

A *udit*



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PROGRAM MANAGEMENT OF THE
DEFENSE SECURITY SERVICE
CASE CONTROL MANAGEMENT SYSTEM

Report No. D-2001-019

December 15, 2000

Office of the Inspector General
Department of Defense

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Acronyms

CCMS
DSS

Case Control Management System
Defense Security Service



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

December 15, 2000

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (COMMAND,
CONTROL, COMMUNICATIONS, AND INTELLIGENCE)
DIRECTOR, DEFENSE SECURITY SERVICE

SUBJECT: Audit Report on Program Management of the Defense Security Service
Case Control Management System (Report No. D-2001-019)

We are providing this report for review and comment. We conducted the audit in response to a congressional request. We considered management comments on a draft of this report when preparing the final report.

DoD Directive 7650.3, "Followup on General Accounting Office, DoD Inspector General, and Internal Audit Reports," September 5, 1989, requires that all unresolved issues be resolved promptly. Although the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Defense Security Service concurred with the audit finding and recommendation, their management comments were incomplete. DoD Directive 7650.3 requires that management comments describe the corrective actions taken or planned, the completion dates of actions already taken, and the estimated dates for completion of planned actions. Therefore, we request that the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Defense Security Service, provide additional comments by January 18, 2001.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Charles M. Santoni at (703) 604-9051 (DSN 664-9051) (csantoni@dodig.osd.mil) or Mr. David M. Wyte at (703) 604-9027 (DSN 664-9027) (dwyte@dodig.osd.mil). See Appendix F for the report distribution. The audit team members are listed on the inside back cover.

A handwritten signature in black ink, reading "Robert J. Lieberman".

Robert J. Lieberman
Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. D-2001-019

(Project No. D2000AL-0159)

December 15, 2000

Program Management of the Defense Security Service Case Control Management System

Executive Summary

Introduction. This report discusses the program management of the Defense Security Service Case Control Management System in response to a request from the Chairmen of the Senate and House Committees on Armed Services. The Chairmen requested the review because of reported problems with processing security investigations for clearance determinations.

The Case Control Management System is an automated information system that guides and controls the Defense Security Service Enterprise System for opening, tracking, and closing personnel security investigation cases. The Enterprise System is a combination of 24 distinct primary information systems, subsystems, applications, and interfaces that share common data and connectivity.

The Defense Security Service believed that by establishing a paperless Enterprise System of automated applications, it would avoid as much as \$80 million in operating costs and \$900 million in reduced time for personnel security investigations. The Enterprise System did not meet performance expectations when it was deployed on October 28, 1998. Projected numbers of investigation case openings and closings did not materialize and times for investigations were not substantially reduced.

Objectives. The overall audit objective was to review the program management of the acquisition of the Defense Security Service Case Control Management System and the actions being taken to correct problems in its development and deployment. In addition, we evaluated the management control program related to the objective. See Appendix A for a discussion of the audit scope and methodology and the review of the management control program.

Results. The Defense Security Service did not effectively manage the high risk involved in the integration of the Case Control Management System and the Enterprise System. As a result, those systems had significant limitations and were insufficiently tested and evaluated for operational effectiveness prior to deployment in October 1998, leading to failures that degraded Defense Security Service productivity. As of September 2000, project management had been greatly improved, but high risks remained. Resolution of design problems is continuing and measurements for reliability and maintainability at production objectives are still needed.

The Air Force Program Management Office has developed a phased acquisition strategy to stabilize the Case Control Management System and the Enterprise System with product improvements and incrementally migrate it to an improved Enterprise System architecture between FY 2002 through FY 2008. However, the DoD needs to consider alternative solutions for processing personnel security investigations before further decisions are made on future system architecture.

The Defense Security Service appropriately identified personnel security investigations as a material management control weakness area in FYs 1999 and 2000, and is taking corrective actions. The DoD should continue to report management control weaknesses in this area until all overdue personnel security clearances requiring reinvestigation are eliminated. See the Finding section for details on the audit results and Appendix A for details on the DoD management control program.

Summary of Recommendations. We recommend that the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Defense Security Service, prior to making further decisions on the future system architecture, analyze whether the investment for the Case Control Management System and the Enterprise System provides the best business solution when compared to alternative solutions for opening, tracking, and closing personnel investigation cases.

Management Comments. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Defense Security Service, concurred with the report finding and recommendation. A discussion of the management comments is in the Finding section of the report, and the text of the management comments is in the Management Comments section.

Audit Response. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Defense Security Service's comments were positive, but incomplete. The comments did not describe corrective actions taken or planned, dates of actions taken, and estimated completion dates of planned actions for implementing the recommendation. Therefore, we request that both the Assistant Secretary of Defense and the Director, Defense Security Service, provide additional management comments by January 18, 2001.

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Background

Personnel security investigations are essential for safeguarding classified resources. The Defense Security Service (DSS) manages and conducts these investigations for DoD. Annually, DSS closes more than 460,000 cases for clearance determinations by DoD central adjudication facilities.

In a March 14, 2000, letter to the Inspector General, DoD, the Chairmen of the Senate and House Armed Services Committees requested that a review be conducted of the recent reports regarding alleged problems with the DoD process for granting security clearances. Citing an October 27, 1999, General Accounting Office report that traced one of the causes to a DSS automated information system, the Chairmen requested the Inspector General, DoD, to review the problems that DSS experienced in the development and operation of the Case Control Management System (CCMS).

The CCMS is the automated information system that guides and controls the DSS Enterprise System of hardware and software applications for opening, tracking, and closing personnel investigation cases. The Enterprise System is a combination of 24 primary information systems, subsystems, applications, and interfaces that share common data and connectivity. The DSS believed that establishing a paperless Enterprise System would avoid as much as \$80 million in operating costs and \$900 million in reduced time for personnel security investigations. The Enterprise System did not meet performance expectations when CCMS was deployed on October 28, 1998.

Prior to the General Accounting Office report, several groups were invited to review the Enterprise System and suggest improvements. Reviews of the acquisition were performed by a DSS Integrated Program Team in March 1999, an Air Force/MITRE Red Team, and a DoD support contractor, TRW, Inc. The Deputy Assistant Secretary of Defense for Security and Information Operations tasked the contractor to conduct an analysis of program management and oversight of the Enterprise System. The TRW, Inc., report¹ made 37 short- and long-term recommendations for correcting and enhancing the system's performance.

In August 1999, the Air Force Standards System Group formally became the DSS Program Manager for the Enterprise System's development and operations. To improve and modernize the DSS Enterprise System, the Air Force Program Management Office prepared an acquisition strategy that it believed would stabilize the Enterprise System and incrementally migrates the system to a target architecture. The DSS FY 2002 Program Objective Memorandum programs funds to support this acquisition strategy through FY 2007.

¹TRW, Inc., report, "TRW's Evaluation of the Defense Security Service's Case Control Management System," July 21, 1999.

The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) provides functional oversight for the DSS. Prior to September 2000, neither the CCMS nor the rest of the Enterprise System was designated as a major automated information system or a special interest initiative. Funds contractually obligated for the Enterprise System's development and modernization amounted to \$76 million from FY 1995 through FY 1999. Total planned development and operation costs for FY 2000 through FY 2007 are estimated to be \$312 million.

Objective

The overall audit objective was to review the DSS program management of the CCMS acquisition and the actions being taken to correct problems in its development and deployment. In addition, we evaluated the management control program related to the objective. See Appendix A for a discussion of the audit scope and methodology, prior coverage, and the review of the management control program.

The Case Control Management System and the Enterprise System

The DSS did not effectively manage the high risk involved in the integration of the CCMS and its Enterprise System. Those systems had significant limitations and were insufficiently tested and evaluated for operational effectiveness prior to deployment in October 1998, leading to failures that degraded DSS productivity. As of September 2000, project management had been greatly improved, but high risks remained. Resolution of design problems is continuing and measurements for reliability and maintainability at production objectives are still needed. In addition, DoD will need to consider alternative business solutions before making further decisions on the future system architecture.

Mandatory Guidance

The Clinger-Cohen Act of 1996, Office of Management and Budget Circulars, and DoD guidance for systems acquisition emphasize the importance of risk management when DoD organizations acquire information technology systems. Appendix B contains acquisition guidance for information technology systems.

Program Risk

Before deploying the CCMS in October 1998, DSS did not appreciate the technical and acquisition challenges involved with developing and deploying an information technology system with multiple interfaces. DSS did not implement effective risk management measures when it decided to become the system acquisition integrator and program manager for the Enterprise System. Further, despite the key role of the CCMS in DSS operations that support virtually all DoD critical missions, minimal acquisition oversight and guidance was provided or offered by the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence). Also, DSS did not research and analyze alternative business processes to determine whether the DSS automated business function was the most cost-efficient and cost-effective solution for opening, tracking, and closing personnel security investigation cases prior to the development of the CCMS.

Technical Challenges. The Enterprise System deployed by the DSS in October 1998 had significant design limitations. The Enterprise System is a combination of linked internal and external information technology subsystems, many of which are derived from commercial-off-the-shelf hardware and software products. Specifically, CCMS, as the project management component of the Enterprise System, cannot open, track, or close investigation cases if the applications for workflow, scanning and printing, and interface links to the Defense Clearance and Investigations Index and corporate database do not function properly. Appendixes C and D provide a description of the Enterprise System and a diagram of the Enterprise System process.

Workflow. The sole-source acquisition and deployment of “Documetrix Workmanager,” a commercial-off-the-shelf workflow application, proved to be a high-risk endeavor. “Documetrix Workmanager” required over 400 tasks to be sequentially accomplished before a personnel security investigation could be closed. When DSS deployed its Enterprise System, the sequential processing routine limited CCMS processing efficiency. Case analysts could not access the system to open investigation cases and define the work required. The DSS Integrated Process Team found that the CCMS with “Documetrix Workmanager” was taking four times longer to process cases than the paper-intensive process it replaced. A TRW, Inc., report described the “Documetrix Workmanager” as a major cause of CCMS inefficiency and operational problems.

Files Automation and Scanning Subsystem. The Files Automation and Scanning Subsystem, a commercial-off-the-shelf acquisition of hardware and software applications, also proved to be high risk. The Files Automation and Scanning Subsystem electronically passes paper and microfiche images to the CCMS applications for case openings and makes adjudication reports after case closures.

However, when DSS deployed the Enterprise System, the Files Automation and Scanning Subsystem failed to demonstrate operational effectiveness and reliability. The quality of electronic images passed to the CCMS was inconsistent and adjudication report processing was untimely. Further, DSS was aware of the scanning and printing anomalies. A list of more than 40 unresolved efficiency and reliability issues were submitted to the development contractor before the Enterprise System was deployed. As a result, when DSS went to a paperless operation, microfiche scans often had to be repeated. In addition, adjudication reports took an average of 9 weeks to print after case analysts closed the cases.

Defense Clearance and Investigations Index. After deploying the Enterprise System, DSS discovered that user access to and from the Defense Clearance and Investigations Index was being impeded. The Index could not process user clearance queries because the CCMS workflow application would continually return to the Index database searching for previously queried records. As a result, traffic to and from the Index increased and subsequently taxed the Index’s ability to respond to customers’ demands for information.

DSS Corporate Database. On June 29, 2000, the Enterprise System was shut down when a corporate database table reached its maximum capacity. The cause of the shutdown was a design limitation, because tables in the database could not exceed 4 million blocks of records. The DSS and the Air Force Program Manager were unaware of the block sizing limitation. The Air Force Program Manager and support contractors resolved the problem and operations were resumed on July 10, 2000.

Program Management. In developing and deploying the Enterprise System, DSS did not follow the systems acquisition guidance of the Office of Management and Budget and DoD addressing risk avoidance, reduction, and acceptance. Although analyses and plans concluded that the Enterprise System was a complex acquisition and involved risks, DSS personnel were not prepared to assume system acquisition management and integration responsibilities.

Analyses and Designs. Systems analyses and designs prepared in 1989 and 1994 identified the risks involved in the development of the CCMS and Enterprise System. In a May 1989 functional analysis document, a contractor described the CCMS and the Enterprise System as a large complex system that would take several years to develop and implement, and that database storage planning and design would be key elements that would affect the performance of Defense Investigative Service²-maintained databases. Further, the contractor recommended that the Defense Investigative Service include integration testing and parallel processing to mitigate risk.

The Defense Investigative Service's Strategic Implementation Plan, prepared in April 1994, described the CCMS case opening, tracking, and closing modernization as a massive development effort that far exceeded the Government's capability. Also, a Defense Investigative Service technical report described the modernization effort as a complex undertaking that should be incrementally acquired.

System Acquisition. Office of Management and Budget Circular A-109, "Major Systems Acquisitions," April 1976, implemented by DoD Directive 5000.1, "Defense Acquisition," March 15, 1996, requires that agencies engage skilled and experienced acquisition program managers for system solutions. Selected personnel should be knowledgeable in research and development, operations, engineering, testing, construction, contracting, prototyping, production, business, budgeting, and finance.

Further, the Circular provides seven objectives for managing systems acquisitions for avoiding, reducing, and accepting risks. Five of the seven objectives concern management controls. Specifically, acquiring organizations should:

- provide solutions that fulfill a mission need, operate effectively in intended environments, and demonstrate levels of performance and reliability that justify the investments,
- provide strong checks and balances by ensuring adequate system tests and evaluations, and conduct tests and evaluations independent of developers and users where practicable,
- accomplish acquisition planning resulting from clear articulations of agency mission needs,
- develop acquisition strategies that include test and evaluation criteria, methods for obtaining and sustaining competition in contracting, and methods for analyzing risks, and
- maintain capabilities to predict, review, assess, negotiate, and monitor life-cycle costs, assess experience against predictions, and report results of assessments to agency directors at key decision points.

²The Defense Investigative Service was renamed the Defense Security Service in November 1997.

Management Skills and Experience. Despite having been warned that its proposed information technology system for managing personnel security investigations was high risk, DSS developed the system without researching and analyzing whether alternative functional solutions for opening, tracking, and closing investigation cases existed for its business process. Assuming program management and systems integration responsibilities for the information technology acquisition, DSS did succeed in assembling a workable product. However, the product obtained with Government-wide acquisition contracts from hardware and software contractors was flawed, and according to TRW, Inc., “At best, the DSS Enterprise System is a working prototype.”

As the system program manager and integrator, DSS personnel did not have the requisite training or experience in acquiring and integrating automated information systems. The design, reliability, and maintainability discrepancies discovered after the system was deployed can be traced to personnel lacking experience and skills in research and development, operations, engineering, testing, construction, contracting, prototyping, production, business, budgeting, and finance. Such skills are obtained through structured classroom and on-the-job training. As concluded by TRW, Inc., “Overall, [CCMS] looks like a business example for how not to do a system acquisition.”

Test and Evaluation. DSS did not stress test the CCMS and the Enterprise System for opening, tracking, and closing investigation cases before deploying it. Specifically, DSS did not deliberately try to “crash” the system to determine its threshold limits and did not perform prolonged operational tests to determine system reliability and maintainability.

Tests conducted prior to system deployment demonstrated only the functionality of the CCMS and the Enterprise System and did not demonstrate its effectiveness and suitability in an operational environment. As a result, DSS did not identify unknown defects, such as the inaccessibility of the Defense Clearance and Investigations Index and the limitations of sequential processing. Further, DSS could not project the extent of known design limitations with the Files Automation and Scanning Subsystem and the corporate database.

Life-Cycle Costing. DSS did not cost out the phases of the Enterprise System acquisition from development through disposal. Planned functions and tasks were not identified by fiscal years over the system’s acquisition life. As a result, funds for acquiring the Enterprise System did not translate operational needs and requirements into an information technology solution or identify resources for operating and maintaining the deployed system.

Project Monitoring. DSS did not monitor the CCMS and Enterprise System acquisition to review, assess, predict, and report results. Without a life-cycle baseline for the system’s acquisition phases, cost, schedule, and performance comparisons for measuring progress, computing deviations, and projecting results could not be determined.

DSS measured progress in acquiring the CCMS and the Enterprise System based on fiscal year resources and obligated funds. The CCMS and the Enterprise System could not be tested and evaluated in an operational environment for effectiveness and suitability because available funds were not programmed for a test facility.

Documentation. DSS deployed the CCMS and the Enterprise System without testing the design configuration and operating documentation. By not conducting prolonged operational tests and evaluations to determine whether the automated information systems could be safely recovered and returned to service after failures, DSS did not know whether the systems could be suitably maintained. The TRW, Inc., report stated that it was “imperative” for DSS to develop an operations plan for resolving system bottlenecks and identifying sources of inefficiencies and malfunctions.

TRW, Inc., also identified additional program baseline documentation required for effectively and efficiently maintaining and sustaining the CCMS and the Enterprise System. Specifically, TRW, Inc., indicated that reports and analyses were needed to address concept of operations, system requirements specifications, interface control definitions and maintenance plans.

Program Oversight

The Clinger-Cohen Act requires Chief Information Officers to monitor and evaluate the performance of information technology programs and advise the heads of agencies whether to continue, modify, or terminate a program. The Office of Assistant Secretary of Defense (Command, Control, Communications, and Intelligence), the DoD Chief Information Officer, did not actively participate in the acquisition of the DSS Enterprise System because costs of the investment fell below cost thresholds³ established for classification as a major automated information system. In addition, as the Principal Staff Assistant responsible for the development, oversight, and integration of DoD policies and programs relating to security, the Office of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) should have exercised acquisition oversight over DSS and chose not to do so. As a result, DSS was allowed to develop, deploy, and operate the CCMS and the Enterprise System for personnel security investigations without the benefit of program oversight and guidance.

³Major automated information systems are estimated to require program costs in any single year in excess of \$30 million (FY 1996 constant dollars), and total program costs in excess of \$120 million (FY 1996 constant dollars), or total life-cycle costs in excess of \$360 million (FY 1996 constant dollars).

Since March 1999, the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) has been more proactively involved with the DSS information technology acquisition. The Assistant Secretary planned to subject the DSS Enterprise System to DoD Directive 5000.1 acquisition guidance by designating it as a major automated information systems acquisition when he releases the revised list of designated major automated information system acquisition and special interest initiative programs.

Prior Report Recommendations

Recommendations from the Air Force/MITRE Red Team⁴ and a report from TRW, Inc., ranged from establishing a program management office to system replacement and maintenance. Ranked by short-term and long-term significance, DSS was using these recommendations for follow-up and progress reporting on the General Accounting Office report's⁵ recommendation to correct the CCMS. See Appendix E for the TRW, Inc., recommended actions and the progress DSS made in addressing them. In addition, DSS processed a CCMS change request to account for security investigations from request to case closure as a result of Inspector General, DoD, Report No. D-2000-134, "Tracking Security Clearance Requests," May 30, 2000.

Management Activities

Following the Red Team and TRW, Inc., recommendations, DSS began modifying its deployed automated information systems and baselining its system acquisition for Clinger-Cohen Act certification by the DoD Chief Information Officer. Since the Air Force and its contractors assumed program and functional responsibilities for the Enterprise System, DSS has made production advances in achieving its performance goal of closing more than 50,000 investigations per month. From December 1999 through June 2000, case closure rates increased from 19,561 to 38,374 investigations per month.

However, design limitations exist and demonstrated reliability and maintainability at planned production goals remain to be determined. The Files Automation and Scanning Subsystem improvements still require continuous human supervision for processing and printing paper documents. Also, the corporate database could shut down the DSS Enterprise System if closed investigations cases are not removed and archived. Further, closed investigations remaining in the database affect case processing efficiency by extending time required for opening, tracking, and closing active investigations.

Although DSS was aware of the corporate database design limitation when the Enterprise System was deployed, DSS did not consider it a high priority.

⁴Air Force/MITRE Red Team report, "Red Team Recommendations-Transition Ahead," July 14, 1999.

⁵General Accounting Office Report No. NSIAD-00-12, "Inadequate Personnel Security Investigations Pose National Security Risks," October 27, 1999.

However, as the cases processed increase, the database design limitation becomes an increasing concern. For example, the number of cases in process on June 30, 2000, was 433,620 compared to 337,378 on December 31, 1999. Further, the number of cases in process for more than 360 days was 69,260 on June 30, 2000, compared to 14,242 on December 31, 1999.

As of April 2000, the corporate database contained 26 million records for opened and closed cases. System efficiency could be significantly increased if inactive records populating the database could be removed and archived. DSS and the Air Force Program Management Office are aggressively taking action to reduce the records in the Enterprise System's corporate database. The Air Force Program Management Office estimates that 25 million records could be removed from the corporate database and archived.

Analysis of Alternatives

The Air Force Program Management Office developed a phased acquisition strategy for maintaining and modernizing the CCMS and Enterprise System. The strategy involved introducing product improvements that will incrementally migrate it to an improved system architecture from FY 2002 through FY 2008. The strategy did not include an analysis of alternatives because the Air Force Program Management Office assumed that the business function for opening, tracking, and closing investigation cases would remain a DSS mission responsibility.

Clinger-Cohen Act. Public Law 104-106, Division E, "Clinger-Cohen Act," sections 5113 and 5123, "Performance and Results-Based Management," requires agency heads to make decisions that affect information technology investments. Before investing in a new information system, heads of each executive agency are to determine whether the function in need of automation should be performed by the executive agency and, if so, whether the function should be performed by a private sector source under contract or by executive agency personnel. Also, the Act requires that agency heads analyze missions and, based on the analysis, revise mission-related processes and administrative processes, as appropriate, before making significant investments in information technology.

Other Investigative Sources. Alternative automated business processes for managing personnel investigations may exist for opening, tracking, and closing personnel investigation cases. DSS plans to outsource more than 1 million requests for security investigation cases, or 30 percent of its estimated workload, to the Office of Personnel Management and private-sector contractors between FY 2000 and FY 2003. Although DSS will maintain accountability, the forwarded cases will not be opened and tracked in the CCMS and the Enterprise System. The Office of Personnel Management and the private-sector contractors will be responsible for managing the case investigations they receive and for maintaining project management systems for opening, tracking, and closing assigned cases.

Because alternative business processes for managing personnel investigations will be employed by the Office of Personnel Management and private-sector contractors, we believe the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and DSS should reassess whether the CCMS and the Enterprise System provide the most efficient and effective business solution. DoD personnel security clearance requirements that drive DSS workload investigation cases have been addressed by an integrated product team established by the Deputy Secretary of Defense to review the DoD personnel security investigation process. Alternative solutions have also been discussed at meetings with Government and contractor personnel familiar with the business process. Further, the Deputy Assistant Secretary of Defense for Security and Information Operations stated before a congressional subcommittee that alternatives would be analyzed before DoD commits to a future architecture.⁶ However, we found no indication of formal in-depth analysis of alternatives.

Conclusion

DSS deployed the CCMS and its Enterprise System for opening, tracking, and closing investigation cases in October 1998 without first demonstrating system operational effectiveness and suitability. By not managing risks with accountable links to program definition, structure, design, assessments and reports, and oversight decision reviews, DSS acquired the CCMS and the Enterprise System with known and unknown design, reliability, and maintainability limitations. As of September 2000, DSS and the Air Force Program Management Office had restored system acquisition discipline. However, design inefficiencies still exist, and reliability and maintainability at planned production objectives still need to be demonstrated.

The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) plan to designate the CCMS and the Enterprise System as a Major Automated Information System is a positive development. Further, the Deputy Assistant Secretary of Defense for Security and Information Operations indicated that alternatives would be analyzed before DoD commits to a future architecture. Action is needed now to lay groundwork for future decisions that need to consider alternatives for the CCMS and the Enterprise System target architecture. Because alternative Government and private-sector systems exist that may provide efficient and effective solutions for opening, tracking, and closing investigation cases, the target architecture needs to be reassessed to determine its validity.

⁶Testimony to the Subcommittee on National Security, Veterans Affairs, and International Relations, House Committee on Government Reform, September 20, 2000.

Recommendation, Management Comments, and Audit Response

We recommend that the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Defense Security Service, prior to making further decisions on the future system architecture, analyze whether the investment for the Case Control Management System and the Enterprise System provides the best business solution when compared to alternative solutions for opening, tracking, and closing personnel investigation cases.

Management Comments. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Defense Security Service, concurred with the recommendation. In addition, The Director attached a matrix to his comments with suggested editorial corrections to the report.

Audit Response. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Defense Security Service comments were positive, but incomplete. The comments did not specifically address corrective actions taken or planned, dates of actions taken, and estimated completion dates of planned actions for implementing the recommendation. Therefore, to facilitate the followup tracking that is required by DoD Directive 7650.3, we request that both the Assistant Secretary of Defense and the Director, Defense Security Service, provide additional management comments by January 18, 2001. The text of the management comments is in the Management Comments section. However, a matrix attached to the Director's comments was not included in the final report because the suggested changes did not affect the results and conclusions of the audit.

Appendix A. Audit Process

Scope

Work Performed. We conducted this program audit from April 2000 through August 2000 and reviewed documentation dated from May 1989 through August 2000. To accomplish the audit objective we:

- interviewed officials and obtained documentation from the offices of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence); the Director, DSS; cognizant officials and personnel involved in the acquisition and operation of the CCMS and the DSS Enterprise System; the Air Force Program Management Office; and contractor personnel;
- reviewed available documents covering program requirements, program definition, program assessments and decision reviews, periodic reporting, and program management and oversight;
- reviewed ongoing and completed work correcting the deficiencies addressed in the General Accounting Office's October 1999 report, "Inadequate Personnel Security Investigations Pose National Security Risks;" and
- evaluated the adequacy of management controls related to CCMS and DSS information technology acquisitions.

DoD-Wide Corporate Level Government Performance and Results Act Coverage. In response to the Government Performance and Results Act, the Secretary of Defense annually establishes DoD-wide corporate level goals, subordinate performance goals, and performance measures. This report pertains to achievement of the following goal, subordinate performance goals, and performance measure:

FY 2001 DoD Corporate Level Goal 2: Prepare now for an uncertain future by pursuing a focused modernization effort that maintains U.S. qualitative superiority in key warfighting capabilities. Transform the force by exploiting the Revolution in Military Affairs, and reengineer the Department to achieve a 21st century infrastructure. **(01-DoD-2)**

- **FY 2001 Subordinate Performance Goal 2.3:** Streamline the DoD infrastructure by redesigning the Department's support structure and pursuing business practice reforms. **(01-DoD-2.3)**
- **FY 2001 Subordinate Performance Goal 2.5:** Improve DoD financial and information management. **(01-DoD-2.5)**

Performance Measure 2.5.3: Qualitative Assessment of Reforming Information Technology Management. **(01-DoD-2.5.3)**

DoD Functional Area Reform Goals. Most major DoD functional areas have also established performance improvement reform objectives and goals. This report pertains to achievement of the following functional area objectives and goals:

Information Technology Management Functional Area.

- **Objective.** Become a mission partner.
Goal. Serve mission information users as customers. (ITM 2.1)
- **Objective.** Provide services that satisfy customer information needs.
Goal. Build architecture and performance infrastructures. (ITM 2.1)
Goal. Improve information technology management tools. (ITM-2.4)

General Accounting Office High-Risk Area. The General Accounting Office has identified several high-risk areas in the DoD. This report provides coverage of the Information Management and Technology high-risk area.

Methodology

We conducted this program audit in accordance with auditing standards issued by the Comptroller of the United States, as implemented by the Inspector General, DoD. Accordingly, we included tests of management controls considered necessary. We did not use computer-processed information to perform this audit.

Contacts During the Audit. We visited or contacted individuals and organizations within and outside DoD. Further details are available upon request.

Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, and DoD Instruction 5010.40, "Management Control (MC) Program Procedures," August 28, 1996, require DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of the Review of the Management Control Program. In accordance with DoD Directive 5000.1, “Defense Acquisition,” March 15, 1996, and DoD 5000.2-R, “Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs,” March 15, 1996, acquisition managers are to apply program cost, schedule, and performance parameters to control objectives for implementing DoD Directive 5010.38 requirements. Accordingly, we limited our review to management controls directly related to the acquisition of the CCMS and the DSS Enterprise System. We also reviewed management’s self-evaluation of management controls applicable to the acquisition of DSS information technology.

Adequacy of the Management Controls. Management controls were inadequate for the acquisition of the CCMS and the DSS Enterprise System. The control problems identified in this report, as they relate to the initial system deployment, were addressed by the DSS partnership with the Air Force and the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) plan to designate the DSS Enterprise System as a Major Automated Information System. However, as reported in the DSS Federal Managers’ Financial Integrity Act Annual Statement of Assurance for FYs 1999 and 2000, DSS should continue reporting personnel security investigations as a material management control weakness until all overdue security clearances requiring reinvestigation are eliminated.

Adequacy of Management’s Self-Evaluation. As part of the corrective action taken in response to the General Accounting Office audit, DSS developed an inventory of management control assessable units and recognized information technology as a major management control assessable unit. Risk assessments were completed and the DSS was reviewing them to develop a plan for conducting evaluations.

Prior Coverage

During the last 5 years, the General Accounting Office issued one report on security clearance background investigations. Also, three other groups issued reports specifically addressing the CCMS and Enterprise System.

- General Accounting Office Report No. NSIAD-00-12 (OSD Case No. 1901), “Inadequate Personnel Security Investigations Pose National Security Risks,” October 27, 1999
- TRW, Inc., Systems Integration Group, Final Report, “TRW’s Evaluation of DSS CCMS,” July 21, 1999
- Air Force/MITRE Red Team report, “Red Team Recommendations-Transition Ahead,” July 14, 1999
- DSS Integrated Program Team Report, “A Near-Term Strategy to Correct Deficiencies in the Enterprise System,” May 1999

Appendix B. Acquisition Guidance

The Clinger-Cohen Act of 1996, Office of Management and Budget Circulars, and DoD guidance for systems acquisitions emphasize the importance of risk management when addressing policies and procedures for system and information technology acquisitions.

Clinger-Cohen Act of 1996

The Clinger-Cohen Act of 1996 requires agencies to design and implement a process for assessing and managing the risks of information technology acquisitions to include analyzing, tracking, evaluating, and reporting on risks and results of all major information technology capital investments.

Office of Management and Budget Circulars

Circular A-109. Circular A-109, “Major Systems Acquisitions,” April 1976, provides acquisition management objectives and a management structure that agencies should follow to ensure the effectiveness and efficiency of the acquisition process.

Circular A-130. Circular A-130, “Management of Federal Information Resources,” February 8, 1996, requires agencies to establish management oversight mechanisms that determine whether the system continues to fulfill mission requirements and to ensure that major information systems proceed in a timely fashion towards agreed-upon milestones.

DoD Guidance

DoD Directive 5000.1. DoD Directive 5000.1, “Defense Acquisition,” March 15, 1996, establishes a disciplined, yet flexible, management approach for acquiring quality products. The Directive emphasizes that rigorous internal management control systems are integral elements of effective and accountable program management and that material management control weaknesses are identified through deviations from approved system acquisition program baselines.

DoD Directive 8000.1. DoD Directive 8000.1, “Defense Information Management (IM) Program,” October 27, 1992, establishes policy and assigns responsibilities for the implementation, execution, and oversight of the Defense Information Management Program. The Directive requires a disciplined life-cycle approach to manage information systems to effectively execute DoD missions.

DoD Regulation 5000.2-R. DoD Regulation 5000.2-R, “Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information Systems (MAIS) Acquisition Programs,” March 15, 1996, requires every system acquisition program to establish cost, schedule, and performance objectives and thresholds at system acquisition program initiation. The Regulation also requires that program managers use a management process to translate operational needs and requirements into a system solution with accountable links to program definition, structure, design, assessments and reports, and oversight decision reviews.

Appendix C. Components of the Enterprise System

The following subsections provide an overview of each component of the DSS Enterprise System.

Case Control Management System

The CCMS is the centerpiece of the overall DSS Enterprise System. As the Enterprise System's guidance and control element, the CCMS provides the means for collecting and disseminating personnel investigation data. The CCMS automated the paper-intensive, manual activities performed by the DSS Operations Centers, Baltimore, Maryland, and Columbus, Ohio. CCMS receives, stores, and acts upon personnel security requests, such as personnel security updates and requests for investigation. Investigation requests require a scope determination on whether to proceed with a field investigation. If an investigation is necessary, CCMS automatically opens a case and generates the required leads. CCMS provides personnel security analysts with the required tools to manage personnel security actions and investigations. The CCMS and the DSS Enterprise System consist of a central corporate database and an automated case workflow process that feeds information into the CCMS through several interface connections.

Files Automation and Scanning Subsystem

The Files Automation and Scanning Subsystem is the second largest element of the DSS Enterprise System and manages documents that are maintained in the DSS corporate database. Paper and microfiche documents are scanned, converted to electronic image files, and stored on magnetic drives referred to as the Files Automation and Scanning Subsystem towers. Once the documents are on the towers, DSS personnel, using CCMS and Files Automation and Scanning Subsystem applications, can access them. The Files Automation and Scanning Subsystem also provides a distribution subsystem, forms processing subsystem, and a backup subsystem. The distribution subsystem creates reports containing discrete data from the DSS corporate database and Files Automation and Scanning Subsystem image files and distributes them on several mediums: internet web sites, facsimile, paper, and computer output to microfiche. The forms processing subsystem provides forms recognition and data entry to convert paper forms to discrete data that can be stored in the corporate database.

Defense Clearance and Investigations Index System

The Defense Clearance and Investigations Index system provides a central index of clearance and investigative information originated by authorized DoD agencies. An Internet web forms version, an Internet dynamic version, and a system client-server version of the application provide the information. The Defense Clearance and Investigations Index supplies information on people, companies or events, and associated tracings to authorized agencies. These agencies include:

- United States Military (Army, Navy, Air Force, and Coast Guard)
- National Security Agency
- Defense Security Service
- Inspector General, DoD
- Defense Office of Hearings and Appeals
- Defense Logistics Agency
- Washington Headquarters Service
- Defense Intelligence Agency

Other agencies (some outside DoD) also have access to the Defense Clearance and Investigations Index system. Overall, there are approximately 2700 users of the Defense Clearance and Investigations Index system worldwide. The tracings include dossiers, aliases, national agency checks, and personal clearances. Authorized users can perform a variety of functions including query, add, delete, update, and print. In addition, users can request statistical, file demand, batch error, and the Defense Clearance and Investigations Index Disclosure Accounting System reports.

Industrial Security System

The Industrial Security System assists in monitoring DoD contractors who have access to classified information and tracks the issuance, maintenance, and management of contractor clearances. The Industrial Security System, a UNIX-based Oracle database application, uses tables within the DSS corporate database. The Industrial Security System provides industrial security representatives and others with proper access privileges to data on cleared and uncleared DoD contractor facilities. The data enable DSS to track the security clearances of Defense contractors and to measure the performance of industrial security representatives. The Industrial Security System is comprised of the Industrial Security System Central, an application with the DSS corporate database, and the Industrial Security System Field, an application residing on a desktop or notebook computer using a Microsoft Access database. Industrial security representatives fax or email facility database changes to the DSS Defense Industrial Security Clearance Office and use the Industrial Security System Central update function to make additions, changes, or deletions of the facility database in the corporate database.

Electronic Personnel Security Questionnaire System

The Electronic Personnel Security Questionnaire System simplifies the information reporting process required to conduct background investigations. The function of Electronic Personnel Security Questionnaire is to streamline the data-gathering process so that complete and accurate information is collected and validated rapidly. The Electronic Personnel Security Questionnaire System is an automated data entry and validation system designed to allow personnel and security officers to quickly and easily enter the data required. The system validates the data, prints copies of the appropriate forms, and generates export diskettes for the security officer. The Electronic Personnel Security Questionnaire was designed specifically to eliminate rejection of incomplete or inaccurate investigation requests. Features in the Electronic Personnel Security Questionnaire notify users when the information is mandatory and what the format should be. Security officers do not submit personnel information for processing until the Electronic Personnel Security Questionnaire is error free and complete.

Automated Credit Manager System

The Automated Credit Manager system uses telephone modem connections to the three commercial credit reporting agencies. The Automated Credit Manager system is used to gather credit report information, which is regularly requested as part of the security clearance investigation process, on individuals under investigation. The Automated Credit Manager system transmits credit information requests, receives return credit reports, and places the collected data into the DSS Enterprise System's corporate database for CCMS processing.

Financial Crimes Enforcement Network System

The Financial Crimes Enforcement Network system application uses the computer supporting the Automated Credit Manager system and a separate dedicated secure modem to run batch queries that conduct automated checks of Financial Crimes Enforcement Network database records. Inquiries are primarily run against the Social Security Numbers of personnel under DSS investigation, but can also be run against names, dates of birth, and partial Social Security Numbers. The Financial Crimes Enforcement Network is a Department of the Treasury organization that provides a Government-wide, multi-source intelligence and analytical network to support the DSS, law enforcement, and regulatory agencies in detection, investigation, and prosecution of financial crimes.

Field Information Management System II

The Field Information Management System II is an automated system loaded in field agents' laptop computers that provides tools to:

- Create reports of investigation
- Submit leads and other case data
- Produce summary reports of case data
- Obtain data from the Personnel Investigation Center
- Manage investigative agents' data and supporting information

The Field Information Management System II manages the electronic data link used to send and receive data from agent laptops to DSS. The system was created to support DSS regional and field offices in their efforts to process cases as DSS field agents produce them. The Field Information Management System II allows data to be transferred between field agents, field offices, regional offices, and the DSS Personnel Investigation Center located in the Operations Center, Baltimore, Maryland.

Field Information Management System - Middleware

The Field Information Management System-Middleware software application allows CCMS to be used with the Field Information Management System II to convert CCMS-generated leads into Field Information Management System II action lead sheets that can be sent to the field electronically. The Field Information Management System-Middleware also translates incoming electronically transmitted Field Information Management System II reports of investigations into a CCMS-readable format.

File Control Management System

The File Control Management System is a computer application hosted on the CCMS server that allows authorized users to request dossiers from DSS repositories. The File Control Management System also provides the mechanism for a user to input data from paper and telephone requests into its corporate database. The File Control Management System verifies authorized user rights and permissions against tables in the corporate database. When a user demands a file, the File Control Management System checks the corporate database to determine whether a file from the repository has been scanned into electronic form. When a file exists, the File Control Management System interfaces with the Files Automation and Scanning Subsystem to access data relating to the file demand. If the demanded file is not in the Files Automation and Scanning Subsystem repository, a "pick ticket" displaying all of the information that is required for a file clerk to pull the microfiche is printed in the DSS Investigative Files Branch. After the file has been scanned, the corporate database is updated and the file demand is processed. The File

Control Management System - Files Automation and Scanning Subsystem interface allows the Files Automation and Scanning Subsystem to track and monitor the progress of a file demand. User/Agency demands for file data are ultimately captured in the Disclosure Accounting System. The File Control Management System was designed to replace manually routing the paper to different personnel to process a single file demand.

Disclosure Accounting System

The Disclosure Accounting System is an automated application hosted on the CCMS server that records file release data and other disclosure information in support of the Privacy Act, the Freedom of Information Act, and personnel at the DSS. The Disclosure Accounting System is run against data as an element of the corporate database and is used by DSS to record the release to DoD and non-DoD agencies of personal information used in DSS Personnel Security Investigations and the Defense Clearance and Investigations Index. The Disclosure Accounting System records who received the information, the reason for release, the releasing DSS office, the type of information released, and the release date. The Disclosure Accounting System database is populated from information passed from the File Control Management System to the Files Automation and Scanning Subsystem and from the Files Automation and Scanning Subsystem to the Disclosure Accounting System.

Authorized File Requesters

The Authorized File Requesters is a database-centered application hosted on the CCMS server that contains a listing of authorized agencies and personnel who may request DSS investigative dossiers. The Authorized File Requesters' application can also be used to run queries to search for a particular agency using a five-digit accreditation account number.

Reject Tracking System

The Reject Tracking System is an automated computer application hosted on the CCMS server that enables DSS to track paper requests that have been rejected and returned by DSS to requesters prior to their input to the CCMS. The Reject Tracking System application generates notification letters to requesters and identifies all of the deficiencies that caused the request to be rejected. The Reject Tracking System tracks suspense dates on actions requiring followup and also allows for a query capability by Social Security Number.

User Community Management System

The User Community Management System is an automated application hosted on the CCMS server that is used to grant access permissions and user rights to personnel with a need to access the CCMS and the Enterprise System. The User Community Management System records access to the various DSS automated information systems, and applications in the corporate database.

Automated Scoping Guide System

The Automated Scoping Guide System is a database-centered application hosted on the CCMS server that provides a listing of most communities by zip code and designates which DSS field offices are responsible for investigative work in each area. The application includes remarks sections that clarify scoping responsibilities and other pertinent information about specific communities. The CCMS uses the database information to automatically scope investigations in workflow, and users can access the scoping guide from DSS local area network workstations to manipulate data.

DSS Toolbar

The DSS toolbar is a custom Graphical User Interface application that serves as a front end user entry point for accessing all of the applications connected to the DSS corporate database. The Graphical User Interface connects to the DSS-developed User Community Management System and the Commercial-off-the-Shelf Password Manager software program, both of which are resident on the corporate database servers. The Graphical User Interface requires the user to log on to the database with a controlled identification number and password.

Lead Reconciliation Tool

The Lead Reconciliation Tool is an automated application tool that reconciles the field offices' databases with the DSS corporate database. The Lead Reconciliation Tool also contains an external gateway File Transfer Protocol script that is run from a desktop workstation and a Lead Reconciliation Tool component field application. The Lead Reconciliation Tool captures pertinent DSS corporate database information at the DSS Operations Center relating to Field Information Management System II-connected field offices and compares case data and statuses with the Field Information Management System II system-generated information. The Lead Reconciliation Tool gateway connects to the Field Information Management System II system and processes pending and closed Lead Reconciliation Tool data and File Transfer Protocol's consolidated packages of information via a DSS Link connection to each DSS field office operational location. DSS field offices perform data reconciliation, case management, and statistical reporting functions using the field component of the Lead Reconciliation Tool application.

Internal File Transfer Protocol Server

The DSS Internal File Transfer Protocol Server is a stand-alone, DSS Intranet-connected computer available inside the DSS firewalls for DSS local area network File Transfer Protocol use. Several of the DSS Enterprise System applications use File Transfer Protocol to transfer and handle data files. At DSS, File Transfer Protocol actions are accomplished with manual and automated connections. File Transfer Protocol is a standard protocol that is the simplest way to exchange files between connected computers.

External File Transfer Protocol Server

The DSS External File Transfer Protocol Server is a stand-alone, DSS Internet-connected computer available outside the DSS firewalls for external File Transfer Protocol use. File Transfer Protocol is a standard protocol that is the simplest way to exchange files between computers connected on the Internet. At DSS, File Transfer Protocol actions are accomplished with manual and automated connections.

External Office of Personnel Management Gateway

The external Office of Personnel Management gateway is hosted on a computer at DSS that provides a dedicated communications link supporting data exchange between the DSS Defense Clearance and Investigations Index and the Office of Personnel Management's Security Suitability Investigations Index. Although housed on a separate computer, the gateway is an essential part of the Defense Clearance and Investigations Index and the Security Suitability Investigations Index applications.

External Immigration and Naturalization Service Gateway

The external Immigration and Naturalization Service gateway is hosted on a computer at DSS that provides a dedicated communications link supporting data exchange between the Immigration and Naturalization Service master index and the DSS corporate database. Immigration and Naturalization Service files contain the location of naturalization certificates, citizenship certificates, visas, records of aliens, and other information that is checked as part of the national agency check process when conducting security investigations. The gateway also supports data exchange for Financial Crimes Enforcement Network information obtained by DSS as a liaison on behalf of the Immigration and Naturalization Service.

External Interface to the Central Intelligence Agency

The External Interface to the Central Intelligence Agency is a batch computer application process that involves operator-assisted manual actions and automated computer actions. The application processes file demands created through the Defense Clearance and Investigations Index or the File Control Management System and their related application sub-processes. The Central Intelligence Agency External Interface application results in the creation and reading of a data tape that is either sent to the Central Intelligence Agency or received from the Central Intelligence Agency for processing.

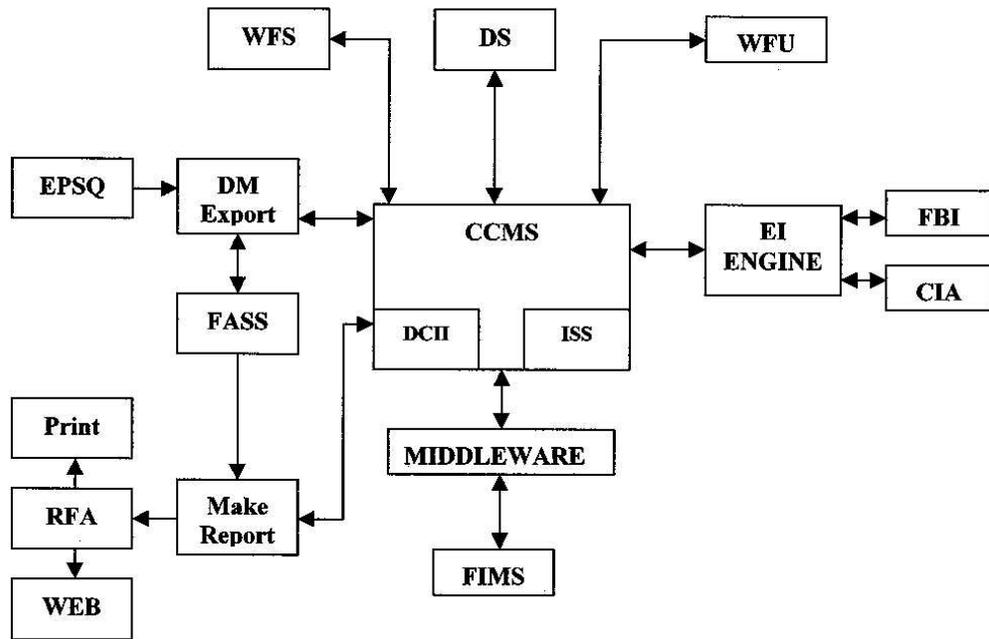
External Interface to the Federal Bureau of Investigation

The External Interface to the Federal Bureau of Investigation is a batch computer application process that involves operator-assisted manual actions and automated computer actions. The Federal Bureau of Investigation conducts three types of checks for DSS as part of the personnel investigation process. Requests for information come from CCMS leads that generate Federal Bureau of Investigation identification fingerprint card check, name check, and combined name and fingerprint card check requests. The Federal Bureau of Investigation External Interface application results in the creation and reading of a data tape that is either sent to the Federal Bureau of Investigation or received from the Federal Bureau of Investigation for processing.

Navy Joint Adjudication and Clearance System

The Navy Joint Adjudication and Clearance System is hosted on the CCMS and Enterprise System server and, in conjunction with the DSS corporate database, contains personnel security data on all Department of the Navy and Marine Corps military and civilian personnel and Coast Guard military personnel. The Navy Joint Adjudication and Clearance System also serves as an internal case management system that supports the day-to-day operations of the Navy's central adjudication facility. Message traffic generated by the system informs recipient commands on the status of security clearance requests or final results of personnel security determinations. Additionally, the Navy Joint Adjudication and Clearance System provides data management and analysis reports, audit trails, and historical case-tracking information.

Appendix D. Enterprise System High Level Process View



LEGEND	
CIA	Central Intelligence Agency
CCMS	Case Control Management System
DCII	Defense Clearance and Investigations Index
DM	Document Management
DS	Device Server
EI	External Interface
EPSQ	Electronic Personnel Security Questionnaire
FASS	Files Automation and Scanning Subsystem
FBI	Federal Bureau of Investigation
FIMS	Field Information Management System
ISS	Industrial Security System
RFA	Report for Adjudication
WFS	Workflow Server
WFU	Workflow User

Appendix E. Status of TRW Inc., Recommendations by Priority Ranking

Priority	TRW Recommendations	Status
1.	Establish and operate a program management office organization	Complete
2.	Manage CCMS recover and sustainment	Complete
3.	Manage replacement systems acquisition	In-Progress
4.	Institute formal flow control of the CCMS Workflow tool	In-Progress
5.	Develop a more appropriate year 2000 test environment	Complete
6.	Upgrade infrastructure baseline	In-Progress
7.	Upgrade and/or replace workflow product	In-Progress
8.	Develop concept of operations and requirements specification documents	In-Progress
9.	Eliminate the use of “route-back” within CCMS workflows	In-Progress
10.	Establish an integrated DSS Enterprise Systemwide action team	Complete
11.	Develop a high level workflow performance model	In-Progress
12.	Establish a replacement system acquisition strategy	In-Progress
13.	Investigate upgrading the database management system	In-Progress
14.	Use contractor facilities for year 2000 testing	Complete
15.	Evaluate the utility of manually archiving data	In-Progress
16.	Analyze and optimize CCMS/Files Automation and Scanning Subsystem configuration to reduce instability	In-Progress
17.	Evaluate rebalancing workload on Digital Equipment Corporation 8400 computers and Oracle databases	In-Progress
18.	Evaluate other methods to reduce CCMS/Files Automation and Scanning Subsystem instability	Contingent ¹
19.	Develop a more robust CCMS/Files Automation and Scanning Subsystem interface	In-Progress
20.	Reduce number of overhead functions associated with each workflow task	In-Progress

¹Implementation depends on results of another TRW recommendation.

Priority	TRW Recommendations	Status
21.	Correct errors in request-for-adjudication processing	In-Progress
22.	Implement general hardware recommendations	In-Progress
23.	Upgrade microfiche scanning processes to increase reliability	In-Progress
24.	Evaluate additional Document Management Export debugging strategies	Contingent ¹
25.	Enhance Document Management Export error recovery	In-Progress
26.	Investigate the effect of more powerful central processing units	Complete
27.	Improve the paper-based request for adjudication process	In-Progress
28.	Evaluate and expedite fixes for current known data integrity problems	In-Progress
29.	Implement database configuration changes to optimize performance	In-Progress
30.	Analyze performance requirements for system improvements	In-Progress
31.	Identify and collect performance metrics	In-Progress
32.	Implement backup and restore capability	Pending ²
33.	Investigate electronic dissemination of requests for adjudication	Complete
34.	Implement percentage of items awaiting operator action as basis for workflow performance	In-Progress
35.	Implement improved manual case entry process	Complete
36.	Perform routine backups of databases, mailboxes, queues, relevant directories and files	Pending ²
37.	Plan for long-term system maintenance	In-Progress

¹Implementation depends on results of another TRW recommendation.

²Action will be resourced when funding becomes available.

Appendix F. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller/Chief Financial Officer)
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)
Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)
Deputy Assistant Secretary of Defense (Security and Information Operations)
Director, Information Technology Acquisition and Investments

Department of the Army

Auditor General, Department of the Army

Department of the Navy

Naval Inspector General
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force

Other Defense Organizations

Director, Defense Security Service
Inspector General, Defense Security Service
Director, Defense Contract Audit Agency
Director, Defense Contract Management Agency
Director, Defense Logistics Agency
Director, National Security Agency
Inspector General, National Security Agency
Inspector General, Defense Intelligence Agency

Non-Defense Federal Organization

Office of Management and Budget

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Management, Information, and Technology,
Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International
Relations, Committee on Government Reform

Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) Comments



COMMAND, CONTROL,
COMMUNICATIONS, AND
INTELLIGENCE

ASSISTANT SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-6000

December 8, 2000

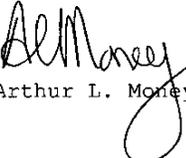
MEMORANDUM FOR OFFICE OF ASSISTANT INSPECTOR GENERAL FOR AUDIT,
ATTN: DIRECTOR, ACQUISITION MANAGEMENT

SUBJECT: Audit Report on Program Management of the Defense
Security Service Case Control Management System (Project
No. D2000AL-0159)

This is in response your memorandum of September 29, 2000,
regarding the draft Defense Security Service (DSS) Case Control
Management System (CCMS) audit report.

We concur with your findings and recommendation. DSS and the
Air Force have made a great deal of progress in restoring system
acquisition discipline to CCMS. We stand committed to seeing
that this continues in the future. Our intent is to designate
CCMS/Enterprise System (target architecture) as an ACAT IAC
program with the Air Force (LtGen Leslie Kenne) as the milestone
decision authority. As an ACAT IAC program, the Air Force will
be required to submit DAES quarterly reports, and obtain Clinger-
Cohen Act certification from C3I for CCMS/Enterprise System prior
to each milestone approval.

If you have any questions or require further information
regarding our efforts on CCMS, please contact Ray Boyd, my action
officer in the Investment and Acquisition Directorate, at (703)
602-0980, ext. 180.


Arthur L. Money



Defense Security Service Comments



DEFENSE SECURITY SERVICE
1340 BRADDOCK PLACE
ALEXANDRIA, VA 22314-1651

NOV 29 2000

Reply to
Attn of: OIG

SUBJECT: Draft of a Proposed Department of Defense Inspector General
 Audit Report, "Program Management of the Defense Security Service
 Case Control Management System" (Project No. D2000AL-0159)

THRU: Delores I. Moeller *DM*
 Deputy Director for Resources

TO: Thomas F. Gimble, Director
 Acquisition Management Directorate, DoDIG

1. The Defense Security Service (DSS) concurs with the finding and recommendation as stated in the DoDIG report. After careful analysis, the DSS Enterprise System is determined to be the best solution for the near term. Oversight of the development and migration to the target architecture should be accomplished through a joint Office of the Assistant Secretary of Defense (OASD) (C3I)/DSS modified ACAT 1C program, including a semiannual TRW process review, a quarterly presentation to the DSS Technical Advisory Committee, and weekly/monthly reporting by Air Force Program Management Office to the Defense Acquisition Council at the Air Force Electronic Systems Command, OASD (C3I), and DSS.

2. We recommend a few minor additions/changes (see attached table). First column indicates the page and paragraph number; the second contains the paragraph title (where appropriate); third contains our comments; and last contains a rationale (when necessary for clarification).

3. We appreciate the opportunity to review and comment on this report. For additional information on our comments, please contact Ms. Ann Johnson at (410) 865-2631 (ann.johnson@mail.dss.mil).

Charles J. Cunningham Jr.
CHARLES J. CUNNINGHAM JR.
Director

Attachment

*

*Appropriate corrections were made to the final report. (Table not included in this report)

Audit Team Members

The Acquisition Management Directorate, Office of the Assistant Inspector General for Auditing, DoD, prepared this report.

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