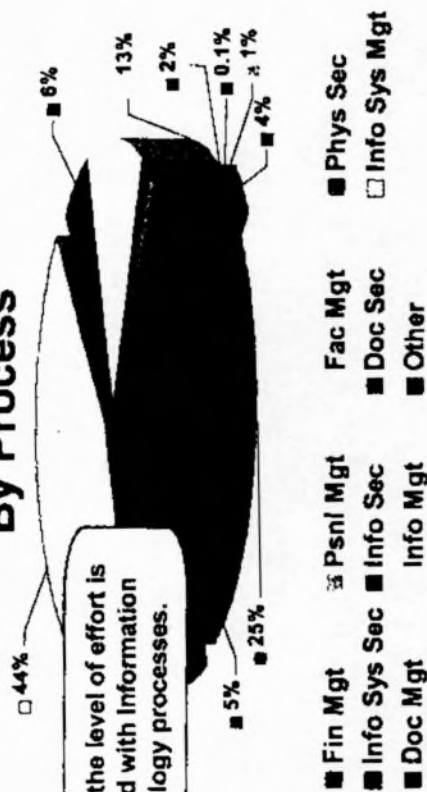


■ Civilian (GS) ■ Civilian (WB) ■ Military ■ Contractor

By Internal Coordination



By Process



43% of the level of effort is involved with Information Technology processes.

55

This slide shows the Physical Security Core Business Function, which comprises 328 staff years of effort, or about 23 percent of the total WHS level of effort.

The characteristic of this Core Business Function is that it is homogeneous. The Real Estate and Facilities Directorate clearly dominates the activity, which is performed mostly by government employees (the police officers primarily). It is dominated by a single process, and there is one clear "go to" office.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

- ◆ Upper left quadrant - Page 25
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



How is the workforce level of effort aligned with the Core Business Functions?

Finding 5: 23% or 328 staff years in Physical Security CBF

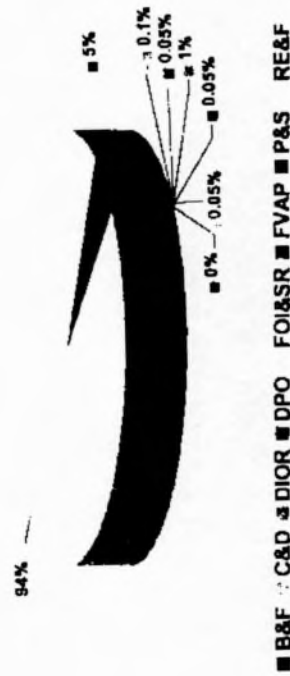
By Directorate



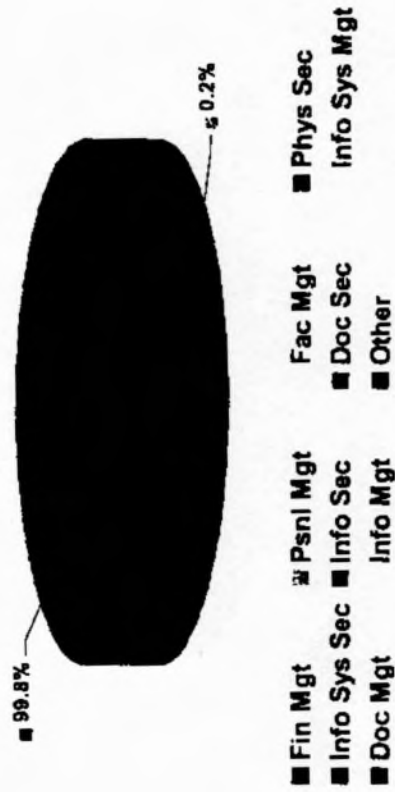
By Type Employee



By Internal Coordination



By Process



This slide shows the Real Properties and Facilities Management Core Business Function, which comprises 426 staff years of effort, or about 29 percent of the total WHS level of effort.

The Real Estate and Facilities Directorate clearly dominates this function. Nearly two-thirds of this level of effort involves contractors. It is single-process dominated and has one clear "go to" office.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

- ◆ Upper left quadrant - Pages 27-29
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



How is the workforce level of effort aligned with the Core Business Functions?

Finding 6: 29% or 426 staff years in Real Property & Facilities

Management CDF

By Directorate



■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Type Employee



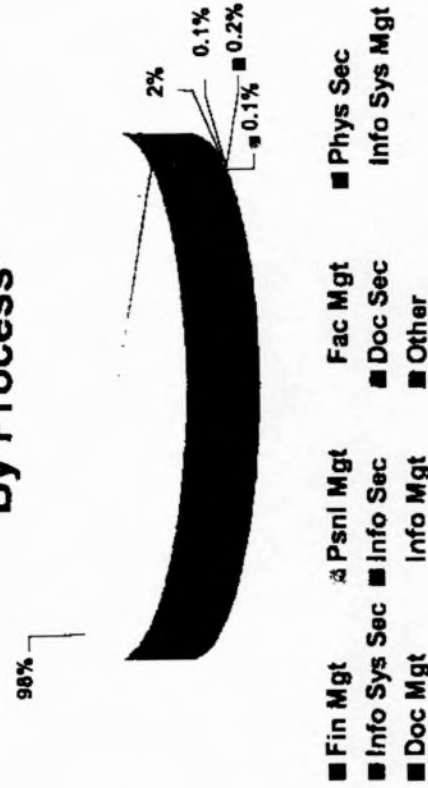
■ Civilian (GS) ■ Civilian (WB) ■ Military ■ Contractor

By Internal Coordination



■ B&F ■ C&D ■ DIOR ■ DPO ■ FOI&SR ■ FVAP ■ P&S ■ RE&F

By Process



■ Fin Mgt ■ Info Sys Sec ■ Doc Mgt ■ Fac Mgt ■ Phys Sec ■ Info Sys Mgt ■ Doc Sec ■ Other

The following comments apply to the Non-core Business Functions, which comprise the remaining 185 staff years of effort, or about 13 percent of the total WHS level of effort.

Considering the type of organization WHS is and its origins, 13 percent is not an inordinate amount of effort for functions that do not clearly fall within one of the six Core Business Functions. This category covers two types of activities. First are those functions that clearly are "outside the box." The second subgroup are those activities that are in general support of the Core Business Functions, but do not clearly fall within the boundaries of just one function. Employee attendance at mandatory training or general office administrative tasks are two examples of this grouping.

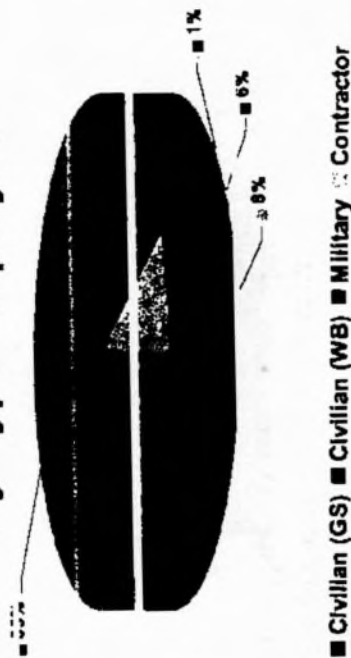
- ◆ These functions are concentrated in Real Estate and Facilities and Personnel and Security.
- ◆ There is nothing remarkable about the types of employees involved in these Non-core Business Functions.
- ◆ Our analysis shows that 7.22 staff years of these other activities are "out of the box." The remaining are in general support of the Core Business Functions.
- ◆ The pattern of internal coordination is in keeping with the level of effort by directorate.

NOTE: Data for this chart is on pages in the Appendix as indicated below:

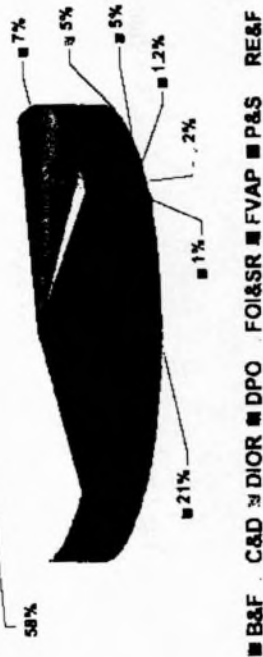
- ◆ Upper left quadrant - Pages 31-35
- ◆ Lower left quadrant - Page 3
- ◆ Upper right quadrant - Page 5
- ◆ Lower right quadrant - Page 1



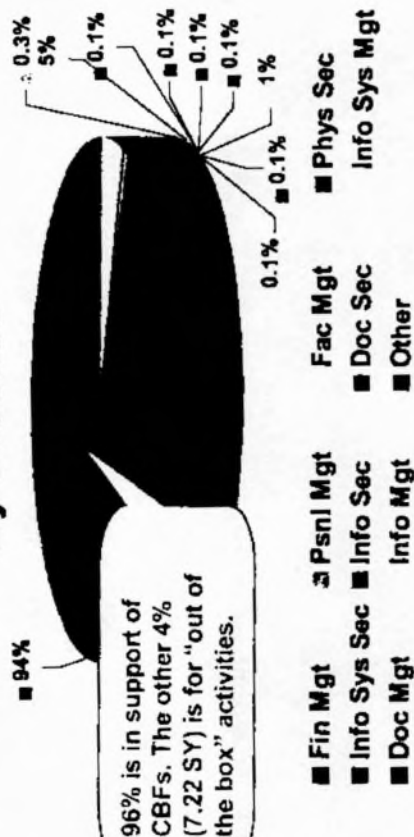
By Directorate



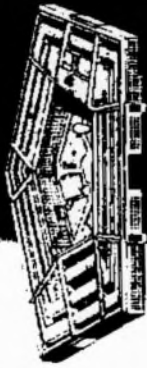
By Internal Coordination



By Process



In summary, our analysis leads us to the conclusions shown here.



How is the workforce level of effort aligned with the Core Business Functions?

Conclusions

- Workforce level of effort is aligned in four Core Business Functions
 - ❖ Financial Management
 - ❖ Human Resources Management
 - ❖ Physical Security
 - ❖ Real Estate and Facilities Management
- Workforce level of effort dispersed in the other two Core Business Functions
 - ❖ Executive Services
 - ❖ Information Management
- Non-core Business Functions have accumulated in two organization elements
 - Human Resources Management may be over-represented in RE&F

Based upon those conclusions, we have the following recommendations for aligning level of effort with Core Business Functions:

- WHS should consider studying the Executive Services and Information Management Core Business Functions with the goal to consolidating the management of the level of effort in each. The idea for Executive Services is to have a management structure that is focused on taking care of your most important customer. For Information Management, consolidated management here would benefit the common user aspects of information technology support and also consolidate the policy and implementation with respect to the production and release of common-use documents in a paperless environment.
- WHS should also examine its Non-core Business Functions to see if they are optimally distributed. One alternative is to consolidate these functions within a single organization. The principal benefit from this would be better management visibility over the resources such activities consume so that they do not cut into the performance of Core Business Functions.
- Finally, those Human Resources Management Core Business Functions being performed within Real Estate and Facilities should be looked at to ensure that they do not represent duplication of effort that should be performed under the management of the overall Human Resources Manager within WHS.



How is the workforce level of effort aligned with the Core Business Functions?

Recommendation 1

- WHS should consolidate the level of effort in both the Executive Services and Information Management Core Business Functions

Recommendation 2

- WHS should look at the Non-core Business Functions and evaluate how they are managed, resourced, and where they are performed

Recommendation 3

- The elements of Human Resources Management in RE&F should be evaluated for redundancies with similar functions in P&S

The next section examines how well the organizational structure supports the Core Business Functions.



Answers to Key Analytical Questions

- How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?**
- > What are the Core Business Functions and how do they support the Plan?
 - > How is the workforce level of effort aligned with the Core Business Functions?

> IS THE ORGANIZATIONAL STRUCTURE APPROPRIATE TO THE CORE BUSINESS FUNCTIONS?

- > What are the distracters to achieving the Plan's objectives?

This chart shows how the level of effort for the Core Business Functions is distributed among the six major directorates within WHS. The Defense Privacy Office and Federal Voting Assistance Office are not represented because they are single-program offices with little general management infrastructure. Shown at the top of each bar is the total level of effort measured within the directorate. The stacked bar graphs show what percent of that level of effort is devoted to the various Core Business Functions. Because this is a percentage graph, it is important to notice the numbers on each bar, which represent the number of staff years represented by each bar segment. Because Real Estate and Facilities has such a large level of effort, a relatively small section of the bar can represent a significant number of staff years for a particular Core Business Function in comparison with the other directorates.

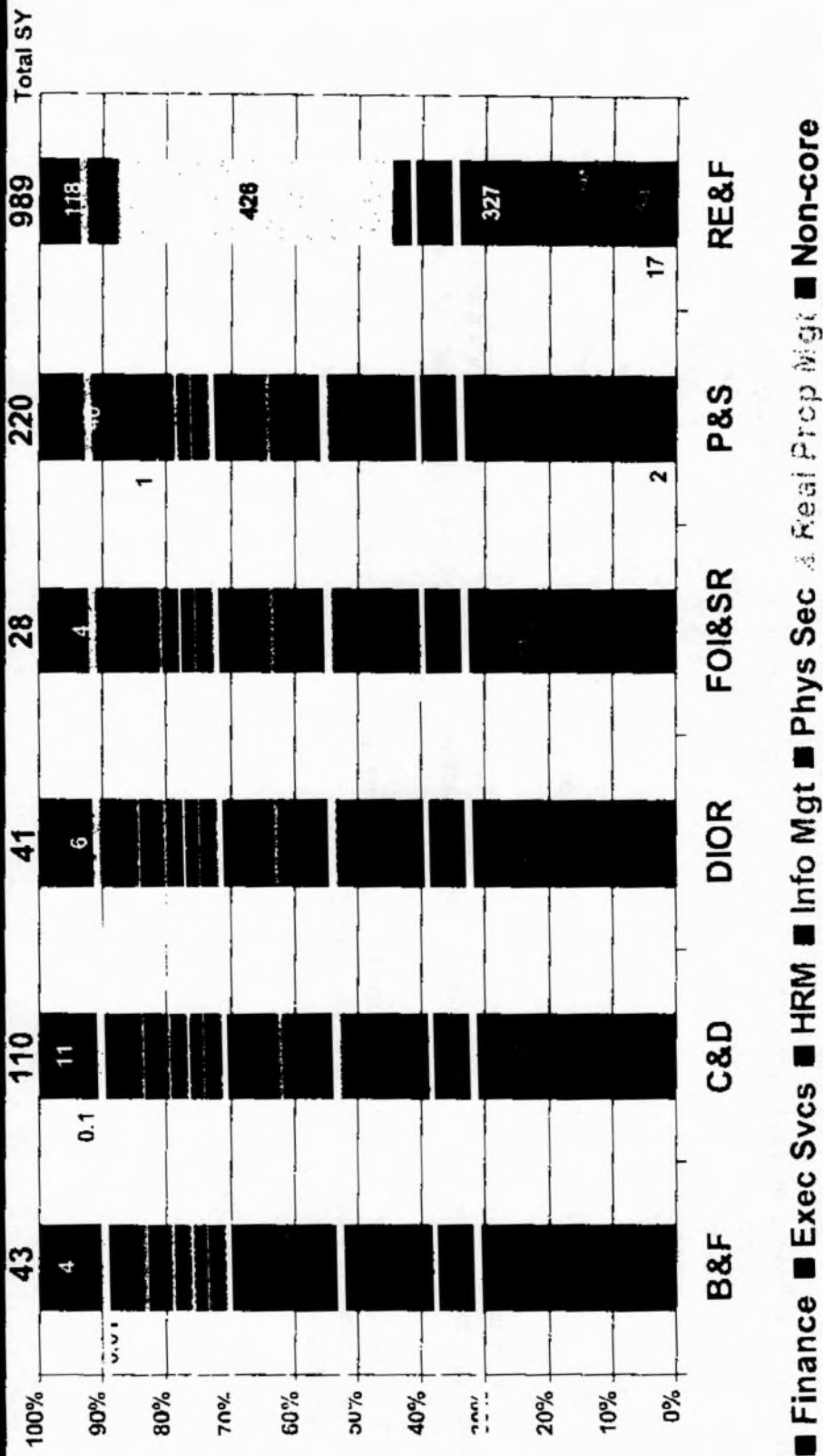
Initial examination shows that Financial Management, Human Resources Management, Physical Security, and Real Property and Facilities Management are all fairly well concentrated within the organizational structure—which is consistent with an earlier finding.

The dispersion of level of effort for Information Management across virtually all directorates and the concentration of Executive Services across Correspondence and Directives, Freedom of Information and Security Review, and Real Estate and Facilities leads to the comment at the bottom of the chart that the current WHS organization is not now functionally pure.

The following charts deal with Executive Services and Information Management more specifically.



Is the organizational structure appropriate to the Core Business Functions?



WHS' current organization is not functionally pure

First, we look at Executive Services. On the previous chart, these activities are split among three directorates. The one thing these activities have in common is that they are primarily focused on a single customer, the Office of the Secretary of Defense. This was borne out in our interviews. In fact, one senior manager emphasized that the relationship with the Front Office was the one thing that should not be disturbed as we conducted our study. He was not the only one who spoke to us on this theme.

A focus on the Front Office will give WHS the opportunity to consolidate some activities that are similar that have accrued to WHS over time, but have maintained their own organization structure. The next chart addresses those functions.



Is the organizational structure appropriate to the Core Business Functions?

Finding 1

➤ **Executive Services is split among Correspondence & Directives, Freedom of Information & Security Review, and Real Estate & Facilities**

- ✦ **“One of the things that is most important to us is the special relationship [WHS has] with the Executive Secretariat.”Senior WHS Manager**
- ✦ **The OSD Front Office is still the most important customer you have**
- ✦ **Customer service would benefit from integrated management in this area**

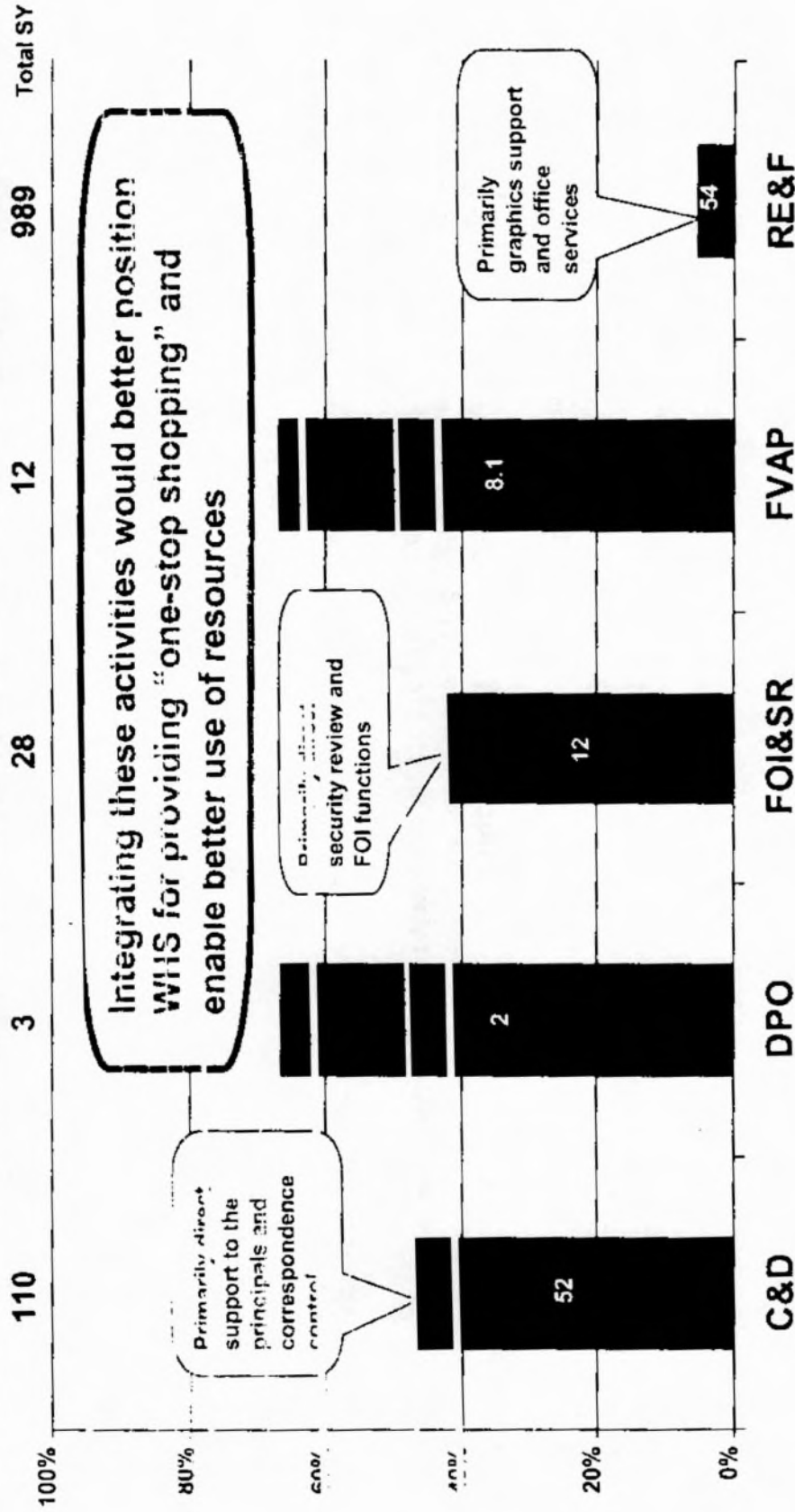
This chart shows the level of effort involved across WHS in Executive Services Core Business Functions. Note that the Defense Privacy Office and Federal Voting Assistance Program Office are included here. Since their activities are essentially in support of the Office of Secretary of Defense. Recall also that the bars in this chart are percentage bars, so the 54 staff years in Real Estate and Facilities looks small, but in fact represents a significant portion of the total level of effort for this Core Business Function.

As noted on the slide, the activities in Correspondence and Directives and Freedom of Information and Security Review, although different in detail, are similar in principle. Each involves distributing and tracking documents to other agencies for action and collecting and reviewing results. The real difference is in the nature of the review when the documents return.

Adding graphics support and office services to this package would enhance WHS' ability to provide responsive, one-stop shopping to your most important customer.

NOTE: Data for this chart is on pages 11-13 of the Appendix

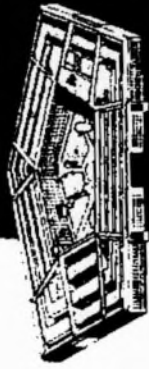
Is the organizational structure appropriate to the Core Business Functions?



The level of effort for the Information Management Core Business Function is also spread across WHS. While this is not necessarily unusual, because many offices have the requirement to process information and maintain functional user unique information systems, what we find unusual is that the Chief Information Officer does not control the common user assets or the LAN within WHS. The actual operation of the LAN is done in Real Estate and Facilities, not in Information Operations and Reports.

Other points in this finding include the fact that document management is a function that crosses directorate boundaries, particularly Correspondence and Directives and Freedom of Information and Security Review, and has no common focus for resolution of issues dealing with the processes to improve the effectiveness and efficiency of the function. In addition, three directorates, Freedom of Information and Security Review, Defense Privacy Office, and Correspondence and Documents, all have an information policy aspect to their respective individual mission areas that deals with the content of documents. Finally, the responsibility of making government information accessible to the general public or other agencies of government is split between elements of Correspondence and Directives and Information Operations and Reports.

Additional information relative to these points is shown on the following slide.



Is the organizational structure appropriate to the Core Business Functions?

Finding 2

Information Management is spread across

WHS

- ❖ **The CiO does not control IM common user assets**
- ❖ **Document management is a pervasive issue**
 - ❖ **FOI&SR and C&D have common information handling requirements but no common approach**
- ❖ **Content policy is spread between FOI&SR, DPO, and C&D**
- ❖ **“Public” promulgation is split between DIOR and C&D for documents, forms, and data**

Here we see the level of effort for Information Management displayed across WHS. We have split this Core Business Function into two components: Information Technology and Other Information Management Functions. Information Technology involves those activities directly related to systems, their deployment, use, maintenance, and disposition. Other Information Management Functions include such work process as Document Management, Document Security, Document Content Management, and Information Security.

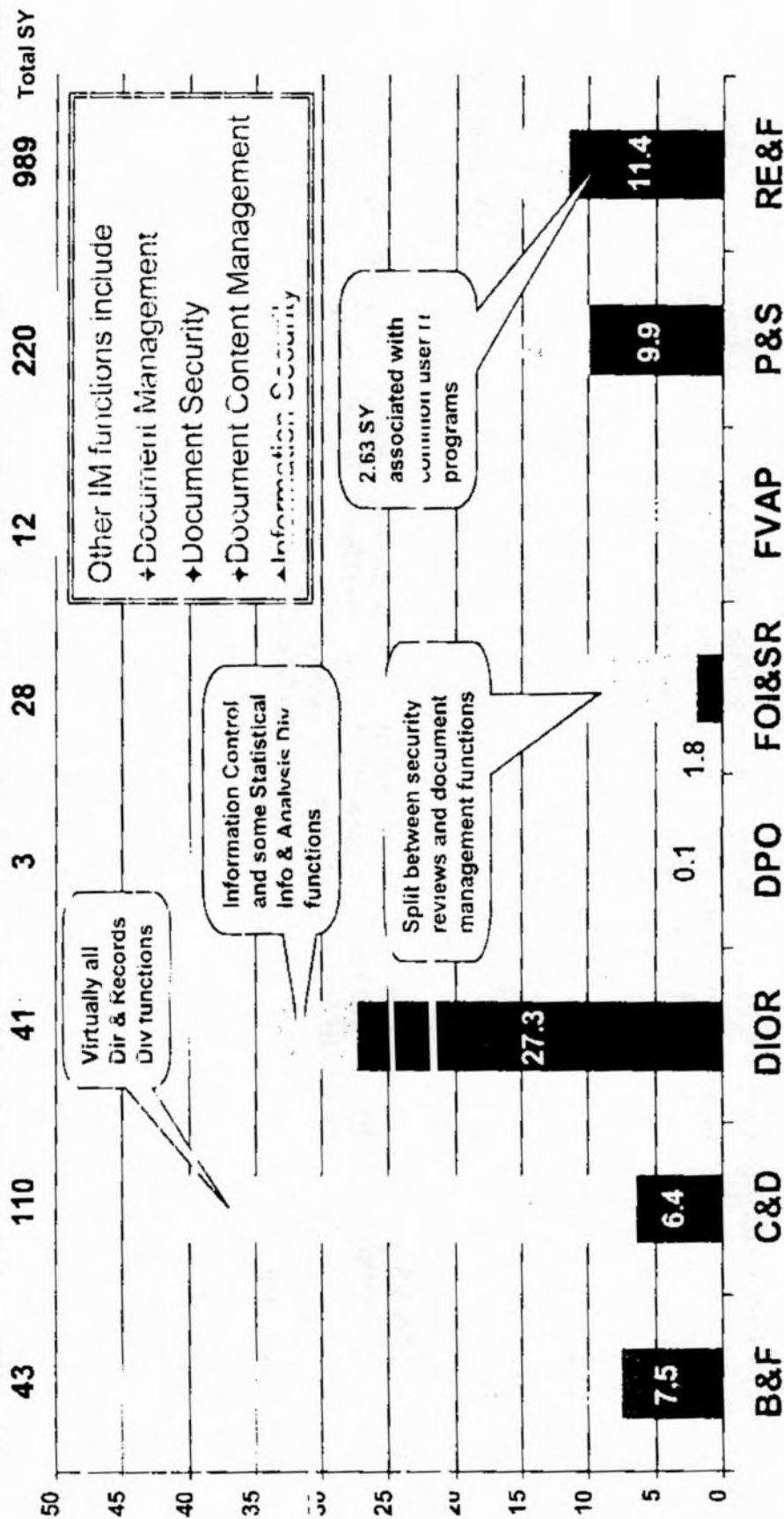
The spread of Information Technology is as one would expect, considering there are major functional information systems in Budget and Finance, Correspondence and Directives, Personnel and Security, and Real Estate and Facilities that need care. However, 2.63 staff years of IT effort are directly related to the WHS local area network, which is a common user asset, normally under the direct control of the CIO, who resides in Information and Reports.

Turning to the Other Information Management Functions, we see that most of these functions in Correspondence and Directives are associated with the activities of the Directives and Records Division. Within Information Operations and Reports, the activities are associated with the Information Control and the Statistical Information and Analysis Division. The functions in Freedom of Information and Security Review are those associated with the actual security reviews and the document management functions. We believe that there is enough commonality among these functions that they can benefit from consolidated management.

NOTE: Data for this chart are on pages 21-24 of the Appendix.



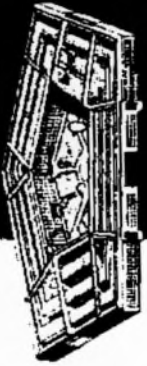
Is the organizational structure appropriate to the Core Business Functions?



There are two programs that do not fit neatly into any one of the Core Business Functions. These two are Personnel Security and Information System Security.

Personnel Security is currently done in Personnel and Security as part of Human Resources Management. One can argue that this is not a Human Resources Management issue, but is a security issue. Because the Physical Security Core Business Function almost exclusively focuses on Physical Security, we believe that this activity is properly placed in the Human Resources Management Core Business Function.

Information System Security, on the other hand, is split among several offices, one of them being the Defense Protective Agency, the principal agent for the Physical Security Core Business Function. Although there are physical components to Information Security activities, we believe that total responsibility for Information Security would best be consolidated within the Information Management Core Business Function and managed as an integrated process.



Is the organizational structure appropriate to the Core Business Functions?

Finding 3

➤ Two programs don't fit neatly into any one Core Business Function

❖ Personnel Security

- Could go in either Human Resources Management or Physical Security
- This analysis leaves it in Human Resources Management

❖ Information System Security

- Part is now in Information Management and part in Physical Security
- It would benefit from consolidation

Outsourcing is a means to expand capability in the current resourcing environment. This chart shows that 36 percent of the WHS level of effort has some contractor involvement, and another 4 percent has been identified by division-level managers as prime candidates for additional outsourcing.

We asked the division-level managers to identify activities with respect to their outsourcing potential and place them in one of four categories:

- ◆ High risk for outsourcing—probably should be done only by government employees
- ◆ Low risk for outsourcing, no contractor effort now applied—probably should be outsourced
- ◆ Low risk for outsourcing, already has contractor effort applied
- ◆ High risk for outsourcing, already has contractor effort applied—probably should be brought back in house.

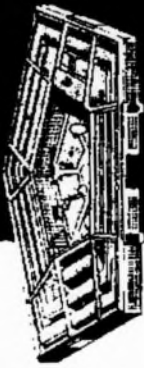
There were no activities identified in this last category as being “inappropriately outsourced.”

However, we did find a significant number of activities identified as high risk against which contractor hours are applied, but which were not identified as “inappropriately outsourced.” That is the 18 percent represented in the red slice of this chart.

This chart shows the total level of effort for activities with contractor hours applied. The next chart addresses the level of effort by type of employee/contractor.

NOTE: Data for this chart is on the pages in the Appendix as follows:

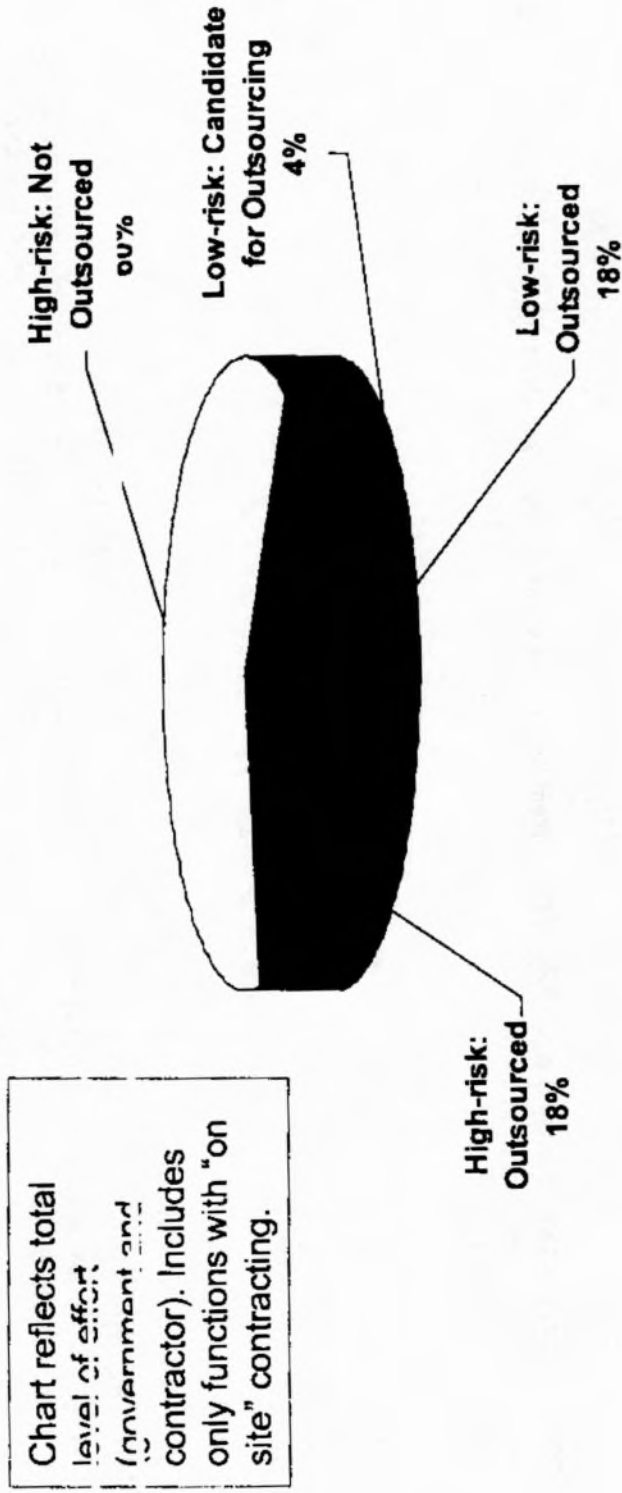
- ◆ High Risk — Pages 37-53
- ◆ Low Risk, not outsourced — Pages 55-56
- ◆ Low Risk, outsourced — Pages 57-58
- ◆ High Risk, outsourced — Pages 59-60



Is the organizational structure appropriate to the Core Business Functions?

Finding 4

- WHS has a fair amount of work already outsourced, split between **High-risk** and **Low-risk**
- There is additional Low-risk work that can be readily outsourced



This display shows the type of employee/contractor involvement in activities as they are categorized by outsourcing potential. The first two bars have, by definition, no contractor involvement. The second bar includes those activities that division-level managers identified as candidates for outsourcing. These activities should be first ones examined for additional outsourcing.

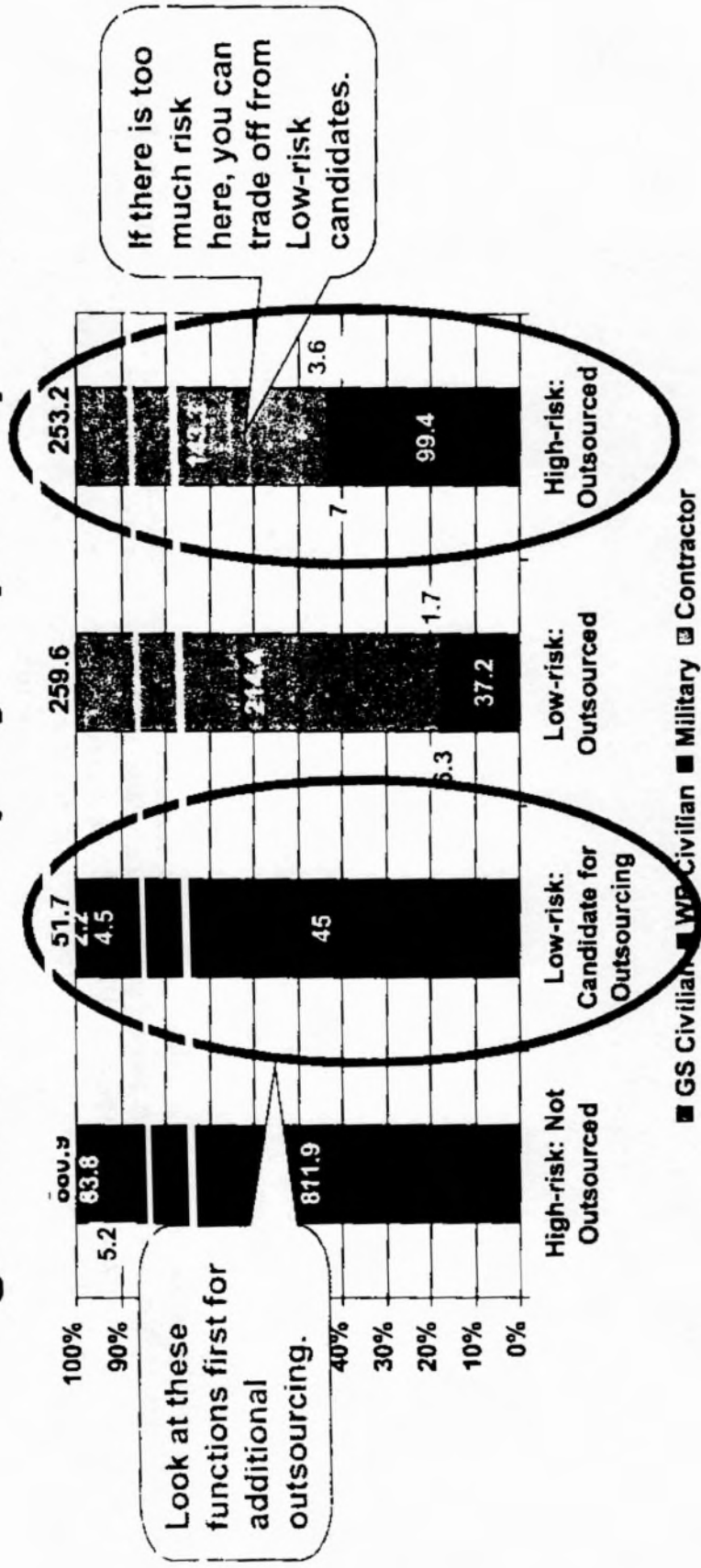
The last two bars show there is still significant government employee involvement in activities that already have contractor hours applied against them. About 155 staff years of government employee time are involved in the 513 staff years between these two categories. That is approximately 30 percent. WHS should look at these activities to see if the level of government employee participation can be decreased through modification of existing contracts. Second, if it turns out that some of the outsourcing in the High-risk/Outsourced category should be brought back in house, the Low-risk/Candidates can be used to gain the government employee staff years to resource those activities.



Is the organizational structure appropriate to the Core Business Functions?

Finding 4A

➤ Outsourced functions also include government employee participation



Our final finding with respect to outsourcing looks at the subject from the perspective of the Core Business Functions.

In the aggregate, the Core Business Function with the most level of effort with contractor hours applied is Real Property and Facilities Management. This is shown by the large slices in the top two charts on this page.

On the other hand, the division-level managers identified outsourcing candidates that lie mostly within the Information Management and Human Resources Management Core Business Functions. This is shown in the bottom chart here.



Is the organizational structure appropriate to the Core Business Functions?

Finding 4B

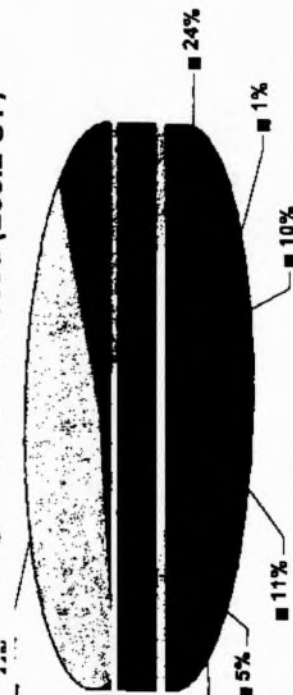
- Current outsourcing is mainly in Real Property Management
- Information Management and Human Resources Management have the largest new candidate opportunities

Low-risk: Outsourced (259.6 SY)

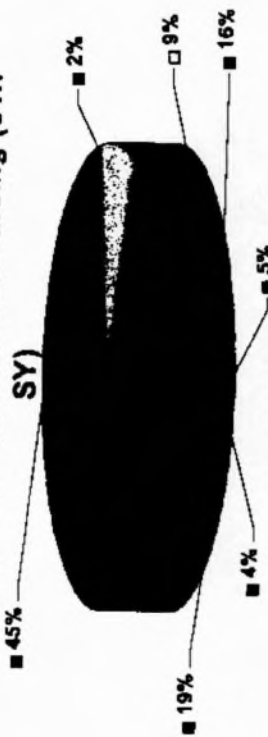
71%



High-risk: Outsourced (253.2 SY)



Low-risk: Candidate for Outsourcing (51.7 SY)



Charts reflect total level of effort (government and contractor). Both include only functions with "on site" contracting.

- Finance
- Info Mgt
- Other
- Exec Svcs
- Phys Sec
- HRM
- Real Prop & Fac Mgt

As we pointed out earlier, there are two types of Non-core Business Functions. First are those functions that are clearly "outside the box." The second subgroup contains those activities that are in general support of the Core Business Functions, but that do not clearly fall within the boundaries of just one function. Employee attendance at mandatory training or general office administrative tasks are but two examples of this latter grouping. This chart addresses the first type, those functions that are clearly "outside the box."

The type of functions we are talking about are listed here. Personnel and Security is responsible for the first, while Real Estate and Facilities holds the others. The responsibility for special event coordination is further dispersed within Real Estate and Facilities.

Although some of the other directorates have minor involvement in these types of activities, we found that Personnel and Security and Real Estate and Facilities bear the largest burden. We identified just over 7 staff years level of effort dedicated to these "out of the box" functions.



Is the organizational structure appropriate to the Core Business Functions?

Finding 5

- **Non-core functions are spread out among the existing directorates**
 - ✦ **Management of voluntary campaigns**
 - ✦ **Employee support program management**
 - ✦ **Nursing mothers**
 - ✦ **Child care**
 - ✦ **Transportation programs**
 - ✦ **Special event coordination**
- **P&S and RE&F bear the largest burden here**

We have reached three basic conclusions as the result of our analysis of the WHS organizational structure with respect to the Core Business Functions.

First, we believe that the execution of the Executive Services and Information Management Core Business Functions would benefit from being organizationally consolidated. Each should have its own management focus. Executive Services should be focused on your most important customer, the Office of the Secretary of Defense. Information Management should focus on the common-user aspects of information technology and other information management functions.

Second, we believe that the most profitable course of action to follow in seeking additional outsourcing opportunities is to first look at those activities identified by division-level managers as candidates for outsourcing. Second, WHS management should examine those functions that already have contractor level of effort against them to determine if the level of outsourcing can be increased. There appears to be much overlap among the functions that already have contractor effort on them and those that do not.

Finally, we believe that WHS would be able to get a better handle on the resources required to perform the "out of the box" functions if they were consolidated in one organization.



Is the organizational structure appropriate to the Core Business Functions?

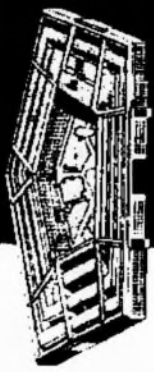
Conclusions

- Two major Core Business Functions would benefit from consolidation
 - ❖ Executive Services
 - ❖ Information Management
- There is overlap between functions that are already outsourced and those that have additional outsourcing potential
- Consolidation of Non-core Business Functions would improve management focus and help tracking of resource requirements

Our first two recommendations concerning the WHS organization structure are show on this chart.

We recommend that WHS revise its organizational structure to accommodate the consolidation of the Executive Services and the Information Management Core Business Functions into their own management structures. The most dramatic portion of this remodeling would be the possible folding together of the current Correspondence and Directives and Freedom of Information and Security Review organizations into a single management structure. We will address the commonality of functions of these two organizations later in the briefing.

We also recommend that WHS management take the course of action that pursues new outsourcing opportunities that are complimentary with existing outsourcing efforts. There appear to be ample opportunities there, and it may be easier to expand existing efforts as opposed to new outsourcing startups.



Is the organizational structure appropriate to the Core Business Functions?

Recommendation 1

- WHS should be “remodeled” to facilitate consolidation of both Executive Services and Information Management

Recommendation 2

- WHS should pursue new opportunities for outsourcing because potential outsourcing is complementary to existing contracted out efforts

Our final organization structure recommendation is that WHS consolidate the management of the "out of the box" functions in a single organization entity for better management control and visibility. The organization element selected should be situated so that performance of these ancillary functions does not detract from the performance of Core Business Functions.



Is the organizational structure appropriate to the Core Business Functions?

Recommendation 3

- **WHS should consolidate appropriate Non-core Business Functions into a single organization element for better management control and visibility**

Our last key analytical question is addressed in this section. Much of the information for this section came from the results of the extensive interviews we conducted. Findings in this section are not necessarily all of the things that were mentioned to us; however, we did discover certain themes that ran through more than one or two of the interviews. We believe these are important to highlight.



Answers to Key Analytical Questions

- How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?**
- > What are the Core Business Functions and how do they support the Plan?
 - > How is the workforce level of effort aligned with the business Functions?
 - > Is the organizational structure appropriate to the Core Business Functions?

WHAT ARE THE DISTRACTERS TO ACHIEVING THE PLAN'S OBJECTIVES?

Even though actions have been taken to nominally delink WHS from the Office of the Secretary of Defense, for all practical purposes the umbilical is still firmly attached. The WHS budget still has embedded within it direct funding for certain OSD programs. This embedded funding is not separately identified upon authorization or appropriation as being customer support money verses internal operations money for WHS. Other defense agencies have completely separate budgets for their operations from funds that are nominally controlled by their customers. This provides a layer of insulation for the service provider from "headquarters cuts" that frequently beset customer organizations. So long as the WHS budget and the OSD budget are so inextricably intertwined, WHS will never be able to truly right size itself to provide optimum service to its expanding customer base.

One of the places other than staffing resource allocations that this shows up most dramatically is in the management of IT resources. WHS customer service systems compete with OSD-level systems for scarce IT resources. As a result, WHS sits as an unequal partner at the table, particularly with respect to procurement resources. In addition, WHS—as a DoD field activity—is subject to management control and scrutiny not endured by other DoD field activities because of this linking. Because WHS IT resources and OSD IT resources are in the same budget line, the OSD(C3I) exercises oversight and control of all purchases, no matter how small, in fulfilling CIO functions for OSD. Because WHS has its own CIO, we believe such oversight is redundant.

There are some unintended consequences of delinking WHS from OSD. The potentially most troublesome consequence is with the separation of the WHS local area network from the OSD backbone. This is a problem because Information System Security devices (firewalls) that have been erected around the OSD systems now effectively preclude the achievement of a "paperless office" environment. For WHS to become the leader in correspondence management, this obstacle must be overcome or it will continue to hamper effective mission performance.

A second unintended consequence of delinking is the fact that the military spaces in WHS have lost their joint service designation. This is particularly critical in those areas where WHS depends on quality, experienced senior officers to accomplish Core Business Functions. The most notable example is in the slots in the three Service divisions of Freedom of Information and Security Review. It is becoming increasingly difficult to fill these slots with quality officers. In addition, WHS is starting to experience early turnover in these positions as incumbents decide to retire out of cycle. This can be mitigated by civilianizing the positions; but, the down-side of that is that WHS loses the experience that these officers bring to the job.



What are the distracters to achieving the Plan's objectives?

Finding 1

- ❖ WHS is not delinked from OSD as a separate defense agency
 - ❖ WHS budget still embedded in OSD budget
 - ✦ Result is that WHS remains subject to OSD "headquarters limitations," when, in reality, the WHS customer base is much broader
 - ❖ WHS IT management still embedded in OSD IT management processes
 - ✦ Result is that WHS is competing with OSD offices for limited IT resources
 - ❖ Current state of OSD delinking has produced unintended consequences
 - ✦ LAN firewalls are getting in the way of effective, efficient data sharing and "paperless" processes
 - ✦ The loss of Joint Service Designation on military spaces is affecting officer fill and quality

Even though there are some performance measurement systems within WHS that have high potential for daily use in managing the enterprise, we found that few were actually used except to respond when a problem or issue arose. Almost none were used to track progress toward an established goal or detect emergent problems before they became major issues.

As we talked with WHS managers, we discovered that they tend to find out how things are going principally through feedback from above. In almost all cases, the feedback they talked about was negative feedback when problems arose. This leads to a management style in which the managers pay disproportionate attention to the things that have in the past, or are likely to in the future, produced negative feedback.

This is not to say that WHS managers are doing nothing and hoping the phone won't ring. However, the WHS environment does not encourage individual initiative and reasonable risk taking.



What are the distracters to achieving the Plan's objectives?

Finding 2

➤ **WHS Senior Management tends to find out about things through negative feedback from above**

❖ **Managers tend to pay attention to things that would result in negative feedback from the**

Director if left undone

✦ **"The worst thing that can happen is to have [The Director] call with a problem."**

❖ **Most existing measurement systems are not routinely used for daily management**

This is, in our opinion, a major finding. The WHS management team does not like the service it is getting from within its own organization. Virtually all managers responded negatively when asked about the quality of support and customer service they are receiving. In fact, most volunteered the information even before we specifically addressed the issue in the interview process. The comments seen on this slide are typical of those we regularly received. We did not conduct an external customer support survey.

Customer service is a major element of the WHS Strategic Plan 2000–2005. What we heard during this study indicates to us that there is an opportunity for improvement here.



What are the distracters to achieving the Plan's objectives?

Finding 3

➤ **WHS' internal managers believe customer service needs improving**

- ❖ **"No one will return my call when I leave VoiceMail messages."**
- ❖ **"Unless I hand-carry my request, it goes into 'The Black Hole'."**
- ❖ **"I can't find anyone who can help me solve the whole problem. I have to find the experts on my own, and sometimes it is too late or out of sequence."**
- ❖ **"It just takes too long."**

From our experience in helping WHS put together its Strategic Plan, we knew when we began that there was not much interaction among the various elements of WHS during the routine course of business. However, we underestimated the breadth of lack of understanding evidenced by division-level managers as to where they fit within WHS as an organization. Each manager knew how he or she fit into the processes where they are directly involved. But when asked how what they do affects others, few had any appreciation that anyone else within WHS had any connection with what they are doing.

The recent program to roll out the WHS Strategic Plan 2000–2005 to the workforce through a series of personal briefings by the Director represents an excellent start in educating everybody where they fit in. This initiative should be built on to make a conscious effort to involve middle management in the development and implementation of the Plan of Action and Milestones to implement the Strategic Plan. This will serve not only to educate middle managers on their role in the overall organization, it also will assist in getting those managers to buy in on the implementation of the Strategic Plan.



What are the distracters to achieving the Plan's objectives?

♦ Finding 4

- Middle management does not relate to WHS as an organization entity
 - ❖ "What Charter?"
 - ❖ They do not know how or where they fit into "The Big Picture."
- The Strategic Plan development and "rollout" program was an excellent start
 - ❖ Involving middle management in development and implementation of the Program of Action and Milestones will continue to help

One of the most pervasive issues WHS faces is doing business in a "paperless" environment. The issue is complicated by several factors. First, some managers simply prefer doing things in a semi-automated manner, and still rely primarily on hard copy. The process that could benefit most from technology exploitation is the Freedom of Information program. The Department of Justice and Department of State both are using more highly automated systems for this program than is WHS and WHS should seriously investigate adopting these or similar systems to help address the growing backlog in this program.

Second, even though there are multiple places within WHS where technology application to document and information management issues are needed, no program is established to seek out an integrated solution to common problems. This is an issue not only within WHS. It is further complicated by the fact that any solutions WHS may want to pursue in document management ultimately involve offices within OSD. This, in turn, calls for the involvement of OSD (C3I) in the solutions. Our research shows that this is a serious impediment to WHS efforts to be innovative in resolving the issues. The "spiral development process" for seeking technological solutions to document and information management issues has not taken hold in the headquarters environment.

Note: The essence of the "Spiral Development Process" is that you do not wait until you find the ultimate solution to the entire problem before implementing a new system, but you incrementally improve in a planned manner based on what you are able to develop and deploy given the current state of the art. This process is especially well suited to, and was developed in, the software development community.



What are the distracters to achieving the Plan's objectives?

Finding 5

- Technology solutions in document handling and processing are primitive in some areas, elusive in others
 - ❖ Some managers still prefer manual and manpower intensive processes
 - ❖ Information management is fragmented
 - ❖ Directorates seek their own solution to common problems
 - ❖ OSD(C3I) "overcontrol" hamper efforts to innovate
- ♦ Also part of delinking issue

Most of the WHS managers we talked to are accustomed to making do with what they are given for operations. They are resigned to a system that seems to require them to ask permission to spend money, even though they have been nominally allocated funds. The most notable example of how this works is in the IT resourcing process. Program managers justify their budget requests on the way up. After the resources are approved and allocated, they again have to rejustify the expenditure of those resources, even though it is for the purpose allocated. Sometimes the allocated money moves into another program through a process that is not well understood or explained to the program manager. All in all, it is a frustrating experience for individual program managers.

Part of the problem is that WHS is not the master of its own destiny with respect to information technology programs. As previously discussed, because WHS is not formally delinked from OSD in the budget, it still remains subject to the oversight of OSD (C3I) in his role as the OSD CIO. The IT management councils that provide recommendations and take actions in the name of the principals include only surrogate representation for the WHS IT program managers. They are represented by a person from DIOR in the aggregate sense, but they are not always directly involved in the deliberative process. This is working—considering the current management environment where WHS is treated as if it were still part of the OSD staff. However, it does increase the feeling of powerlessness on the part of managers with respect to the resource allocation process.



What are the distracters to achieving the Plan's objectives?

Finding 6

- The resource allocation processes are not understood at the middle management level
 - ❖ Middle managers feel powerless to influence the action
 - ❖ "Why can't I spend the dollars that were approved in the budget without going through a re-justification process?"
 - ❖ This is exacerbated for IT programs by the redundancy between DIOR and OSD(C3I)
 - ❖ "They [C3I] have never made a change to the documents, even though they introduce a 3--5 day delay."

Two other significant issues surfaced during this project. First, several managers mentioned that the decentralized travel process is not working nearly as well as the previous centralized process did. One of the most troublesome issues to some of the managers is that they are being asked to certify funds on travel documents, but they do not have visibility or control over the funds they are being asked to certify. It seems that when the travel process was decentralized, the travel funds were not. This is not consistent with the principles of delegation in which responsibility and accountability for resources normally follow decentralization of execution.

Second, two subfunctions or tasks appear to be fragmented across organizations. The ID and building pass card production process is spread between Personnel and Security and Real Estate and Facilities. These subfunctions should be consolidated.

In addition, four separate places within Real Estate and Facilities claim to control and administer parking. This appears to be unnecessary duplication of effort. The four places are Leased Facilities Division, Management Support Division, Defense Protective Service, and Federal Facilities Division.



What are the distracters to achieving the Plan's objectives?

Finding 7

- **Additional areas of interest**
 - ❖ **Decentralization of travel not working**
 - ✦ Travel budget still centralized and "invisible"
 - ✦ "They want me to certify fund availability, but I have no visibility over travel funds."
 - ❖ **Other tasks that appear to be fragmented**
 - ✦ ID card production process
 - ✦ Parking control

We have reached the following conclusions about the distractors from successful achievement of the Strategic Plan.

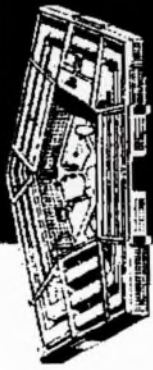
Even though substantive steps have been taken to separate WHS from the Office of the Secretary of Defense, in reality WHS is still integrally joined in the budget and, as one follows the money, management processes. As a result, WHS is still not the masters of its own destiny.

WHS managers tend to be reactive. Because of WHS' close relationship to the most senior Defense decision makers, WHS managers have a tendency to wait for senior leaders to take the lead, rather than moving out in a reasonable direction and making adjustments to accommodate the particular desires and needs of the principals. That is not to say that what the principals want doesn't matter—it means that many times the principals don't know what they want, just what they don't want. WHS can be instrumental in shaping the principal's desires if the management team is willing to step out and be innovative.

Although there are functional and management processes in place, they are frequently overridden by a personality-based management style. Although this continues to work for the current incumbent, these arrangements are fragile. An unintended consequence of the personality-based management style is that the prime customer for everything becomes the next level of management, not the direct recipient of services.

There is still the tendency among WHS managers to articulate the solution to their management problems in terms of "if we just had more people." Part of this is because the resources for technology solutions that will increase productivity are hard to come by. However, part is because managers are not thinking in terms of new ways of doing business that require less personnel.

All of this combined leads to an organization where the individual elements try very hard to be self-reliant, even in those cases where another element of the organization is quite capable of helping out. Work tends to be done in task-oriented stovepipes and information passes along based on who the individual action officer knows more than which organization can assist in task completion. In sum, WHS works as a one-on-one organization more than on a team basis.



What are the distracters to achieving the Plan's objectives?

Conclusions—WHS can be described as

- ♦ Still “joined at the hip” with OSD
- ♦ Reactive vice proactive
 - Managers tend to wait to be told what they can do
 - “Risk taking” is not a part of the organization culture
- ♦ Personality-based vice process driven
 - Avoidance of negative feedback is the prime motivator
 - Processes are not enduring or institutionalized
- ♦ Working harder vice smarter
 - Solution to many problems is seen as “more people”
- ♦ Self-reliant vice collaborative
 - Task-oriented stovepipes
 - Informal vice planned information flow
 - One-on-one, task-oriented based on personal relationships

We have five recommendations concerning the distractors. The first two are shown on this chart.

WHS needs to be aggressive and proactive in seeking to completely separate itself from budgetary and managerial identification with the Office of the Secretary of Defense. While this will not solve all of the resourcing problems and may, in fact, introduce new ones in exchange, it will serve to allow the WHS management team to be more in control of its own destiny.

Second, WHS needs to change its managerial culture and begin to reward managers who are innovative and aggressive in improving their business processes. Rather than waiting for higher headquarters to take some actions, WHS managers need to do what is right for their customers and let the higher level policy makers catch up later. There are, of course, risks in adopting this way of doing business. Things will not always go right; however, this should not be held against innovative managers who are trying to make WHS the leader in customer service that the Strategic Plan envisions it to be.



What are the distracters to achieving the Plan's objectives?

Recommendation 1

- WHS should aggressively pursue action to separate its budget from the OSD budget

Recommendation 2

- WHS manager reward system should emphasize delegation and accountability and encourage innovation and reasonable risk taking toward improving business processes
 - ❖ "It's easier to ask forgiveness than to seek permission."

Our third recommendation deals with WHS' customer orientation. We recommend that WHS take a close look at its service delivery processes in consultation with its customers. At this time, there is a mismatch between customer needs and expectations and the way WHS delivers services. In some cases, customer expectations are unrealistic; in others, WHS is simply not delivering in an effective or timely manner. There must be a balance between customer needs and WHS delivery capabilities. Both sides need to understand each other.

The effort from WHS should not be merely customer education. It must involve a serious look at how the WHS business processes are designed and show a willingness to tailor those processes to better meet customers' needs and expectations. WHS should involve customers in developing the service delivery processes. In some cases, there may be the requirement to tailor currently standard processes for individual customers to better serve them.

WHS must also ensure that the employees who are at the "pointed end of the spear" for customer service are properly motivated to work for the customer and then are appropriately rewarded for delivering quality customer service. Like many government service delivery organizations, WHS has many of its lower graded and less experienced people in positions that have direct contact with the customer. Creating a customer service single point of contact and staffing it with more senior customer service coordinators may be a way of overcoming this problem.



What are the distracters to achieving the Plan's objectives?

Recommendation 3

➤ **WHS should refocus its efforts toward its customers by:**

- ❖ Consulting with customers to mutually determine their needs and WHS delivery capabilities
- ❖ Tailoring WHS business processes to accommodate the mutual agreement
- ❖ Motivating and rewarding those employees and managers who anticipate and meet customer needs

Our next recommendation deals with a problem that has direct effect on WHS' most important customer, the Office of the Secretary of Defense. Document and information management is one of the most visible services WHS provides for OSD. Two of the organizations have a large stake in these areas, Correspondence and Documents and Freedom of Information and Security Review. Each needs a better way to handle documents. Correspondence and Documents is frustrated by higher headquarters in its efforts to seek a common solution across OSD. Freedom of Information and Security Review is hampered by lack of automation in these processes. Both would benefit from seeking out and adopting an integrated document management system. WHS cannot afford to wait on OSD (C3I) to find the solution. The WHS management team should be aggressively seeking out and leverage technological solutions to this problem.



What are the distracters to achieving the Plan's objectives?

Recommendation 4

- **WHS should be proactive in seeking out and capitalizing on existing innovative technical solutions to document management problems**
 - ❖ **This includes both internal tracking and archiving systems as well as systems for delivering information to its customers and the public**

Our final recommendation in this section deals with the training and involvement of WHS mid-level managers. These managers are the ones who make the day-to-day operations of WHS really work. If integrated management and collaborative operations are desired, it is the mid-level managers who make it happen. WHS needs to be aggressive in engaging these managers in the management improvement process. These mid-level managers are the ones most likely to move up through WHS during their careers and assume levels of increasing responsibility. It is in WHS' best interest to ensure that these people acquire an enterprise-wide view of WHS, instead of just relying on them to rise within their own functional stovepipes. Cross training and cross attachment are but two of the techniques that can be used here to reinforce the broader view of these valuable resources.

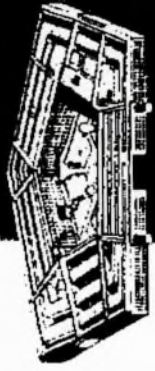


**What are the distracters to achieving
the Plan's objectives?**

Recommendation 5

- > WHS should develop aggressive management development programs that are focused on mid-level managers that reinforce concepts of collaborative and integrated management**

The next steps in WHS Organizational Transformation are found in the answer to the overarching question, which we are now prepared to address.



Agenda

- ◆ Introduction
- ◆ Methodology
- ◆ Assessment Results
 - Findings
 - Conclusions
 - Recommendations
- ◆ Next Steps

Having answered the four detailed questions, we can now approach the answer to the overarching question of how well WHS is positioned to achieve the aims of the Strategic Plan.

The short answer is that WHS can achieve its Strategic Plan goals and objectives, but it could be better positioned by taking some preliminary steps. These steps are outlined on the next chart.



Answering the Top-Level Question

◆ How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?

- What are the Core Business Functions and how do they support the Plan?
- How is the workforce level of effort aligned with the business Functions?
- Is the organizational structure appropriate to the Core Business Functions?
- What are the distracters to achieving the Plan's objectives?

We believe that WHS can improve its performance with respect to its Strategic Plan by taking action in the five specific areas shown here.

First, WHS should center its organization around the six Core Business Functions identified in this study. As we have shown, this will require some organization adjustments, but not a complete reworking of the entire WHS organization structure. Almost more important than organization structure is for WHS to begin to organize its thinking around these Core Business Functions. Management and employees alike must begin referring to and thinking about everything they do in terms of these functions.

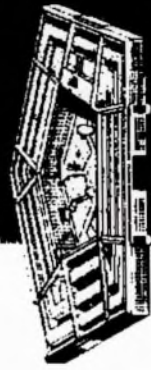
Second, WHS should use a corporate executive board model for its senior management activities. The Board is not meant to supplant the normal chain of command, but it is intended to provide a collaborative mechanism within which critical management issues can be addressed.

Third, WHS must improve its customer support to become a leader in this arena. The most successful customer support organizations are those that involve the customer in the design and development of service delivery processes and mechanisms. WHS should become proactive in this field by seeking out customers and consulting with them as they look at their processes.

Fourth, WHS' senior managers must keep middle managers and employees involved in all aspects of organization and process improvement. This will not only gain buy-in from those involved, but it will also tap the reservoir of talent that resides in the WHS employee base.

Finally, WHS should look at existing practices and procedures to make sure they are being appropriately leveraged. There are several possible areas where going the "extra mile" will yield disproportionately high returns in effectiveness and efficiency without having to launch completely new programs or conduct major process redesign.

We will expand on these five elements in the slides that follow, beginning with centering around the Core Business Functions.



How well is WHS positioned to achieve the Strategic Plan's vision, mission, and goals?

WHS management will be better positioned to carry out its Strategic Plan if it

- **Centers its organization structure around the Core Business Functions**
- **Institutionalizes a Corporate Executive Board to integrate and collaborate on critical management issues**
- **involves customers in the design of service delivery processes**
- **Engages middle managers and employees in the development and implementation of management improvement initiatives**
- **Leverages existing enablers to improve effectiveness and efficiency**

When we developed the recommendation that WHS should center its organization structure around the six Core Business Functions, we looked at other ways WHS could be organized. As shown on the upper right of this slide, the attempt to organize around the major mission areas in the Strategic Plan did not yield a pattern to follow. The same is true when we tried to use the customer bases from the Strategic Plan, as shown in the lower right matrix on this slide. In addition, we determined that either of these options would require significant change of the WHS organizational structure with no clear benefits to be gained. Another important factor in not choosing to adopt either of these two options is that existing working relationships would not have survived organization realignments that were required. These options could have done more harm than good.



Centering the Organizational Structure

- Centering on Mission Areas from the Strategic Plan is depicted on the top right
- Centering on individual Customer Bases from the Strategic Plan is depicted on the bottom right
- Either option would
 - Cause significant change
 - Break existing relationships
- Neither yields a clear pattern for integration

Mission Area				
	Management Services	Operational Support	Executive Support Services	General Support Services
Finance	✓	✓		✓
Correspondence & Directives	✓	✓	✓	✓
Personnel & Security	✓	✓		✓
Information Management & Reports	✓	✓		✓
Defense Privacy Office	✓		✓	
Information & Security Review	✓	✓	✓	
Federal Voting Assistance	✓	✓		
Real Estate & Facilities	✓	✓	✓	✓

Customer Bases				
	OSD	Other DoD	Other Federal Activities	Public
Budget & Finance	✓	✓		
Correspondence & Directives	✓	✓		✓
Personnel & Security	✓	✓	✓	
Information Management & Reports	✓	✓		✓
Defense Privacy Office	✓	✓	✓	✓
Freedom of Information & Security Review	✓	✓	✓	✓
Federal Voting Assistance	✓	✓	✓	✓
Real Estate & Facilities	✓	✓	✓	

The matrix on this slide shows that by choosing to center the organization structure on the Core Business Functions yields a clear pattern that closely approximates the current organization structure. We believe this not only causes the least disruption, but it also builds on existing working relationships within WHS.

As the matrix shows, the Executive Services and Information Management Core Business Functions are responsible for most of the potential organization realignments. As we have shown previously, even though these realignments affect virtually all WHS current organizations, only three require significant remodeling: Correspondence and Directives, Information Operations and Reports, and Freedom of Information and Security Review.

Even though centering around the Core Business Functions will result in better consolidated management of those functions, for WHS to operate effectively and efficiently as an integrated service organization, it will require an integrated management structure to address critical collaborative issues, which we discuss further.



Centering the Organizational Structure

Centering on the Core Business Functions:

- ♦ Causes the least disruption
- ♦ Leverages existing relationships and organizational strengths

Core Business Functions

	Financial Management	Executive Services	Human Resources Management	Information Management	Physical Security	Real Property & Facilities Management
Correspondence & Directives	✓	✓		✓		
Personnel & Security			✓			
Information Management & Reports		✓		✓		
Defense Privacy		✓				
Freedom of Information Act		✓		✓		
Security Review		✓		✓		
Federal Voting Assistance		✓		✓		
Real Estate & Facilities					✓	✓

However, this still requires an integrated management structure to address critical collaborative issues

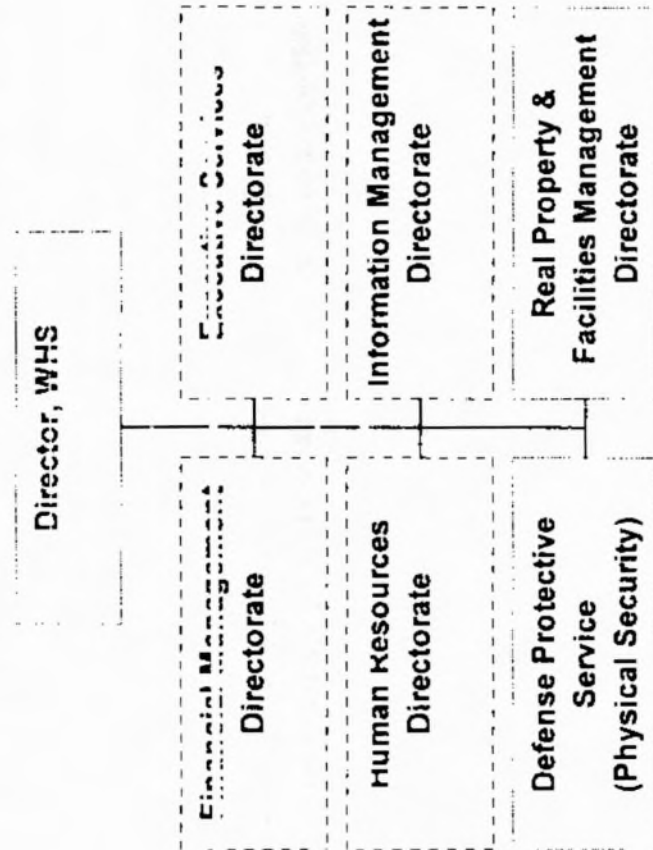
A remodeled WHS that is centered around its Core Business Functions could take on a top-level structure as depicted here. Five of the six organization elements would be functionally focused, while the sixth (Executive Services) would be focused on the most important WHS customer, OSD.

Because there is no headquarters element or staff to accomplish critical coordination for the Director, WHS needs to develop within this structure a collaboration mechanism to address critical management issues. That mechanism is the subject of the next section.



Centering the Organizational Structure

What would this new organization look like?



This needs a collaboration mechanism at the management level

We believe it is important for WHS to have an institutionalized senior management mechanism for collaboration for two reasons. First, WHS does not have a headquarters staff to support the director that most comparable organizations have. This means that those functions that are in support of WHS as a whole must be performed within the directorates. This leads to the second reason for having a regularly established Corporate Executive Board. Because the operating directorates of WHS—whether under the current structure or the one recommended in this report—are primarily functionally focused, WHS needs a way to do top-level integration and collaboration on issues that cut across the functional directorate lines.

Some examples of the types of issues involved are shown on this slide. Decisions made in each of these areas, even though initially affecting only one directorate, have the potential for wider impact throughout the organization. One specific example is in organization budgeting. A decision by the managers of the Pentagon Revolving Fund on what should be included in or excluded from reimbursement through the revolving fund has Defense-wide, let alone WHS-wide, impact on how future operations and maintenance budgets are structured for tenants of the Pentagon.

The recently established Executive Steering Group, which is now charged with overseeing the implementation of the WHS Strategic Plan 2000–2005, provides an excellent framework on which to build the Corporate Executive Board. To enrich the breadth of the Board of Directors with respect to how they deal with customer issues, some consideration should be given to including an appropriate representative of some of the major customers on the Board.



Institutionalizing the Corporate Board

WHIS needs to have an established senior management mechanism to integrate critical collaborative issues such as:

- **Management level planning for strategic direction and continuous organization improvement**
- **Continuous evaluation of organization effectiveness**
- **Comprehensive customer services**
- **Organization budget**

The Executive Steering Group provides the framework within which this can be carried out.

We have developed, and present here, a few issues that the new Board can begin working on now. These are issues which will have an immediate impact on WHS as a whole. Some of them can be implemented quickly and fairly easily. Others will require considerable coordination and time to achieve. All of them have impacts which cross traditional functional organization lines and are appropriate for collaboration and collective leadership at the senior level.

If the decision is made to adopt and integrate the Core Business Functions into the WHS organization culture, the Board will have to make the concept come alive in the organization. This is especially true if WHS chooses to undertake structural changes to integrate management of the Executive Services and Information Management Core Business Functions or to separate the Physical Security and Real Property and Facilities Management Core Business Functions.

Other issues, such as addressing Human Resources Management activities conducted by Real Estate and Facilities; consolidating headquarters-type functions; and leveraging existing outsourcing, may be more narrowly focused, but still require extensive collaboration and mutual support among senior managers for them to be successful.

The task of separating WHS from OSD will be a much longer term undertaking, along with executing a process to include the customers in the design of the WHS service delivery systems. For the first, having a functioning Corporate Executive Board to address the WHS collective management interests makes part of the case that WHS does not need outside oversight and management to effectively and efficiently conduct its business. For the second, customers will respond favorably to and take seriously the efforts of WHS to include them in process redesign if there is strong evidence that senior management is actively interested in the process.



Institutionalizing the Corporate Board

Near term actions for the Corporate Executive Board to initiate and oversee include:

- **Adopt and integrate the Core Business Functions into the WHS management culture**
 - ❖ **Consolidate Executive Services Core Business Function**
 - ❖ **Consolidate Information Management Core Business Function**
 - ❖ **Split Physical Security Core Business Function from Real Property and Facilities Management Core Business Function**
 - ❖ **Address the Human Resources Management activities in RE&F**
- **Make additional adjustments to better focus management on the Core Business Functions**
 - ❖ **Consider consolidating management of unique headquarters-type functions**
 - ❖ **Leverage existing outsourcing for better use of resources**
- **Begin work on separating WHS from OSD in both the budgetary and managerial sense**
- **Establish the mechanism for direct customer involvement in the design of service delivery processes**

The topic of customer involvement in service delivery system design needs expanding. Our recommendation does not mean that WHS should abrogate its responsibilities to meet legal and regulatory requirements, or the commonly accepted or required practices to meet customer needs. What we recommend is that each process and delivery system that is directed toward customer service be examined in the context of the appropriate Core Business Function. This examination should explicitly include the major customers as a part of the tiger team. Customer involvement does two things: it educates the customer on actual WHS delivery capabilities, and it gives the customer an opportunity to explain what the real requirement is and what expectations are.

We cannot overemphasize the point that the examination of service delivery systems needs to be done in the context of the Core Business Functions. Rather than examine each delivery system by itself to optimize its performance, WHS should seek ways to support its customers from cradle to grave in each functional area. For example, if a customer requires more operating space, taking the Core Business Function approach would lead to a delivery system that would allow the customer to deal with one service representative who would help find the new space, design it, arrange for and project management of the buildout, including design standardization to customer specifications of a final fit-and-finish inspection, acquisition of furnishings, movement of existing furnishings, establishment and maintenance security arrangements, and cleanup and transfer of vacated facilities to the owner. This is a one-stop service approach for real estate and facilities as contrasted to individually designed delivery systems for each subelement in the process.

The result of the service delivery system design process would be a set of processes that better meet customer expectations while taking into account the procedural, regulatory, and legal requirements that WHS must follow. Ideally, these processes would be well understood by both the customer and WHS, so each could track progress and make adjustments as required to achieve the best result for the customer.



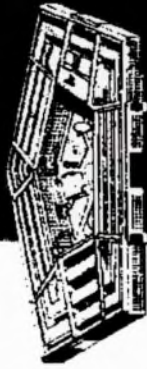
Involving the Customer

WHS should encourage customers to participate in the design of service delivery systems

- ♦ **For each Core Business Function, begin formal coordination with customers to examine their needs and WHS delivery capabilities**
- ♦ **As this matures, begin examining WHS delivery processes to accommodate customers' needs**

While we have dealt at some length with the importance of the customer in the design and execution of WHS customer delivery systems, we cannot forget that WHS middle managers and employees are vital to success. Our reminder here is simply that programs designed and planned from the top down rarely are as successful as those developed from the working level up. For projects we address in this report, we recommend that the Corporate Executive Board appoint multifunctional teams from among middle managers and employees and give them policy guidance to accomplish the mission of developing the issue and reporting to the whole Board. This does not preclude any particular director from taking the lead on a project; but, it does mean each team's charter should emanate from the Board, not from an individual director.

In giving guidance, the Board should keep in mind that the results of each project should include specific, measurable performance objectives that can be used in the day-to-day program management and as a basis to reward outstanding managerial and employee performance.



Engaging Middle Managers and Employees

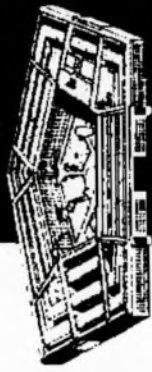
What Senior Managers need to make sure that middle managers and employees are involved in the development and implementation of improvement

- ♦ **Explicitly include them on implementation “tiger teams”**
- ♦ **Have the “tiger teams” report its progress directly to the Corporate Executive Board**
- ♦ **Involve them in the development of employee and manager reward systems that reinforce new processes as they are developed and introduced**

One near term issue for the Board is leveraging existing enablers to improve effectiveness and efficiency. One of those enablers is outsourcing. Our research shows that WHS has the opportunity to pursue additional outsourcing from two perspectives. The first involves looking carefully at those functions that already have contractor level of effort applied against them somewhere in WHS. The purpose is determine if broadening the scope of those existing contract efforts to include more of WHS within them would free up additional government employees. The second perspective is to study the functions WHS managers identified to us as prime candidates for outsourcing. Each of these has the potential to allow government employees to be redirected to projects and programs currently understaffed.

We understand the current state of management overlap between WHS and OSD(C3I). We believe WHS would benefit by taking the lead in seeking, developing, and implementing an integrated solution to document control and processing issues. Because WHS has the ultimate vested interest in finding an efficient, effective solution that is capable of spanning multiple platforms, operating systems, and local area networks, it is in the best position to devise a solution acceptable to most people. For this project to succeed, it needs the full support of all WHS senior leadership to overcome natural bureaucratic inertia.

WHS also has the opportunity, in developing this integrated approach, to enable with technology the realignment of the WHS Executive Services and Information Management Core Business Functions. Developing this collaborative, integrated approach to document management and control can serve as a cornerstone of its efforts to inculcate the Core Business Functions into the management culture of WHS.



Leveraging Existing Enablers

WHS is not taking full advantage of those enablers that will allow better use of resources

- ♦ **Outsourcing**

- Begin by examining existing outsourced activities to find opportunities to appropriately expand their scope to free up more government staff
- Explore outsourcing potential for those activities nominated by division-level managers

- ♦ **IT solutions**

- Take the lead in developing and implementing an internally and externally integrated document control system
- Integrate this action with the realignment of the Executive Services and Information Management Core Business Functions

In closing, we are convinced that the WHS leadership has made a good beginning toward becoming a more effective, efficient, customer-oriented organization by developing and adopting the WHS Strategic Plan 2000-2005. Now we urge WHS leaders to take the next steps and not lose the momentum generated by the plan roll-out to employees.

Implementing the plan will not be an easy task. This report outlines some steps that can be taken, steps that have been designed to cause the least organization turbulence. There are, of course, other steps that can and should be taken and other approaches to attain the goals and objectives set out in the WHS Strategic Plan. None of the actions you are about to undertake will be easy. Many will require significant effort over time. Some will require attacking the most stubborn of all obstacles—organization cultural norms built up over the past 23 years.

To be successful, WHS must ensure that everyone concerned is informed about what is going on as it takes each step along the enterprise transformation pathway. As changes are proposed and implemented, there is no substitute for open, frank communications both up and down the chain of supervision.

WHS cannot manage its way into change. To be successful in enterprise transformation, leaders must lead the organization into the new vision. With a strong commitment by dedicated, competent senior leaders, WHS can confidently move ahead to become the leader among government services providers that you aspire to become.



Nobody Promised It Would Be Easy

- ♦ WHS has made a good beginning along the enterprise transformation pathway with the WHS Strategic Plan 2000–2005
- ♦ The steps from here on will not be easy
 - Even though we tried to minimize the amount of change, the types of changes will be tough
 - Some changes will require modification of long-held organization cultural norms
- ♦ Open communication throughout WHS is essential for success

Most important, successful change will require not only management, but leadership

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Executive – Key Interagency Relationships

Defense Partnership Council – Member

Human Resources Management Council – Member

Department of Transportation – Interface on Mass Transit Fringe Benefit Program

General Services Administration – Interface on the Pentagon Reservation and Leased Building Space in the National Capital Region; Interface on DoD Shuttle Bus Program in the National Capital Region

National Archives and Records Administration – Interface on Records Management

White House Situation Room and Department of State Operations Center – Interface on Communications Support to the Secretary of Defense and Other Key DoD Officials

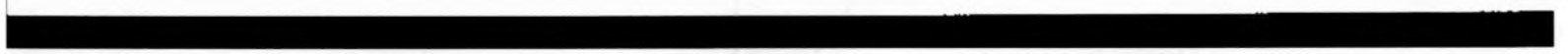
Office of Management and Budget

Office of the Chief Counselor for Privacy – Interface on Matters Pertaining to Implementation of the Privacy Act

Office of Federal Procurement Policy – Interface for Federal Procurement Data System Advisory Committee

Office of Personnel Management – Interface on Human Resources Management

National Security Council, the Departments of State and Energy, and the Central Intelligence Agency – Interface on Declassification of Information





Key Congressional Committees

Senate Armed Services Committee

Senate Committee on Governmental Affairs

Senate Committee on Banking, Housing, and Urban Development

Senate Select Committee on Intelligence

House Armed Services Committee

Subcommittee on Readiness

House Committee on Government Reform

Subcommittee on Civil Service

Subcommittee on Government Management, Information and Technology

House Committee on Banking, Finance, and Urban Development

House Permanent Select Committee on Intelligence



Critical Reports to Congress

Directorate for Information and Operations

"DoD Expenditures in Support of the Secret Service" as required by Public Law 94-524.

Defense Privacy Office

"The Biennial Matching Activity Report" as required by 5 USC 552(a), as amended.

"The Annual Report on the Right to Financial Privacy Act" as required by 12 USC Chapter 35, amended.

Directorate for Real Estate and Facilities

"Report to the Congress on Public Transit Vouchers for the National Capital Region" as required by Public Law 105-398, Section 2249.

Office of Federal Voting Assistance

"Report to the President and the Congress on the Uniformed and Overseas Citizens Absentee Voting Act of 1986" as required by 42 USC 1973(ff).

Pentagon Renovation Office

"Report to the Congress on the Status of the Pentagon Renovation" as required by 10 USC 2674(a)(2).

"Report to the Congress on Departmental Certification of Cost for Design, Construction, and Installation of Equipment" as required by Public Law 106-259, Section 8061.



Pending Legislative Issue

Recruitment and retention of police officers for the Defense Protective Service (DPS) has become increasingly problematic over the last year and is of serious concern. A recent salary survey completed by the Defense Civilian Personnel Management Service clearly indicates that the minimum and maximum pay for DPS officers is lower than the pay of other police organizations surveyed in the Washington D.C. metropolitan area.

To address this problem, WHS initiated legislation through the Unified Legislation and Budgeting process that would enable the Secretary of Defense to set pay levels and qualifications requirements for the DPS consistent with other salaries paid to other similarly situated law enforcement organizations in the region. This amendment is designed to resolve pay inequities that could cause a serious recruitment problem for the DPS, since local candidates are naturally drawn to comparable organizations offering higher pay.

This legislation has been sponsored by the Under Secretary of Defense (Personnel and Readiness) and forwarded to the DoD Office of General Counsel's Legislative Reference Service to be included in the 2002 Omnibus submission. It is currently under review for final department comments before the submission goes to the Office of Management and Budget for clearance to Congress. A copy of the draft legislative is attached.

**SEC. ____ . PERSONNEL PAY AND QUALIFICATIONS AUTHORITY FOR
DEPARTMENT OF DEFENSE NATIONAL CAPITAL REGION
CIVILIAN LAW ENFORCEMENT AND SECURITY FORCE.**

Section 2674(b) of title 10, United States Code, is amended—

- (1) by inserting "(1)" before the text in the first paragraph of that subsection;
- (2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

and

- (3) by adding at the end the following new paragraphs:

"(2) The Secretary, or his designee, without regard to the pay provisions of title 5, may fix the rates of basic pay for positions occupied by civilian law enforcement and security personnel appointed under the authority of this section, except that no civilian personnel appointed under this section shall receive basic pay for a calendar year that is more than the basic rate of pay for General Schedule GS-15, to include locality-based comparability payments as provided for under section 5304 of title 5.

"(3) The Secretary, or his designee, may establish employment qualification standards, procedures for initial selection, promotion criteria, and other requirements as necessary for the efficient and effective operation of any civilian law enforcement and security force appointed under the authority of this section."

Sectional Analysis

This amendment to Section 2674(b) of title 10, United States Code, would, under subsection 2674(b)(2), exempt Defense Protective Service (DPS) police officers from the provisions of title 5, Chapters 51 and 53, as those provisions apply to setting pay and other relevant employment criteria. The Secretary of Defense, or his designee, would have sole discretion to set pay and establish other employment criteria consistent with salaries paid other law enforcement organizations in the National Capital Region (NCR) performing comparable

work. Subsection 2674(t)(3) would give the Secretary of Defense, or his designee, the authority to set the qualifications for hiring, promoting, and retaining DPS police officers.

This amendment is designed to resolve DPS pay inequities by allowing the Secretary to set DPS pay at levels comparable to those of other similar police organizations in the NCR. Presently, DPS is underpaid by several thousand dollars when compared to other law enforcement entities in the NCR.

As a result of these pay inequities, we project a serious recruitment problem for DPS. Local candidates are naturally drawn to comparable organizations offering higher pay. As a result, DPS often must hire from outside the NCR and pay relocation costs for those new hires. In addition, once new hires have been trained at the Federal Law Enforcement Training Center, they become prime candidates to be lured away to higher paying police jobs elsewhere.

This situation has hindered DPS's efforts to provide the full range of security and force protection services required to safeguard the Pentagon Reservation, which, as the seat of our Defense establishment, is a major terrorist target.

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Budget Overview
Washington Headquarters Services

(Dollars in Thousands)

	FY 2000 <u>Actual</u>
<u>Office of the Secretary of Defense</u>	
Operation & Maintenance, Defense-wide	481,223
Procurement, Defense-wide	124,000
Research, Development, Test & Evaluation Defense-wide	1,180,332
Operational Test and Evaluation Defense	263,977
<u>Washington Headquarters Services</u>	
Operation & Maintenance, Defense-wide	247,110
Procurement, Defense-wide	29,049
Pentagon Reservation Maintenance Revolving Fund	410,486
Buildings Maintenance Fund	25,744
<u>Defense Legal Services Agency</u>	
Operation & Maintenance, Defense-wide	9,788
<u>Office of Economic Adjustment</u>	
Operation & Maintenance, Defense-wide	75,120
<u>Civil Military Programs</u>	
Operation & Maintenance, Defense-wide	82,605
<u>U.S. Court of Appeals for the Armed Forces</u>	
Court of Appeals for the Armed Forces, Defense	<u>7,505</u>
Total	2,936,939

Note:

Amounts displayed reflect the September 2000 OSD Budget Estimates Submission.

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Budget Detail
Office of the Secretary of Defense
Operation & Maintenance, Defense-wide

(Dollars in Thousands)

<u>Programs</u>	<u>FY 2000 Actual</u>
<u>Civilian Personnel Compensation</u>	
Exec., General & Special Schedules	153,228
Wage Board	432
Disability Compensation	<u>613</u>
Subtotal Civilian Personnel Compensation	154,273
<u>Travel</u>	
Travel of Persons	15,250
<u>Transportation</u>	
Commercial Transportation	50
<u>Other Purchases</u>	
Rental Payments to GSA	133
Purchased Communications	155
Printing/Reproduction	11
Equipment Maintenance by Contract	1,282
Equipment Purchases	60
Contract Consultants	282
Management & Professional Support Services	163,746
Studies, Analysis & Evaluation	84,044
Engineering and Technical Services	1,304
Other Intra-governmental Purchases	13,180
Grants	27,651
Other Contracts	15,396
Other Costs	<u>4,416</u>
Subtotal Other Purchases	311,660
Total	481,233

Budget Detail
Office of the Secretary of Defense
Procurement Defense-wide

(Dollars in Thousands)

<u>Office of the Secretary of Defense</u>	<u>FY 2000</u>	<u>Actual</u>
High Performance Computing		
Major Equipment	95,376	
subtotal		95,376
Mentor Protégé		
Major Equipment	28,624	
subtotal		28,624
Grand total		124,000

Budget Detail
Office of the Secretary of Defense
Research and Development, Test, and Evaluation

(Dollars in Thousands)

<u>Budget Activities</u>	<u>FY 2000 Actual</u>
BA 1 Basic Research	256,172
BA 2 Applied Research	59,209
BA 3 Advanced Technology Development	523,294
BA 4 Demonstration/Validation	126,745
BA 5 Engineering/Manufacturing Development	56,643
BA 6 Management Support	142,889
BA 7 Operational Systems Development	<u>15,380</u>
Total	1,180,332

Budget Detail
Office of the Secretary of Defense
Operational Test and Evaluation

(Dollars in Thousands)

<u>Programs</u>	<u>FY 2000 Actual</u>
Central Test and Evaluation Investment Program PE 0604940D8Z	132,866
Operational Test and Evaluation PE 0605118D8Z	14,602
Live Fire Testing PE 0605131D8Z	16,669
Test and Evaluation PE 0605804D8Z	<u>99,840</u>
Total	263,977

Note:

Part of Developmental Test and Evaluation, (Appropriation 0450)
was absorbed by Operational Test and Evaluation (Appropriation 0460)
effective with FY 2001 and is included above.

Budget Detail

WASHINGTON HEADQUARTERS SERVICES

Operation & Maintenance, Defense-wide

(Dollars in Thousands)

	FY 2000 <u>Actual</u>
<u>Civilian Personnel Compensation</u>	
Exec., General & Special Schedules	49,751
Wage Board	13
Disability Compensation	252
<u>Travel</u>	
Travel of Persons	2,281
<u>Other Fund Purchases</u>	
Pentagon Reservation Maintenance Revolving Fund	25,329
(Rent Payments)	(14,440)
(Pentagon Renovation Project)	(0)
(Furniture - Pentagon Renovation Project)	(2,049)
(Above Standard Level Service Purchases)	(8,840)
Defense Finance and Accounting Service	3,820
Defense Security Service	3,500
Purchases from Building Management Fund	5,305
<u>Transportation</u>	
Commercial Transportation	64
<u>Other Purchases</u>	
Rental Payments to GSA	19,125
Purchased Utilities	607
Purchased Communications	8,507
Postal Services	600
Supplies & Materials	11,125
Printing/Reproduction	3,506
Equipment Maintenance by Contract	3,602
Facility Maintenance by Contract	1,095
Equipment Purchases	18,128
Management & Professional Support Services	501
Other Intra-governmental Purchases	24,734
Other Contracts	60,377
Other Costs	4,908
Total	247,110

Budget Detail
Washington Headquarters Services
Procurement Defense-wide

(Dollars in Thousands)

<u>Washington Headquarters Services</u>	FY 2000 <u>Actual</u>	
Real Estate and Facilities		
Major Equipment	5,335	
subtotal		5,335
Systems and Services		
Major Equipment	23,157	
subtotal		23,157
U.S. Mission to NATO		
Major Equipment	307	
subtotal		307
Motor Vehicles		
Major Equipment	250	
subtotal		250
Grand total		29,049

Budget Detail

WASHINGTON HEADQUARTERS SERVICES
Pentagon Reservation Maintenance Revolving Fund
(Collars in Thousands)

	FY 2000 <u>Actual</u>
<u>Civilian Personnel Compensation</u>	
Compensation - Permanent Positions	17,391
Compensation - Other Than Permanent Positions	7,176
Civilian Personnel Benefits	8,948
 <u>Travel</u>	
Travel of Persons	314
 <u>Transportation</u>	
Commercial Transportation	675
 <u>Other Purchases:</u>	
Purchased Communications and Utilities	35,596
Supplies & Materials	4,692
Printing/Reproduction	29
Operation & Maintenance of Facilities	110,538
Equipment Purchases	37,724
Land & Structures	187,384
Interest & Dividends	<u>19</u>
 Total	 410,486

Budget Detail

WASHINGTON HEADQUARTERS SERVICES
Buildings Maintenance Fund
(Dollars in Thousands)

	FY 2000 <u>Actual</u>
<u>Civilian Personnel Compensation</u>	
Compensation - Permanent Positions	3,405
Compensation - Other Than Permanent Positions	68
Civilian Personnel Benefits	772
 <u>Travel</u>	
Travel of Persons	2
 <u>Other Purchases:</u>	
Purchased Communications and Utilities	2,077
Supplies & Materials	82
Operation & Maintenance of Equipment	17,540
Equipment Purchases	<u>1,798</u>
 Total	 25,744

Budget Detail
Defense Legal Services Agency
Operation & Maintenance, Defense-wide

(Dollars in Thousands)

	FY 2000	
<u>Defense Legal Services Agency</u>		<u>Actual</u>
<u>Civilian Personnel Compensation</u>		
Executive, General & Special Schedule	8,015	
subtotal		8,015
<u>Travel</u>		
Travel of Personnel	285	
subtotal		285
<u>Other Purchases</u>		
Rental Payments to GSA	454	
Rental Payments to PRMRF	332	
Purchased Communications	54	
Supplies & Materials	20	
Printing/reproduction	9	
Equipment Maintenance	5	
Facility Maintenance	0	
Other Contracts	610	
Other Costs	4	
		<u>1,488</u>
 Grand total		 9,788

Budget Detail
Office of Economic Adjustment
Operation & Maintenance, Defense-wide

(Collars in Thousands)

	FY 2000	
<u>Office of Economic Adjustment</u>	<u>Actual</u>	
<u>Civilian Personnel Compensation</u>		
Executive, General & Special Schedule	3,176	
subtotal		3,176
<u>Travel</u>		
Travel of Personnel	294	
subtotal		294
<u>Other Purchases</u>		
Rental Payments to GSA	266	
Rental Payments to Others	50	
Purchased Communications	112	
Supplies & Materials	55	
Printing/reproduction	28	
Equipment Purchases	57	
Consulting Services	100	
Other Services	1,224	
Goods/Services from other govt	329	
Grants, subsidies and contributions	69,429	
		<u>71,650</u>
Grand total		75,120

Budget Detail
Office of the Secretary of Defense
Civil Military Programs
Operation & Maintenance, Defense-wide

(Dollars in Thousands)

<u>Civil Military Programs</u>	FY 2000 <u>Actual</u>
ChalleNGe	
Other Contracts	62,211
subtotal	62,211
Starbase	
Other Contracts	6,291
subtotal	6,291
Innovative Readiness Training Program	
Other Contracts	11,393
subtotal	11,393
Outdoor Odyssey	
Other Contracts	300
subtotal	300
America's Promise	
Other Contracts	2,410
	<u>2,410</u>
Grand total	82,605

* Innovative Readiness Training Program does not include \$8,693,000 reprogrammed to military pay and allowances for IRT projects.

Budget Detail
U.S. Court of Appeals for the Armed Forces
Operation & Maintenance Defense-wide

(Dollars in Thousands)

<u>U.S. Court of Appeals for the Armed Forces</u>	<u>FY 2000</u>	<u>Actual</u>
<u>Civilian Personnel Compensation</u>		
Executive, General & Special Schedule	5,278	
subtotal		5,278
<u>Travel</u>		
Travel of Persons	79	
subtotal		79
<u>Other Purchases</u>		
Rental Payments to GSA	700	
Purchased Utilities	42	
Purchased Communications	93	
Postal Services	1	
Supplies & Materials	345	
Printing/reproduction	9	
Equipment Maintenance	12	
Facility Maintenance	20	
Equipment Purchases	53	
Management & Professional Support Services	488	
Other Intra-governmental purchases	373	
Other Contracts	9	
Other Costs	3	
		<u>2,148</u>
Grand total		7,505

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Budget Trend
Washington Headquarters Services

(Dollars in Thousands)

	<u>FY 2000</u> <u>Actual</u>	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2002</u> <u>Estimate</u>
<u>Office of the Secretary of Defense</u>			
Operation & Maintenance, Defense-wide	481,223	514,647	416,282
Procurement, Defense-wide	124,000	110,760	86,697
Research, Development, Test & Evaluation, Defense-wide	1,180,332	1,507,801	1,141,161
Operational Test and Evaluation, Defense	263,977	225,471	202,255
<u>Washington Headquarters Services</u>			
Operation & Maintenance, Defense-wide	247,110	286,539	299,465
Procurement, Defense-wide	29,049	19,716	18,808
Pentagon Reservation Maintenance Revolving Fund	410,486	382,053	296,400
Buildings Maintenance Fund	25,744	33,000	33,528
<u>Defense Legal Services Agency</u>			
Operation & Maintenance, Defense-wide	9,788	12,526	12,089
<u>Office of Economic Adjustment</u>			
Operation & Maintenance, Defense-wide	75,120	55,833	18,717
<u>Civil Military Programs</u>			
Operation & Maintenance, Defense-wide	82,605	102,649	89,382
<u>U.S. Court of Appeals for the Armed Forces</u>			
Court of Appeals for the Armed Forces, Defense	<u>7,505</u>	<u>8,574</u>	<u>9,096</u>
Total	2,936,939	3,269,569	2,623,880

Note:

Amounts displayed reflect the September 2000 OSD Budget Estimates Submission.

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Budget issues

See issue paper at tab IV.B.3. (Renovation of the Pentagon Building.)





Summary of Statistics - Manpower Resources

<u>Component</u>	<u>Civilian</u>	<u>Military</u>	<u>Total</u>
Immediate Office of Director*	0	0	0
Directorate for Budget & Finance	43	0	43
Directorate for Correspondence & Directives	38	32	70
Directorate for Defense Privacy Office	4	1	5
Directorate for Federal Voting Assistance Program	13	0	13
Directorate for Freedom of Info & Security Review	18	10	28
Directorate for Info Operations & Reports	44	0	44
Directorate for Personnel & Security	188	18	206
Directorate for Real Estate & Facilities	951	10	961
Office of General Counsel	14	0	14
Sub-Total	1313	71	1384
Miscellaneous Activities			
Mess Stewards	0	26	26
White House Support Group	35	50	85
Pentagon Renovation Office	43	2	45
State-Defense Exchange Program	0	22	22
Support for Temp Boards/Commissions/Task Forces	4	0	4
Sub-Total	82	100	182
Special Programs*			
Administrative Support Assistance Program	18	0	18
Presidential Management Intern Program	14	0	14
Summer Employment Program	22	0	22
Student Temporary Employment Program	30	0	30
Minority Institutions Program	7	0	7
Fellows Program	23	0	23
Sub-Total	114	0	114
Grand Total	1509	171	1680

*Collateral responsibility of Director, Administration and Management, OSD.

**Budgeted FTEs for work years utilized by participants hired in subject programs.



Personnel Management Issues

No current internal personnel management issues.





Overview of the Policy Development Process

The Director Washington Headquarters Services addresses policy matters in three ways. For matters resident within specific functional and programmatic areas, he resolves these through the personal interfaces between he and his subordinate directors. Secondly, he has constituted an Executive Steering Group that meets regularly to assist him in those policy and programmatic issues pertaining to the implementation of the WHS Strategic Plan. In addition, he may convene other policy development forums, such as working groups, process action teams, and other ad hoc groups, for matters cutting across functional and programmatic lines.



Major Policy Issues

<u>DOCUMENT</u>	<u>TAB</u>
Absentee Voting by Uniformed and Overseas Citizens	Tab 1
Maintenance of Physical Security for the Pentagon	Tab 2
Renovation of the Pentagon Building	Tab 3
Biennial Justification of Executive Resources	Tab 4
OSD and Defense Agencies Periodic Security Reinvestigation Backlog	Tab 5
Measures to Ensure that the New Administration's National Security Policy is Accurately Presented to Congress and the Public	Tab 6
Relationship Between the Office of the Secretary of Defense (OSD) and Washington Headquarters Services (WHS)	Tab 7

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TOPIC: Absentee Voting by Uniformed and Overseas Citizens

A. Background The Federal Voting Assistance Program (FVAP), Washington Headquarters Services administers the *Uniformed and Overseas Citizens Absentee Voting Act of 1986* (42 USC 1973 ff) by delegation of authority from the Secretary of Defense. The Secretary is the presidential designee under Executive Order 12642 of June 8, 1988. The primary purpose of this *Act* is to facilitate absentee voting by Uniformed Services members, their eligible family members and all U.S. citizens residing outside the U.S. As mandated, the FVAP (1) consults with state and local election officials in carrying out the *Act*; (2) prescribes an official postcard form for absentee voter registration and ballot application for use by the states; (3) prescribes a Federal Write in Absentee Ballot for use in general elections for federal offices by overseas voters who make timely application for, but do not receive state absentee ballots; (4) prescribes a suggested design for absentee ballot mailing envelopes for use by the states; (5) compiles and distributes descriptive material on state absentee registration and voting procedures, and as practicable, facts relating to specific elections, including dates, offices involved, and the text of ballot questions; and (6) not later than the end of the year following a Presidential election year, provides a report to the President and the Congress on the effectiveness of assistance under the *Act*, including a statistical analysis of voter participation and a description of state-federal cooperation.

The states administer elections. Local election officials process absentee registration and voting materials according to federal and state statutes as well as state administrative rules and procedures.

B. Discussion The FVAP publicizes the right of all U.S. citizens to register and vote to a worldwide audience on a continuous basis and disseminates absentee voting materials worldwide. The Secretary of Defense sends a biennial Voting Action Plan to the Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff and Directors of Defense Agencies. The 2000-01 Plan outlines how to develop and maintain voting assistance programs in the military services. The Plan places special emphasis on command support of the FVAP and ensuring the delivery of Federal Post Card Application forms to military members for voter registration and absentee ballot requests. The Military Departments also develop implementing plans for their commands. Voting Assistance Officers who are designated at every level of command have voting materials available to them through their normal distribution channels. Each Service has a Service Voting Action Officer to assist with distribution problems and identify the chain-of-command Voting Assistance Officers at each installation.

The FVAP has many resources available to assist members of the military with the absentee voting process. All publications and instructional materials are available on the FVAP website. The FVAP has direct toll-free numbers in 55 countries and access through the Defense Switched Network. Voting Assistance Officers, citizens and local election officials are encouraged to contact the FVAP for assistance with the absentee

voting process. From January to September 2000, the FVAP conducted 62 on-site training workshops and orientations for military and civilian Voting Assistance Officers worldwide. These workshops are designed to instruct Voting Assistance Officers about their responsibilities and the resources available to them in assisting military members and their voting age dependents and overseas citizens with the absentee voting process.

The FVAP also publishes (biennially) a comprehensive Voting Assistance Guide that provides state-by-state procedures and deadlines for submitting voting materials, a monthly newsletter, and voting news releases containing information and procedures on elections and other timely information pertinent to assisting citizens in voting absentee. The FVAP makes available the *How To Do It! Vote Absentee* pamphlet (which answers the most frequently asked questions about absentee voting), and the *Communicating with Your Elected Officials* pamphlet, which is a directory of the current U.S. Congress and state governors. The Department of Defense Voting Information Center is an automated telephone system that contains election information. Approximately thirty days before an election, the FVAP invites all candidates for the offices of U.S. President, U.S. Senator, U.S. Representative and state governor to leave campaign messages for military members.

The FVAP works with the states to ease absentee voting requirements that may place undue burdens on our military. The FVAP's pursuit of state legislative initiatives has led many states to adopt legislative remedies that have brought simplicity, uniformity and clarity to the absentee voting process. For example, forty-two states and territories provide forty or more days ballot transit time to allow military members adequate time to receive, vote and return their ballot in time to meet state deadlines for counting. Forty-eight states have eliminated the notary requirement on the Federal Post Card Application and Federal Write-In Absentee Ballot. Six states have expanded the Federal Write-In Absentee Ballot to include elections other than the general election and offices other than federal offices, and its use in the United States versus overseas only.

The *Act* requires that all ballotting materials be carried expeditiously and free of postage. Certain States that allow late counting of absentee ballots require postmarking on or before Election Day. The FVAP publicized the States' voting procedures in the 2000-01 Voting Assistance Guide and in several editions of the Voting Information News newsletter. DoD Postal Manual, 4525.6-M regulations require that all mail processed through the Military Postal Service (MPS) be postmarked. The Postal Manual also requires that ballots and other voting materials be handled in an expeditious manner. In addition, FVAP works with the U.S. Postal Service in identifying issues and developing solutions to improve the timely delivery of absentee voting materials.

The FVAP conducts a Get Out the Vote campaign in cooperation with The Advertising Council and Bates USA to encourage voter registration and turnout. The Armed Forces Information Service, commercial broadcast and cable TV, radio, print media, outdoor advertising and the worldwide web disseminate these multimedia materials. The Election 2000 campaign featured a toll free number for citizens to contact their state election offices and a website that provided a portal to state election offices

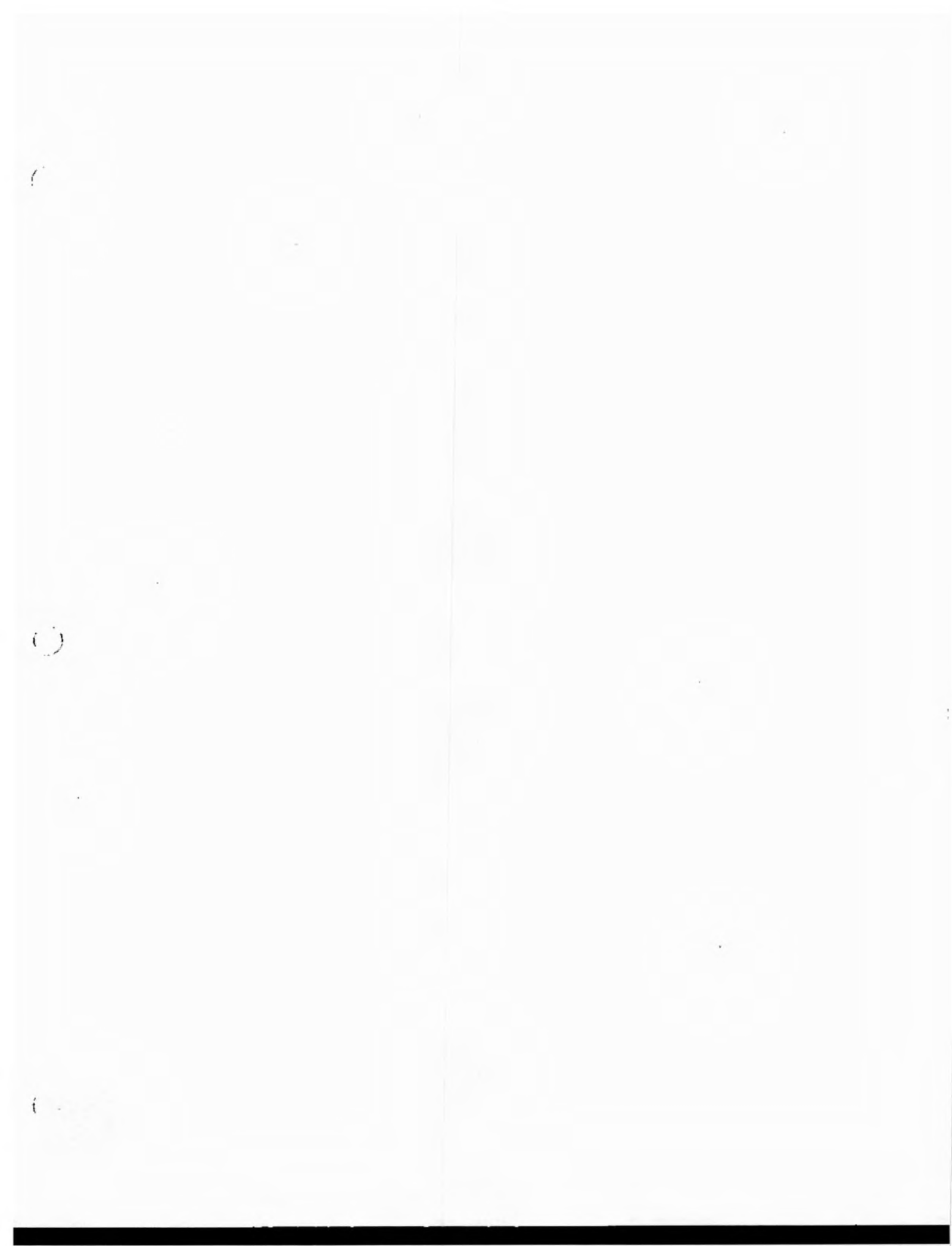
and non-partisan websites. The web site was hosted by the National Association of Secretaries of State; and the FVAP obtained the cooperation of state election officials in all states to promote the use of these materials. Additionally, during election years for federal offices, the Armed Forces Radio and Television Service frequently broadcasts spot announcements to military personnel and their eligible family members to register and vote, either by absentee or in person.

After each presidential election, the Federal Voting Assistance Program conducts a survey to evaluate how effective their efforts have been. Survey instruments were distributed during the week of the November 7, 2000 election to obtain feedback on the Program. The survey was sent to a sample group of military personnel, overseas citizens, federal civilians overseas, local election officials, and military unit voting assistance officers in preparation for The Sixteenth Report to the President and Congress on the 2000 Presidential election. The Fifteenth Report was transmitted in December 1997. Voting participation by the Uniformed Services in the 1996 General Election was 64%. The results of this survey, as well as the continuing feedback received in daily contacts with citizens and election officials, and through national and international conferences and meetings are used to improve FVAP's services.

The FVAP continues to promote new approaches to enfranchise Uniformed Service members overseas. In 1990 FVAP initiated an electronic transmission service using facsimile as an emergency measure to assist military personnel engaged in Operations Desert Shield and Desert Storm. Thousands of military personnel would have been disenfranchised without the implementation of this alternative method for delivering voting materials. Now forty-six states allow some aspects of electronic transmission of absentee voting materials from Uniformed Services members and overseas citizens to the local election officials. FVAP also conducted a small-scale pilot project during the November 2000 election to examine the feasibility of registering and voting over the Internet as an alternative to the mail-in process. The FVAP achieved their objective by proving the concept, and it maintained the integrity of the process by using security safeguards and encryption.

C. Recommendation: Make appropriate adjustments and improvements to the Program based on the results of the 2000 post-election investigations by the DoD IG and GAO, 2000 post-election survey findings, and recommendations from special committees and organizations.

D. Organizational Contact for Additional Information: (b)(6) Director, Federal Voting Assistance Program, (b)(6), fax (b)(6) (b)(6)



TOPIC: Maintenance of Physical Security for the Pentagon

A. Background: The security of the Pentagon is the responsibility of the Chief, Defense Protective Service (DPS), operating under the oversight of the Director, Washington Headquarters Services. Day-to-day operations to secure the building are conducted by the DPS, composed of two hundred and eighty uniformed officers and security guards, which ensures order and security on the Pentagon Reservation.

As a symbol of the United States' defense program, the Pentagon is a target for groups or individuals that protest defense policy. The DPS has implemented various approaches to counter unwanted intrusion and/or terrorist incidents. Electronic security systems are in operation at many Pentagon locations and response plans for Weapons of Mass Destruction (WMD) events are in place. Physical barriers are erected in areas of elevated vulnerability. Additional police officers have been employed and trained in the past year. A small, but highly trained, cadre of special operations police officers has been fielded. Bomb search dogs are deployed inside the building and along its perimeter that are highly visible to those who might otherwise consider the Pentagon a soft target. A newly opened Remote Delivery Facility provides a secure, blast-resistant environment for the screening of all mail and goods shipped to the Pentagon.

In light of the security problems exposed at the Departments of State and Energy in the past year, DPS has implemented a Back-to-Basics-Security-Awareness program. It has resulted in a comprehensive and continuous technical screening of the building to counter advanced technology threats.

Additionally, since the Pentagon is considered a command center for the Nation's defense, the 15 year renovation project now under way has given the Department new opportunities to address security concerns from the design through construction phases. Once regarded as an office building, upon completion, the new Pentagon will be a state-of-art facility, designed to safely house the most senior officials in the Department, their staffs, and the communications systems critical to our nation's defense.

In August 2000, the Deputy Secretary of Defense established the Pentagon Security Advisory Group to assure a coordinated security effort. The Chief, DPS and the Military Assistant to the Deputy Secretary of Defense co-chair the group. Membership includes senior security representatives of the Military Departments, Joint Staff, the Assistant Secretary of Defense for Command, Control, Communications and Intelligence, the National Security Agency, and the Defense Intelligence Agency.

A current action is to reduce the number of people authorized to enter the Pentagon. As a result, the number of officials authorized to approve Pentagon building pass applications has decreased from over 500 to just 50 in the past several years. All employees working in the Pentagon are required to have current, and visible building passes at all times. Visitors may enter as escorted guests, or as members of tourists groups.

B. Discussion: Limiting access has raised concern that particular groups are being targeted as possible risks and the political ramifications of restricting access have become apparent. A review of options for Pentagon Building access policy in January 2000, generated widespread support for continuing to allow broad latitude in access to the Pentagon. We can anticipate that veterans groups such as The Retired Officers Association will vigorously oppose any measure that would restrict retired military officers from entering the building using their retired military identification cards. Retired military members may now enter the building with appropriate identification if they have official business in the building, to include visiting the Tricare Medical Clinic.

In a separate but related issue, the recruitment and retention of police officers has affected the Department's ability to keep the protective force fully staffed. Security clearances and specialized training required of each officer take time to complete and are considerably expensive. Efforts are being made to hire in advance of need in order to minimize turnover vacancies. Additionally, lack of pay equity among federal protective forces has been identified as a leading reason for police officers leaving the Pentagon Police force. The Department has proposed legislation that would make the pay scale for the Pentagon Police Force more competitive with other federal state and local police forces in the region.

The Pentagon can be as secure a facility as we are willing to make it. Anti-terrorism and force protection funds are available and have been used. The most difficult challenge is to strike a balance between interrupting the ease and flow of entry into and exit from the building and enforcing stringent security measures without affecting the Department's mission.

C. Recommendation: Conduct a complete briefing on the program status for the incoming SecDef/DepSecDef as soon as practicable.

D. Organizational Contact for Additional Information: (b)(6) Chief, DPS; Washington Headquarters, Real Estate and Facilities Directorate; Telephone (b)(6); fax (b)(6)
(b)(6) e-mail: (b)(6)

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TOPIC: Renovation of the Pentagon Building

A. Background: The Pentagon is in the midst of its first major renovation since its opening in 1943. All of the Pentagon's major systems; electrical, plumbing, and heating and air conditioning are in an advanced state of deterioration and the possibility of a catastrophic failure leaving part or all of the building uninhabitable is very real. The extent of deterioration and the extraordinary level of contamination (asbestos, lead paint, mercury, PCB's, and petrochemical) precludes anything less than a total, slab-to-slab, renovation. Originally a GSA owned building; Congress transferred the Pentagon to the Secretary of Defense in 1991 in order to address this serious situation and to undertake renovation of this massive complex. In addition to the renovation, the rapidly changing security situation over the past decade has also required a number of urgent security related projects to protect the Pentagon and address serious vulnerabilities.

B. Discussion: A number of preparatory renovation projects (construction of a new heating and refrigeration plant, development of a central utility infrastructure, and renovation of portions of the basement) are complete. A number of ancillary security projects including the Remote Delivery Facility are nearly complete. As well, the antiquated patchwork of communications infrastructure currently in place is being completely replaced with a more efficient, integrated and flexible system concurrent with the construction effort. Renovation of the five above-ground "wedges" in a serial sequence (necessary to allow for renovation while maintaining full functionality for the 25,000 person Pentagon workforce) is currently under way. Wedge One is approaching completion and will be reoccupied in stages beginning February 2001. A single contract for renovation of the remaining four wedges will be awarded in summer 2001.

The Renovation program is a showcase of acquisition reform, necessary in order to keep costs down and expedite schedule. The program operates under a longtime Congressionally imposed cap of \$1.22 billion for design construction and installation of equipment for renovation. This cap is extraordinarily debilitating because it was established by Congress based on a 1994 program estimate which did not include any costs for inflation over the program's life and was later reduced by \$100 million as an unspecified "management challenge." Beyond renovation, total costs for the program combined with all other related ongoing Pentagon initiatives, will approach \$3 billion and cover a 20 year period (1994-2014), including extensive security projects, saving space moves for displaced personnel, and the information management and technology modernization program.

C. Recommendations: (1) That a complete briefing on program status be given to incoming SecDef/DepSecDef as soon as practicable. (2) The Department seek to secure Congressional Appropriations committee agreement to restore the Renovation program construction ceiling to at least the original 1994 levels, and in addition, to index for inflation any program construction ceiling in order to effectively complete the vital renovation of the Pentagon.

D. Organizational Contact: (b)(6) Pentagon Renovation Program Manager.
Telephone (b)(6) Fax (b)(6) email - (b)(6)

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TOPIC: Biennial Justification of Executive Resources

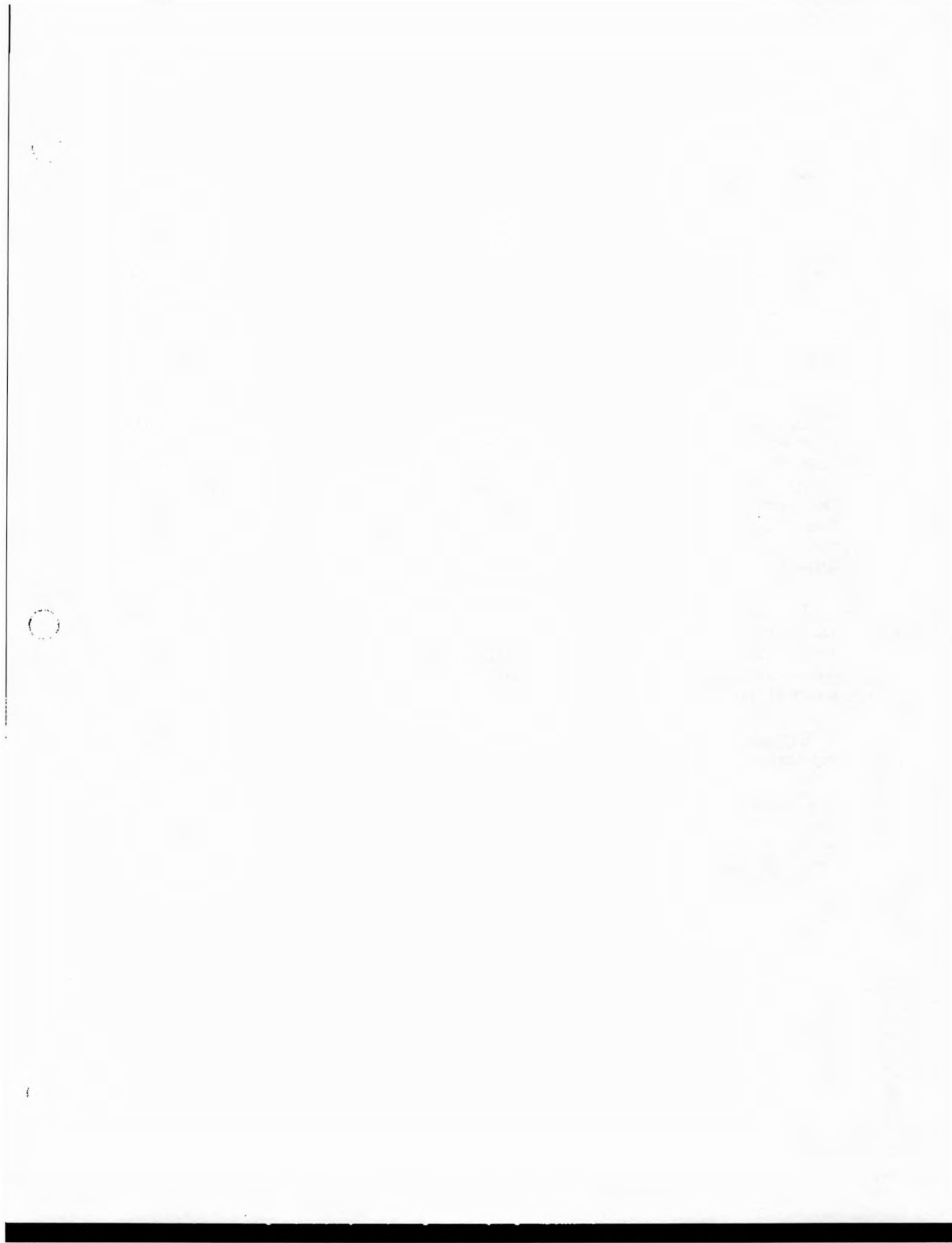
A. Background: Section 5133 of title 5 US Code requires that during even-numbered calendar years each agency examine its Senior Executive (SES) position needs for the two succeeding fiscal years. The Office of Personnel Management, through the Deputy Assistant Secretary of Defense (Civilian Personnel Policy) (DASD(CPP)), has issued the biennial call for FY 2002/2003. As a first phase of this review, the DASD(CPP) has requested that DoD Components conduct an examination of their SES, Senior Level, and Scientific and Professional position needs for FY 2002/2003 and identify any new requirements that will require the allocation of additional executive resources.

B. Discussion: WHS manages SES resources for the OSD, Joint Staff, Defense Agencies, DoD Field Activities, and other DoD Components outside of the Military Departments (commonly referred to as the "Fourth Estate"). A review of the Fourth Estate's requirements is currently being conducted by the WHS staff. The requested information is due to the DASD(CPP) on December 27, 2000. However, this requirement comes at an uncertain time since we are beginning the transition of a new Administration. Accordingly, it may be difficult for the Fourth Estate Components to project and/or fully anticipate new and additional executive requirements without knowing where the new Administration will place emphasis in the Defense environment.

The executive resource biennial review is a statutory requirement and must be implemented according to law. Thus, OPM cannot postpone the process and must issue the call during this even-numbered calendar year. The second phase of this review will be conducted at a time to be determined by the Office of Personnel Management (OPM), and will require a more detailed review of current and projected executive requirements.

C. Recommendation: Engage the new Defense leadership in the detailed review of executive requirements to be conducted during the second phase.

D. Organizational Contact for Additional Information: (b)(6) Personnel Management Specialist, WHS Executive and Political Personnel Division, Directorate for Personnel and Security, Office Phone: (b)(6) Office Fax: (b)(6) e-mail: (b)(6)



TOPIC: OSD and Defense Agencies Periodic Security Reinvestigation Backlog

A. Background: The Washington Headquarters Services (WHS) Consolidated Adjudications Facility (CAF), a division of the Personnel & Security Directorate, adjudicates security clearance and sensitive position eligibility for the OSD, WHS, the non-intelligence defense agencies, and select Congressional staff members. This represents support to approximately 50,000 sensitive positions out of a total customer population of about 135,000.

On 9 July 1999, the Deputy Secretary of Defense issued a memorandum declaring that approximately 50,000 of the 2.4 million DoD security clearances were based on overdue investigations. The memorandum directed that the requests for these overdue periodic investigations be submitted immediately. This action followed a GAO audit and unfavorable media coverage on the backlog issue.

The defense agency portion of the backlog for adjudication by WHS was estimated at 12,000+ investigations to be completed during the remainder of FY99 and throughout FY00. (In June 2000, this timeframe was extended through FY02.)

B. Discussion: The WHS Security Policy Office, working closely with supported defense agency security offices, developed a plan to submit the investigative requests by the end of FY00. The result was an approximate three-fold increase in workload for the WHS CAF during 2000. The Directorate for Personnel & Security contracted two administrative support personnel and reallocated five full-time equivalent personnel resources to augment the CAF staff. Three are pending selection for employment.

Internally, the CAF has streamlined processes and increased its capacity to produce timely adjudications (one week or less) of cases having favorable outcomes. However, the numbers of incoming adverse cases are continuing to rise. These cases are more complex and require a greater expenditure of resources to process. Thus, the number of in-progress pending cases has risen from an average of 370 in December 1999 to an average of 1,100 in December 2000. This number is expected to decline over the coming year as the new FTE's are assimilated into the CAF workforce and as the reinvestigation backlog begins to dissipate.

C. Recommendation: The Director, WHS should continue to monitor and assess the CAF's productivity and adjust program resources as may be required.

D. Organizational Contact for Additional Information: (b)(6) Chief, WHS CAF,
Directorate for Personnel & Security, Office Phone: (b)(6) Office FAX: (b)(6)
(b)(6) E-mail address: (b)(6)

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TOPIC: Measures to Ensure that the New Administration's National Security Policy is
Accurately Presented to Congress and the Public

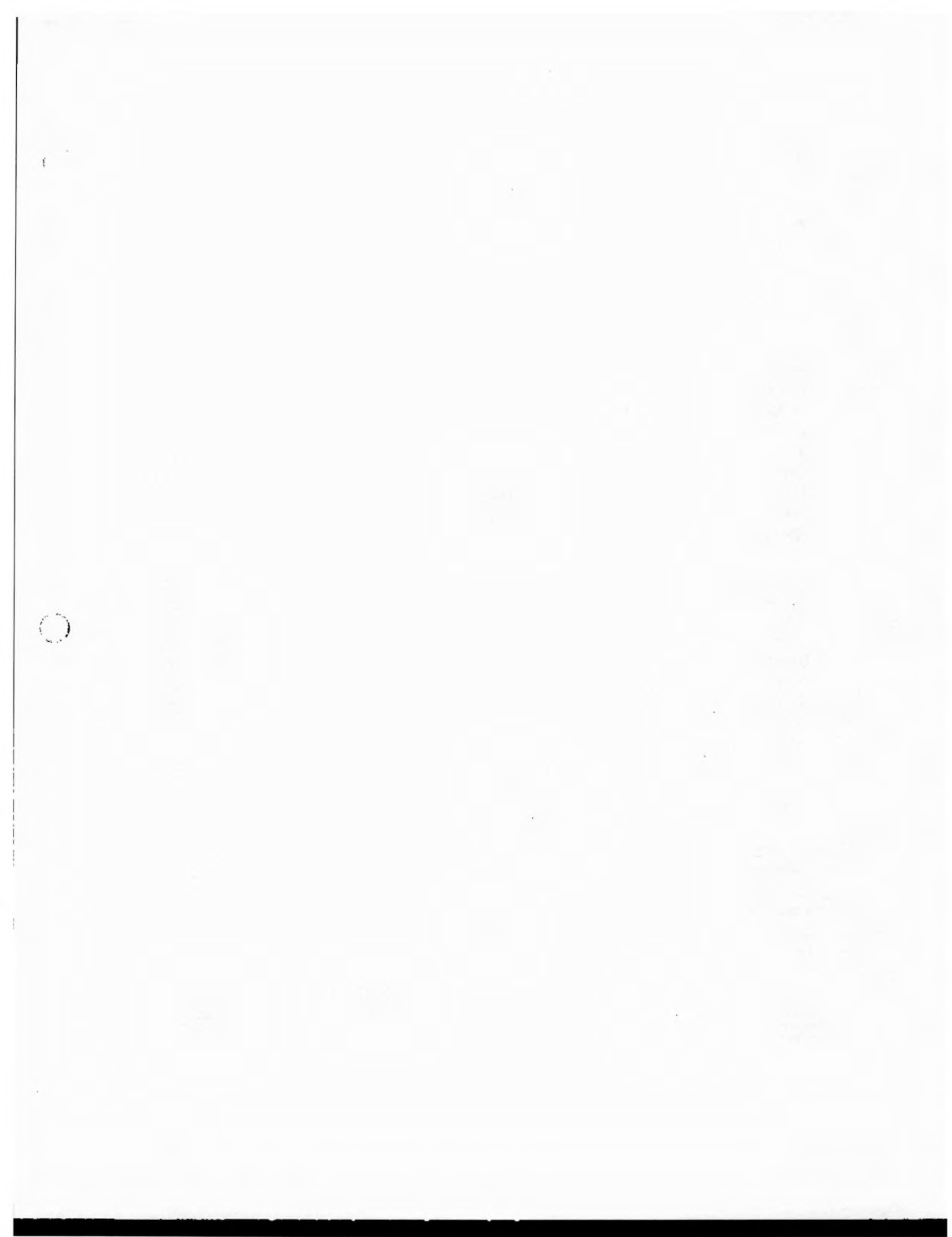
A. Background: The review and clearance of public statements before their delivery dates back to President Truman and has received support in subsequent Administrations. The review process is not intended to prevent disclosure of information to the public, but to ensure the information disclosed to the public conforms to national security and military policy and contains no classified information.

B. Discussion: With the change of Administration, there will be shifts in national security and military policies. These changes will be made public by Defense officials in open testimony in Congressional hearings beginning in February 2001 as well as other public forums. It is important that the testimony and speeches by civilian and military Defense officials accurately reflect the President and Secretary of Defense's policies. The requirement to submit speeches and Congressional testimony for review is in DOD Directive 5230.2, "Clearance of DoD Information for Public Release," (OPR: WHS) and DoD Directive 5400.4, "Provision of Information to Congress," (OPR: ASD (LA)). In both instances, the Directorate for Freedom of Information and Security Review (DFOISR), which is under my direction, performs the review function.

The security and policy review procedure has served the Department of Defense well for several decades and continues to identify security and policy deviations in speeches and testimony submitted for review. Policy is developed and executed by the SecDef and the senior Defense officials. The ability to correctly interpret DoD policy by DFOISR is based on the review of testimony and speeches submitted for review by the senior OSD officials. Recently, testimony and public speeches have not been submitted for review by the Office of the Secretary or Deputy Secretary's staffs. Review of these officials' public statements provides the approved Administration policy positions. At times, the reviewer may identify potential security problems or confirm apparent shifts in policy and discuss the issues with the speechwriters. Through this process the DFOISR reviewers become informed and are able to confidently review and correctly clear testimony and speeches submitted by other OSD and military service officials.

C. Recommendation: The Secretary of Defense forward a memorandum to the DoD Components to stress the importance of speaking with "one voice" in presenting and justifying defense programs to Congress and the public, and require that official statements be reviewed and coordinated in accordance with established procedures. A proposed draft will be forwarded shortly after the appointment of the senior Defense leadership team.

D. Organizational Contact for Additional Information: (b)(6), Director,
Freedom of Information and Security Review. Office No. (b)(6) FAX: (b)(6)
(b)(6) e-mail: (b)(6)



TOPIC: Relationship Between the Office of the Secretary of Defense (OSD) and Washington Headquarters Services (WHS)

A. Background: Over the years there has been confusion both within and outside the Department as to the role played by WHS with respect to OSD. Many, including members of Congress and their staffs, view WHS as little more than an extension of the OSD staff. When WHS was formed in 1977 out of administrative support functions located in the OSI that serviced the OSD staff, along with a number of other DoD clients, it was established as a DoD Field Activity under DoD Directive 5110.4. (A DoD Field Activity is defined in 10 U.S.C. 191b as an entity that performs a supply or service that is common to more than one military department.) As such, it is a separate component of the DoD and not a part of OSD. The Director of Administration and Management, OSI, also serves as the Director, WHS.

Over time WHS provided a logical, convenient and efficient organizational repository for other common support functions beyond those originally assigned in 1977. As these migrated to WHS through the years, the focus of the organization continued to shift even more sharply from OSD support to an increasingly broader mission. As a result of these and other changes, WHS is now a support organization that performs DoD-wide functions in support of the entire Department and provides consolidated administrative and operational support to several Defense Agencies, DoD Field Activities, elements of the Military Departments, the White House, and to some degree, the Congress. In the case of the Federal Voting Assistance Program, its mission is worldwide, extending to all voting-eligible US citizens residing overseas. Moreover, insofar as the Defense Privacy Program and the Defense Freedom of Information Act Program are concerned, their missions are also worldwide, extending to all DoD Components wherever located. Seventy nine percent of personnel supported by WHS are in DoD Components other than OSD. Additionally, only 24% of the total WHS staff provide support to OSD.

B. Discussion: The consequences of the confusion on the part of those outside the Department (e.g., Congress and the General Accounting Office) regarding WHS has led Congress to impose joint reductions and controls on WHS and OSD personnel ceilings. Most recently, the FY 01 Defense Authorization Act placed a combined ceiling of 3,767 personnel on WHS and OSD. This ceiling severely constrains the ability of the Director, WHS to effect needed management and security improvements; such as: consolidation of Continental U.S. leased property management, consolidation of personnel servicing for 16,000 employees in the Defense Commissary Agency and the DoD Inspector General Office, strengthening Defense Protective Service capability to respond to heightened threat levels, and clearing the accumulated backlog of personnel security clearance adjudication cases.

C. Recommendation: Continue to educate decision makers within and outside the Department (and particularly those in the Congress) on the distinctions between WHS and OSD.

D. Organizational Contact for Additional Information: (b)(6)
Organizational and Management Planning Directorate, Office No. (b)(6) Fax:
(b)(6) e-mail: (b)(6)