



CONGRESSIONAL
Budget
Justification
FY 2015

SELECTIVE SERVICE SYSTEM

FY 2015 Congressional Budget Justification

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EXECUTIVE SUMMARY

The Selective Service System's (SSS's) FY 2015 budget is identical to the FY 2014 request.

Under Federal statute {50 U.S.C. App. 451 et seq.}, SSS is the independent agency of the Federal Government responsible for preserving America's ability to conduct a fair and equitable draft for the military in an emergency. The SSS statutory missions are to be prepared to provide trained and untrained personnel to the Department of Defense (DoD) and to manage a program of civilian community service for men designated as conscientious objectors by SSS. This includes being prepared to classify registrants during a mobilization.

While registration is the only mission component publicly visible today, preparedness is crucial to foster timeliness, fairness, and equity if expanded. Minimum preparedness requires maintaining a classification structure capable of immediate operation during a national emergency, including adequate personnel to re-institute the full operation of the System.

The Agency possesses a nationally significant registrant database of America's young men ages 18 through 25. In addition, the SSS manages an 11,000 member pool of civilian volunteers (Board Members), has developed an Alternative Service Program for men who would be classified as conscientious objectors, and has experience in conducting a fair and equitable classification procedure to determine who should serve when not all can serve.

SSS has two overriding strategic goals that support the achievement of its missions: to improve registration compliance rates and customer service to the public. Together the goals ensure that SSS has the capability to provide manpower to the DoD when directed.

Goal 1 - Ensure the capacity to provide timely manpower to DoD during a national emergency (\$15,211K).

- Maintain a minimum registration compliance rate of 90 percent.
- Maintain the ability to call, classify, and deliver personnel.
- Be prepared to administer a fair and equitable program of civilian alternative service in lieu of military service for registrants classified as conscientious objectors.

Goal 2 - Ensure management excellence to promote economy, efficiency, and effectiveness in the management of SSS programs and supporting operations (\$7,689K).

- Provide world-class customer service.
- Ensure efficient and effective human resource and procurement management.
- Promote efficient and effective financial management.
- Foster efficient and effective information technology management.
- Ensure efficient and effective management of public communications and registration awareness of Agency programs.

PROGRAM HIGHLIGHTS

The FY 2015 Performance Budget of \$22,900,000 reflects a level of funding that is unchanged from FY 2014.

(\$ in 000s)			
	FY 2013 Actual	FY 2014 Estimate	FY 2015 Estimate
Goal 1	\$15,126,038	\$15,310,863	\$15,210,863
Goal 2	\$6,927,776	\$7,589,137	\$7,689,137
Total Budget Authority	\$22,053,814	\$22,900,000	\$22,900,000

Impact of Sequestration on Full-Time Equivalents (FTE)

The Selective Service System completed FY 2013 with 121 full-time equivalents (FTE) – 3 FTE below the plan of 124. The shortfall was the result of difficult but necessary steps the Agency undertook to mitigate the impact of sequestration. In addition to year-of-execution budget tightening, SSS delayed backfilling the vacancies that resulted from natural attrition (e.g., retirements). The Agency also delayed recruitment until absolutely certain that its mitigation plans would offset sequestration without the need for furloughs.

The FY 2014 and FY 2015 SSS Performance Budgets identified requirements in areas such as Human Capital Management, Financial Management, and others that necessitate the Agency fully achieve its 124 FTE target. Beginning in late FY 2013, SSS restarted an aggressive and ongoing recruitment campaign not only to restore critical personnel losses, but to position itself to meet the challenges projected for FY 2015 and beyond.

STRATEGIC GOALS AND OBJECTIVES

GOAL 1: Ensure the capacity to provide timely manpower to DoD during a national emergency. (FY 2015: \$15,211K)

To fulfill its readiness mission in accordance with DoD’s long-standing reduced readiness requirement for Agency activation, SSS will remain prepared to provide manpower as close as possible to 193 days after activation (M+193). This requires that SSS perform adequate planning to ensure that any future delivery of manpower would be timely, fair, and operate successfully overall, together with its component functions. If activated by Congress and the President, SSS will hold a national draft lottery; contact those registrants who have been selected via the lottery; arrange their transportation to a Military Entrance Processing Station for mental, moral, and medical testing; and activate a classification structure consisting of area offices, local boards, and appeal boards. This procedure would be followed for delivery of both trained and untrained personnel.

Once notified of the results of their evaluation at the Military Entrance Processing Station, any registrant who has been found qualified for military service may choose to file a claim for exemption, postponement, or deferment at one of the area offices located throughout the nation. If a claimant is reclassified by a local board as a conscientious objector who objects to all forms of military service, he is required to serve in a non-military capacity aiding the health, welfare, and safety of the U.S. for 24 months. SSS will place these Alternative Service Workers with non-military employers and track the progress of their required service. The claims process also allows for appeals.

OBJECTIVE 1.1: Maintain a minimum registration compliance rate of 90 percent.

Registration

By law, SSS is to furnish manpower to DoD in the event of a national emergency. The registration of young men is a critical element of this perennial mission, and, consequently, the maintenance of an up-to-date database of contact information for men ages 18 through 25 is a necessary component of the Agency's peacetime mission. The registration program consists of the identification, contact, and in-processing of young men, together with maintenance of an automated database of registrants, supported by a public registration awareness effort.

Registration Compliance

The higher the national registration compliance rate, the more fair and equitable any future draft would be for each registered individual. The Agency performs registration awareness activities, together with automated compliance endeavors, to: (1) identify non-registrants and remind them of their obligation to register; and (2) inform young men that they need to

register to remain eligible for federal and state student financial aid, job training, government employment, and U.S. citizenship.

To help ensure that any future selection is fair and equitable, and that young men ages 18 through 25 do not lose federal and state benefits associated with the registration requirement, many states and U.S. territories have implemented and continue to implement laws that require or allow men to register with SSS when they apply for a state driver's license or identification card.

The Registration, Compliance, and Verification information systems support the Agency's requirement to register men when they turn 18. These mission critical systems process registrations (most electronic, some paper), maintain a compliance program to identify nonregistrants, create and distribute various types of associated registration/compliance mailings, produce statistical registration/compliance reports, verify registrations for outside entities, and continually maintain the accuracy of the registration data.

Implementation

SSS will continue to work with federal and state agencies to facilitate registration through electronic data exchange, assist in fostering state legislation in support of the registration requirement, and increase its web presence. This may enable the Agency to reduce printed forms and mailings, tailor registration awareness programs, and continue other limited public outreach opportunities, including public speaking engagements and registrar programs - primarily in high schools and at Workforce Investment Act job training locations.

Means

- Support states in their efforts to pass legislation requiring young men to register with the SSS as a condition for obtaining

a motor vehicle driver's permit/license and/or state identification card. SSS is aggressively pursuing automatic driver's license legislation in the state of California, which if successfully passed will yield registrations for 12 percent of the nation's 18-year-old males.

- Maintain current and negotiate new initiatives with other state and federal agencies to facilitate registration, including tape matching, electronic data exchange, and encouraging secured access to information.
- Maintain cost-effective registrar programs in high schools and with agencies involved with the Workforce Investment Act, National Farmworker Jobs Program, and other programs that reach potentially hard-to-find registrants.
- Maintain the Agency's registration awareness programs, to include production and distribution of information via print, radio, social media, internet, and public presentations.

Measures

- Maintain a registration compliance rate of 90 percent or greater for men ages 18 through 25.
- Maintain at least 87 percent of all registrations electronically.

OBJECTIVE 1.2: Maintain ability to call, classify, and deliver personnel.

Personnel Delivery Program

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

Registrant Reclassification Program

The Registrant Reclassification Program addresses the needs of those who are administratively, physically, and mentally fit for induction, but who qualify for a deferment, postponement, or exemption. Activities for registrant reclassification include the identification, interview, appointment, and training of Board Members who will decide claims. Included also are the development and maintenance of plans for expansion of the field structure across the U.S. This program preserves the nation's capability to conduct a fair and equitable draft in an emergency.

Implementation

SSS maintains registrant induction, classification, and appeal plans as well as a minimum cadre of personnel trained to expand the Agency upon the authorization of the Congress and the President. The Agency ensures the currency of Memoranda of Understanding with other federal and state agencies, as well as relevant public/private entities, for peacetime and expansion requirements. Agency planning necessitates ongoing interface with DoD and U.S. Military Entrance Processing Command (USMEPCOM) to guarantee a responsive capability to satisfy DoD manpower requirements.

Means

- Ensure registrant induction and classification plans, policies, and procedures, including concomitant documentation, are adaptable to approved scenarios.
- Provide preparedness training to full-time staff, State Directors, military Reserve Force Officers (RFOs), and Board Members.
- Periodically assess key components of Agency activation capability.

Measures

- Maintain call and deliver plans; ensure adequacy and integration of other preparedness plans and standard operating procedures.
- Maintain Board Member strength at 90 percent or higher.
- Implement corrective action resulting from periodic assessments for peacetime and activation capability, overall efficiency, and effectiveness.
- Maintain 95 percent or higher passing rate for RFOs and State Directors on the periodic certification examination that tests their capability to perform their activation responsibilities.

OBJECTIVE 1.3: Be prepared to administer a fair and equitable program of civilian alternative service in lieu of military service for registrants classified as conscientious objectors.

SSS is required by law to provide a supervised 24-month term of civilian alternative service, in lieu of military service, for all registrants classified as conscientious objectors. In addition to other employment options, the Agency is responsible for placing Alternative Service Workers with governmental and non-profit entities in lieu of induction into military service.

To meet this requirement, SSS works continuously on plans, policies, and procedures to ensure its ability to implement a responsive and publicly acceptable Alternative Service Program. This includes being prepared to establish and populate an Alternative Service Employer Network with eligible employers capable of employing Alternative Service Workers. Potential employers are identified and provisional employment agreements are sought to increase the number of employer partners that may be called upon in any return to conscription.

Implementation

SSS periodically assesses and enhances the policies and procedures of the Alternative Service Program, the mechanism used to employ and monitor conscientious objectors during their 24-month term of alternative service. This is accomplished through consultation with the conscientious objector community, program evaluations, management reviews, and outside audits, along with federal, state, and non-profit stakeholder inputs.

SSS has developed and maintains policies, procedures, and model Memoranda of Understanding to support and engage (in peacetime) appropriate potential employers to which Alternative Service Workers can be assigned during a national emergency. A key benefit of these efforts is a database of employment opportunities for conscientious objectors.

Means

- Employ feasible technology wherever practical and introduce cost savings and streamlined procedures into the Agency's revised preparedness endeavors.
- Establish, maintain, and expand Memoranda of Understanding with federal and state agencies and non-government organizations.

Measures

- Possess capacity to activate Alternative Service Offices to ensure timely assignment of Alternative Service Workers.
- Be prepared to ensure timely, consistent handling of job reassignment claims.
- Increase membership in the Alternative Service Employer Network.

GOAL 2: Ensure management excellence by promoting economy, efficiency, and effectiveness in the management of SSS programs and supporting operations. (FY2015: \$7,689K)

SSS is placing increased emphasis on ensuring that it provides world-class customer service to its customers. An integral part of this endeavor is implementation of a more active and responsive Equal Employment Opportunity program, to include periodic training for managers, supervisors, and employees. Action is ongoing to more closely align and integrate human capital, financial, operational, information technology, and logistics management processes.

OBJECTIVE 2.1: World-class customer service.

Improving customer service has been identified as one of two Agency high priority performance goals. SSS provides information pertaining to various legislative matters, policy, procedures, and information contained in specific records. Such information is provided to both individuals and to public and private institutions. Processing and responding to inquiries addressing SSS matters are important and warrant the highest level of customer service. In addition to maintaining an accurate database, which would serve as the foundation for induction and appeals in the event of a national emergency, accurate and timely processing of public transactions provides assistance to many men applying for benefits associated with the registration requirement. These benefits include, but are not limited to, student financial aid, government employment, job training, and U.S. citizenship for immigrants.

OBJECTIVE 2.2: Provide efficient and effective human resource and procurement management.

SSS has increased its focus on improving the policies, procedures, oversight, and customer service necessary to enhance operations, and to better manage its most valuable resource – its people. The Agency has set goals to develop and implement its Human Capital Management Plan and to evolve its hiring practices. For example, SSS has already begun to expand the pool of qualified veteran applicants available to the Agency through its participation in the *VA for Vets* program led by the U.S. Department of Veterans Affairs. Furthermore, the Agency expects to realize gains through its participation in the Pathways Programs sponsored by the U.S. Office of Personnel Management. This will enable SSS to participate in programs geared toward students and recent graduates. Although the Human Capital Management Plan is a work in progress, the Agency has clearly taken steps in the right direction as evidenced by the positive results from 2013's Federal Employee Viewpoint Survey and the Partnership for Public Service's *Best Places to Work in the Federal Government* rankings, in which SSS rose to number 14 of 29 small agencies – up seven places from last year – and was the fourth most improved small agency in the federal government.

OBJECTIVE 2.3: Efficient and effective financial management.

SSS is focused on continuous improvement and achieving success in every aspect of its financial operations. A continuation of unmodified (or “clean”) audit opinions, free of material weaknesses, under the auspices of the Accountability of Tax Dollars Act of 2002 remains paramount and continues to be achieved annually. The Agency continues to advance the integration of budget,

procurement, human capital, and travel through refinement of the Oracle software suite. Additionally, SSS continues to enforce its internal control mechanisms; provide tailored training to employees involved in the budgeting, accounting, procurement, or travel management processes; and to ensure that it is in compliance with pertinent statutes, regulations, internal and external directives, and other applicable guidance.

OBJECTIVE 2.4: Efficient and effective secure information technology management.

SSS will continue to modernize the Agency's computer network guided by the Government Performance and Results Modernization Act of 2010, the Federal Information Security Management Act (FISMA), and other legal or regulatory documents. The Agency is committed to providing a modern, secure network fully capable of meeting mission demands and the public's expectations of an open and service-oriented government.

OBJECTIVE 2.5: Effective and efficient management of public communications and registration awareness of Agency programs.

SSS faces the ongoing paradoxical challenge of public concern: a) the more communications made, the greater the public concern about an imminent draft; and b) the less Selective Service says, the greater the amount of misinformation available. With over 6,300 young men turning 18 every day, our outreach to community leaders, other governmental and organizational entities, public and private influencers, and media will continue to play an ever expanding role. The Agency will continue to solicit free public service broadcast time, while also reaching out to community groups that interface with the out-of-the-mainstream men who are not registered.

Implementation

SSS will continue to refine its ability to ensure that budgetary expenditures align with the goals and objectives contained in the Agency's planning and reporting documents. SSS will use external audits, self-assessments of financial and IT operations, and annual examinations to assess progress toward its stated objectives – including its commitment to achieving an unmodified, independent audit opinion each year.

Means

- Provide accurate and timely financial data access to Agency decision makers.
- Align budget, human capital, and performance documents.
- Achieve an annual unqualified audit opinion on financial statements.
- Develop Agency technical infrastructure towards an environment capable of supporting all modernization initiatives.
- Respond to public, governmental, and private inquiries within acceptable turnaround times.
- Conduct media interviews, air public service announcements, and develop materials to publicize the registration requirement.
- Continue focus group testing of publicity materials and themes with registrants to validate registration awareness material.
- Develop a comprehensive Human Capital Management Plan.

Measures

- Complete performance and budget integration.
- Update and implement financial management plans and manuals.
- Continue annual audit results with unmodified audit opinions.
- Ensure compliance with FISMA by eliminating shortfalls as well as ensuring

the protection of personally identifiable information.

- Distribute quality public service advertising materials to every national media market and obtain public service air-time in at least 90 percent of the major markets and 95 percent of all media markets.
- Improve response turnaround times for all types of responses: White House,

congressional, media, internal customers, and the general public.

- Begin the implementation of the SSS Human Capital Management Plan. Analyze the progress of the Human Capital Management Plan, including closing critical skills gaps, talent management, and succession planning.

APPROPRIATION LANGUAGE SHEET

FEDERAL FUNDS

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101-4118 for civilian employees; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed \$750 for official reception and representation expenses; \$22,900,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States. (*Financial Services and General Government Appropriations Act, 2012.*)

SELECTIVE SERVICE SYSTEM
TABLE 1 - PROGRAM AND FINANCING SCHEDULE
(\$000)

Identification code 90-0400-0-1-054	FY 2013 Actual	FY2014 Estimate	FY 2015 Estimate
Obligations by program activity:			
00.01 Direct program	\$22,054	\$22,900	\$22,900
01.01 Reimbursable program	370	370	370
10.00 Total Obligations	22,424	23,270	23,270
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	22,054	22,900	22,900
23.95 New obligations	(22,054)	(22,900)	(22,900)
New budget authority (gross), detail:			
Current:			
40.00 Appropriation (definite)	22,054	22,900	22,900
43.00 Appropriation (total)	22,054	22,900	22,900
Changes in obligated balances:			
72.40 Obligated balance, start of year	4,381	4,737	3,961
72.45 Adjustment to obligated balance, start of year	(939)	(975)	(975)
73.10 New obligations	22,668	23,537	23,537
73.20 Total outlays (gross)	(21,373)	(23,338)	(23,338)
74.40 Obligated balance, end of year	4,737	3,961	3,185
Outlays (gross) detail:			
86.90 Outlays from new discretionary authority	21,373	23,338	23,338
87.00 Total outlays (gross)	21,373	23,338	23,338
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from federal sources	370	370	370
Net budget authority and outlays:			
89.00 Budget authority	22,054	22,900	22,900
90.00 Outlays	21,003	21,808	21,808

SELECTIVE SERVICE SYSTEM
TABLE 2 - SALARIES AND EXPENSES
OBJECT CLASSIFICATION
(\$000)

Identification code 90-0400-0-1-054	FY 2013 Actual	FY 2014 Estimate	FY 2015 Estimate
Personnel compensation:			
11.1 Full-time permanent positions	\$9,026	\$9,366	\$9,466
11.3 Position other than permanent	510	515	515
11.5 Other personnel compensation	85	100	100
11.8 Special personal services payments	1,600	2,279	2,279
11.0 Total personnel compensation	\$11,221	\$12,260	\$12,360
12.0 Personnel benefits: civilian	2,983	3,258	3,258
13.0 Benefits for former personnel	17	17	17
Total Compensation	\$14,221	\$15,535	\$15,635
21.0 Travel & transportation of persons	151	151	151
22.0 Transportation Miscellaneous	25	37	37
23.1 Rental payments to GSA	593	1,083	1,088
23.2 Rent, non-federal	50	86	86
23.3 Communication, utilities, and miscellaneous charges	1,674	1,694	1,694
23.0 Total rent and communication	\$2,493	\$3,051	\$3,056
24.0 Printing and reproduction	257	235	173
25.0 Other services	3,682	2,871	2,828
26.0 Supplies and materials	336	131	131
31.0 Equipment	1,064	1,077	1,077
99.0 Subtotal, direct obligation	\$22,053	\$22,900	\$22,900
99.0 Reimbursable obligations (DoD Recruiting)	370	370	370
99.0 Total obligations	\$22,423	\$23,270	\$23,270

SELECTIVE SERVICE SYSTEM
TABLE 3 -SALARIES AND EXPENSES
PERSONNEL SUMMARY

	FY 2013 Actual	FY 2014 Estimate	FY 2015 Estimate
Identification code 90-0400-0-1-054			
Authorized number of full-time equivalent positions:	124	124	124
Total compensable work-years:			
Average RFOs on-board ¹	175	175	175
Full-time equivalent employment	121	124	124
Average ES salary	\$147,000	\$148,000	\$149,480
Average GS grade	GS-13	GS-13	GS-13
Average GS salary ²	\$88,000	\$90,000	\$91,000
Average RFO salary ³	\$16,581	\$16,732	\$16,715 ⁴

¹ Reserve Force Officers (RFOs) maintained at a maximum level of 175, which includes 150 funded and 25 on-loan RFOs. No active-duty officers are authorized.

² Average GS salary increased due to a projected one percent pay raise, within-grade increases, and other benefit increases. It does not represent grade creep.

³ Average RFO salary includes drill pay and allowances (P&A), annual training P&A, pension costs, pay raises, and DoD published pension factors. Excludes travel costs.

⁴ The FY 2015 decrease in average RFO salary takes into account the approved 1.0 percent military pay increase. However, this increase is offset by a decrease in the normal cost percentages (NCPs) that reflect the total DoD contribution to the DoD Military Retirement Fund. The DoD NCPs decreased from 24.5 percent to 22.5 percent from FY 2014 to FY 2015. Ref: DoD Board of Actuaries letter of July 19, 2013.

SELECTIVE SERVICE SYSTEM
TABLE 4 - REPORT ON OBLIGATIONS
FOR INFORMATION TECHNOLOGY SYSTEMS
(\$000)

	FY 2013 Actual	FY 2014 Estimate	FY 2015 Estimate
1. Capital Investment			
A. Purchase of hardware	\$406	\$411	\$411
B. Purchase of software	658	666	666
Subtotal	\$1,064	\$1,077	\$1,077
2. Personnel ¹			
A. Compensation, benefits, and travel	\$1,556	\$1,771	\$1,784
Subtotal	\$1,556	\$1,771	\$1,784
3. Commercial services			
A. Voice communications	\$97	\$98	\$98
B. Data communications	466	472	472
C. Operations and maintenance	192	194	194
D. Studies and other	1	1	1
Subtotal	\$756	\$765	\$765
5. Total Obligations	\$3,376	\$3,613	\$3,626
6. Work Years ¹	11	12	12

¹ Information Technology (IT) personnel cost and work-year amounts are lower than previous years. This is the result of a model refinement made to more accurately reflect actual Agency operations. Specifically, prior year totals incorporated work-years and personnel costs associated with the Selective Service System's Data Management Center (DMC). Through FY 2012, DMC personnel were surged to help meet programming and other IT workload demands resulting from major systems upgrade projects undertaken to modernize the Agency's IT infrastructure. With the conclusion of those projects, DMC was returned to its traditional operational role and all IT functions now reside within the National Headquarters.

SELECTIVE SERVICE SYSTEM
TABLE 5 - MAJOR INFORMATION TECHNOLOGY
ACQUISITION PLANS 2013-2015
(\$000)

Item: Purchase of Hardware			
	FY 2013	FY 2014 Est.	FY 2015 Est.
Obligations:	\$406	\$411	\$411
Description:	The funding associated with this category will include limited updates to computer equipment based on age, volume of usage, and criticality to current Agency operations. Agency priorities will be addressed to the best ability possible with limitations of current and future funding.		
Item: Purchase of Software			
	FY 2013	FY 2014 Est.	FY 2015 Est.
Obligations:	\$658	\$666	\$666
Description:	Expenditures in this category support a number of systems in-house while preparing for transition to cloud-based services. As more systems are migrated to the cloud, support in this category should decrease. The Agency is also participating in the shared service initiatives with other agencies that will ultimately further reduce costs.		
Item: Commercial Services			
	FY 2013	FY 2014 Est.	FY 2015 Est.
	\$756	\$765	\$765
Description:	For ongoing expenses related to leased telecommunications services, IT equipment maintenance, and data entry services. In addition to the cloud computing services previously outlined, SSS is pursuing shared services initiatives. By teaming with other agencies for IT-related services, SSS expects to realize cost savings as early as 2016.		

**Selective Service System
National Headquarters
Arlington, VA 22209**