United States Senate
PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
Committee on Homeland Security and Governmental Affairs

Carl Levin, Chairman
Tom Coburn, Ranking Minority Member

E X H I B I T S

to

FEDERAL SUPPORT FOR AND INVOLVEMENT IN STATE AND LOCAL FUSION CENTERS

MAJORITY AND MINORITY STAFF REPORT

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

UNITED STATES SENATE

October 3, 2012

REPORT EXHIBITS

1. DHS memorandum from Charles E. Allen to Michael Chertoff, "SUBJECT: State and Local Fusion Center Implementation Plan" (3/16/2006), DHS-HSGAC-FC-004031.

2. DHS email from Barbara Alexander to James Chaparro, et al., "Subject: Open Source Requirements" (April 1, 2009), DHS-HSGAC-FC-059585.

3. DHS memorandum from James Chaparro to Bart Johnson, "Homeland Intelligence Reports (HIRs)" (1/7/2010), DHSHSGAC-FC-050742.

4. DHS memorandum from Harold "Skip" Vandover to Mike Potts, "SUBJECT: Reporting Backlog" (3/9/2011), DHS-HSGAC-FC-059705.

5. DHS email from Harold "Skip" Vandover to Jonathan Wilham, et al, "Subject: S&L HIR "Surge" (8/24/2011), DHS-HSGAC-FC-050751.

6. DHS memorandum from Bart R. Johnson to Secretary Janet Napolitano, "Subject: DHS State and Local Fusion Center Initiative" (7/20/2009), at DHS-HSGAC-FC-058964.

7. DHS memorandum from Christopher Button and Michael Potts, "Subject: Management of I&A Personnel at State and Major Urban Area Fusion Centers" (7/29/2011), DHS-HSGAC-FC-059289.

8. DHS response to Subcommittee inquiry (8/30/2012), PSI-DHS-67-0001.

9. DHS response to Subcommittee inquiry (9/21/2012), DHS-HSGAC-FC-059981.

10. DHS response to Subcommittee inquiry (8/17/2012), DHS, DHS-HSGAC-FC-059294.

11. DHS Homeland Intelligence Report Working Group (HIRWG) Phase 1 Report and Recommendations, November 2010, DHS-HSGAC-FC-050770.

# # #

U.S. Department of Homeland Security
Washington, DC 20528

16 March 2006

ACTION

MEMORANDUM FOR: Michael Chertoff
Secretary

FROM: Charles E. Allen
Assistant Secretary for Intelligence and Analysis

SUBJECT: State and Local Fusion Center Implementation Plan

Purpose

The purpose of this memorandum is to request your approval to proceed with the attached State and Local Fusion Center Implementation Plan, which formally designates the Office of Intelligence & Analysis (I&A) the Executive Agent to ensure plan execution.

Background

Consistent with the Departmental priority to enhance relationships with State, Local, Tribal, territorial, and Private Sector entities, I&A was asked to lead an effort to shape DHS support to State and Local Fusion Centers. Working with components from across the Department, representatives from Preparedness, Operations, Grants and Training, the Chief Information Officer's Office, Security and Policy crafted the attached plan.

Our objective is to create partnerships with up to 35 existing State & Local Fusion Centers (SLFCs) and two high-interest cities (NYC and LA) to improve the flow of threat information between DHS and the SLFCs, and to improve the effectiveness of the Centers as a group. Our plan is to embed teams with intelligence and operations skills in the Fusion Centers to do the following:

- Represent DHS at the Fusion Center
- Facilitate coordination and synchronization between the SLFC and DHS
- Provide DHS law enforcement advice and assistance
- Provide intelligence planning, reporting and analytic expertise
- Coordinate with local FBI and DHS components
- Provide DHS with local situational awareness and access

The exact numbers and skill mix of the teams will be determined by the needs of the individual Centers and DHS.

Permanent Subcommittee on Investigations
Fusion Center Report
EXHIBIT #1

Discussion

This program is one of the most important endeavors the Department can undertake right now. The States are requesting increasing amounts of intelligence support, and it is DHS' responsibility to provide it. Furthermore, given our on-going discussions with the DNI concerning "Lanes in the Road," and our efforts to work more closely with the FBI, the timing of this initiative could not be more propitious. We have worked with the FBI in building this proposal and have their support in moving forward with this initiative.

Supporting the State and Local Fusion Centers will require a commitment of DHS resources. We must give this important Program priority treatment as it supports a major objective of the Department – to share information across the country – at all levels of government and with the private sector. This Program will incur additional costs initially as we set up the DHS presence, and continue to require funding for sustainment. The majority of these costs are for field deployment, supported by a lean I&A program office. We cannot fund the program with current I&A resources. We will require bridge funding for FY06 and FY07. For FY08 and the out years, we will build funds for this program into the I&A budget. With your approval, my staff will work with the Office of the Chief Financial Officer to ensure that sufficient funds are identified and allocated.

I&A is fully prepared to serve as the department's executive agent for this effort. If desired, I am prepared to brief you at any time in order to expedite approval of this plan. We are treating this effort as our highest priority and wish to move quickly on this program to demonstrate DHS' strong commitment to the State and Local authorities.

Recommendation

That you approve this implementation plan, designate I&A as the executive agent to ensure program execution, and direct that sufficient resources be identified to support the program.

Approve SI Signed & approved document, ES, EXEC SEC Disapprove _____

Modify _____ Needs more discussion _____

Attachments:

1. DHS Support to State and Local Fusion Centers Implementation Plan
2. DHS Support to State and Local Fusion Centers Implementation Plan Briefing

THE DEPARTMENT OF HOMELAND SECURITY SUPPORT IMPLEMENTATION PLAN FOR STATE & LOCAL FUSION CENTERS

7 March 2006

U.S. Department of Homeland Security

THE DEPARTMENT OF HOMELAND SECURITY SUPPORT IMPLEMENTATION PLAN FOR STATE & LOCAL FUSION CENTERS

EXECUTIVE SUMMARY

State and Local governments (to include Tribal and Territorial) are among DHS' primary partners. DHS must focus support and effort on developing and maintaining these partnerships. Harnessing domestic information is the unique DHS contribution to the national-level mission to protect the Homeland. Additionally, DHS is positioned to leverage National Intelligence and Law Enforcement Community analysis and reporting in support of State and Local government requirements.

VISION – DHS will take the lead in establishing a mutually supporting partnership with State and Local Fusion Centers (SLFC). This partnership will be anchored by a team of intelligence and operational professionals on site, who will facilitate the two-way flow of timely, accurate, actionable, "all-hazard" information between State and Local governments and the National Intelligence and Law Enforcement Communities. DHS will assist State and Local governments by embedding Fusion Center Teams (FCT) made up of DHS personnel in SLFCs with access to information, technology, and training to facilitate the realization of the Vision of the National Preparedness Goal. This network of deployed professionals will form the basis of a nation-wide Homeland Security information fabric for collaboration and information sharing. The FCTs will be managed by the DHS Office of Intelligence and Analysis (I&A) with authority and responsibility to manage the program on behalf of the Department of Homeland Security.

Vision of the National Preparedness Goal

To engage Federal, State, Territorial, and Tribal entities, their private and non-governmental partners, and the general public to achieve and to sustain risk-based target levels of capability to prevent, protect against, respond to, and recover from major events in order to minimize the impact on lives, property, and the economy.

VALUE PROPOSITION – This venture must create substantial value for all parties quickly and sustain that value over time. The nationwide network of Homeland Security intelligence and law enforcement professionals will create value for the partners as shown on the next page.

THE VALUE ACCRUING TO DHS WILL BE:

- Improved information flow from State and Local entities to DHS
- Improved situational awareness at the Federal level
- Improved access to local officials
- Consultation on State and Local issues
- Access to non-traditional information sources
- Clearly defined information gathering requirements
- Improved intelligence analysis and production capabilities
- Improved intelligence/information sharing and dissemination capabilities
- Improved prevention, protection, response and recovery capabilities

THE VALUE ACCRUING TO STATE AND LOCAL AUTHORITIES WILL BE:

- Improved information flow from DHS to State and Local entities
- Increased on-site Intelligence and DHS law enforcement expertise and capabilities
- Clearly defined DHS entry point
- Insight into Federal priorities
- Participation in dialog concerning threats
- Clearly defined information gathering requirements
- Improved intelligence analysis and production capabilities
- Improved intelligence/information sharing and dissemination capabilities
- Improved prevention, protection, response and recovery capabilities

There are five key drivers to success in this venture:

1) **GOVERNANCE (ANNEX C)** – DHS outreach to the SLFC network will be managed by I&A. The venture must be agile and flexible, tailoring our solution to the situation at each Fusion Center. The operation will be results oriented, lean, tightly managed and function to return maximum value on our investment.

2) **STAFFING (ANNEX D)** – Each FCT will be staffed by DHS based on the joint needs of DHS and the SLFC. Staffing priority will be in accord with a risk-based (threat – vulnerability – consequences) assessment of each SLFC geographic area of responsibility. We intend to deploy personnel quickly in two key locations – New York City and Los Angeles. We view these operations as prototypes to guide follow-on deployments.

3) **GRANT FUNDING (ANNEX E)** – Grants will continue to be managed by the Office of Grants and Training in the Directorate of Preparedness. The FCTs will assist in identifying needs to which grant money may be appropriately applied at the

local level. The applicable target capabilities and associated mission areas for grant funding are listed below.

COMMON MISSION AREA

- Planning
- Communications
- Risk Management
- Community Preparedness and Participation

PREVENT MISSION AREA

- Information gathering and recognition of indicators and warnings
- Intelligence analysis and production
- Intelligence information sharing and dissemination
- CBRNE detection
- Law enforcement investigations and operations

4) **TRAINING AND EXERCISES (ANNEX F)** – DHS will deliver training for specific analytic, reporting and law enforcement skills needed within the Fusion Centers. Training and exercises will also play a major role improving the understanding of what information is of value beyond the center itself. I&A will assess, in cooperation with State and Local officials, the training needs of individual locations and act as a coordinator/facilitator to get appropriate training delivered. Exercises will be used to assess the effectiveness of training. Best practices identified will be promulgated to all FCTs.

5) **INFORMATION TECHNOLOGY (ANNEX G)** – This is a key enabler for successfully sharing information between State and Local governments and the National Intelligence/Law Enforcement community and between Fusion Centers. This project will use existing capabilities such as DHSNET, HSIN, HSIN-S and HSDN to create an information sharing environment that serves all stakeholders' information needs and builds interoperability horizontally and vertically. Priority effort will be to establish a robust capability at the sensitive but unclassified level.

This ***Implementation Plan for DHS Support to State & Local Fusion Centers and the associated reprogramming of funds to support it*** is approved.

6/7/06
Date

Michael Chertoff
Secretary of Homeland Security

THE DEPARTMENT OF HOMELAND SECURITY SUPPORT IMPLEMENTATION PLAN FOR STATE & LOCAL FUSION CENTERS

"The culture of agencies feeling they own the information they gathered at taxpayers' expense must be replaced by a culture in which the agencies instead feel they have a duty to the information—to repay the taxpayers' investment by making that information available."

- The 911 Commission Report, 13.3 Unity of Effort in Sharing Information

INTRODUCTION

The 9/11 Commission concluded that one of the major failings of the Intelligence and Law Enforcement Communities was its failure to "connect the dots" prior to the terrorist attacks on the World Trade Center and the Pentagon. The Commission was convinced, based on its investigation that the information necessary to prevent the attacks existed within the system – it just had not been correctly distributed and interpreted. DHS was created, in part, to address this issue.

The Homeland Security Act of 2002 specifically directs DHS to:

- Access, receive, and analyze law enforcement information, intelligence information, and other information from agencies of the Federal Government, State, and local government agencies (including law enforcement agencies), and private sector entities, and to integrate such information in order to (a) identify, assess, detect, and understand threats of terrorism against the United States and to the homeland; (b) detect and identify threats of terrorism against the United

States; and (c) understand such threats in light of actual and potential vulnerabilities of the homeland[1]

- Integrate relevant information, analyses, and vulnerability assessments (whether such information, analyses, or assessments are provided or produced by the Department or others) in order to identify priorities for protective and support measures by the Department, other agencies of the Federal Government, State, and local government agencies and authorities, the private sector, and other entities[2]
- Consult with State and local governments and private sector entities to ensure appropriate exchanges of information, including law enforcement-related information, relating to threats of terrorism against the United States[3]
- Disseminate or coordinate dissemination of terrorism information and warnings (including some law enforcement information) to state and local entities, the private sector, and the public[4]

State and Local governments recognize the need to create organizations to gather, fuse, analyze, and disseminate information in an effort to identify and thwart developing threats. Missing from these efforts is a coherent entry point for States and Local governments into the Federal Government for the purpose of communicating with the National Intelligence Community. Efforts have been hampered by the complexity of the information exchange (criminal intelligence vs. national intelligence, sheer volume of information, unconventional sources, etc.) and the inadequacy of technology for the job.

DHS recognizes the need, and its responsibility, to address these issues and support State and Local government efforts. We propose taking aggressive action to partner with the appropriate State and Local government authorities to:

- Provide direct national level intelligence support to State, Local and Tribal governments, serving as the primary interface between State and Local governments and the national Intelligence Community.
- Manage, analyze, fuse, tailor and disseminate information, to include law enforcement information gleaned from Federal, State, Local, Tribal, and private sector sources

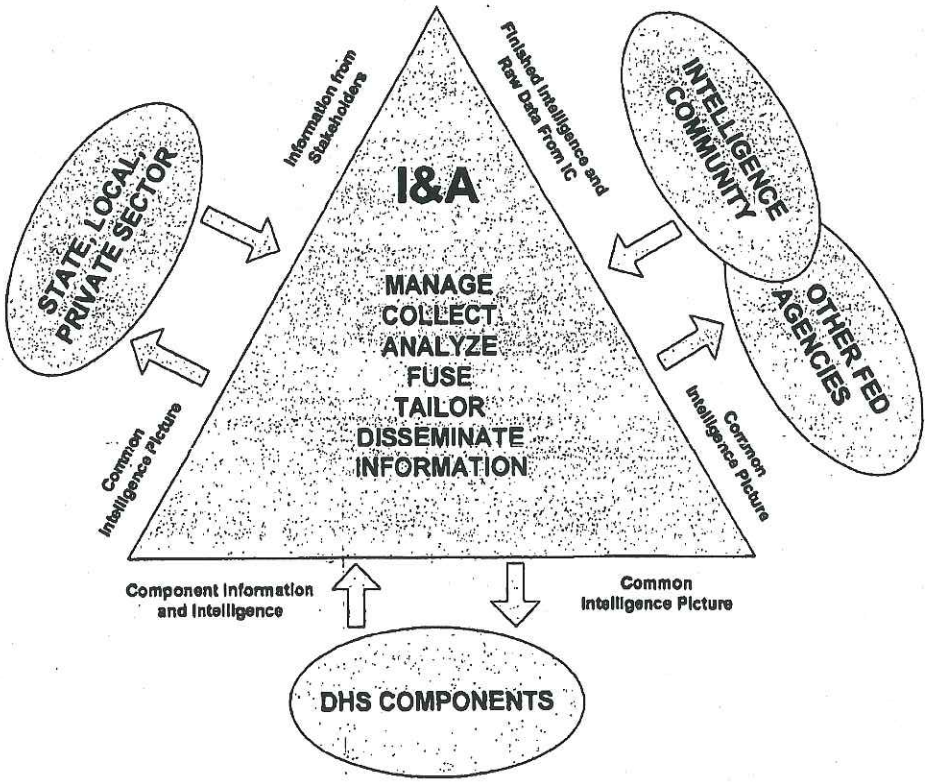
Our approach is to assign trained and experienced operational and intelligence personnel to State & Local Fusion Centers (SLFCs) to facilitate effective information flow between the SLFC, DHS Components, other Federal partners, and the National Intelligence Community. DHS is an outward facing organization with the mandate to ensure that

[1] HSA, at §202(d) (1) (A-C).
[2] Id., at § 201(d) (3).
[3] Id., at § 201(d) (11).
[4] Id. at §§ 102(c)(3); 201(d)(9); 801(b)(3)

State, Local and Federal entities have the information they need to prevent catastrophic acts such as terrorist attacks.

REQUIREMENT

First and foremost, our job in DHS is to secure America by identifying, detecting and understanding threats, assessing vulnerabilities, determining potential impacts, and informing our partners and the public concerning those threats. We are in the information business – we are both supplier and consumer in the "value chain" between the National Intelligence Community, State and Local governments, and the Private Sector.



The State, Local, and Private Sectors are the least well-served segment of the information value chain depicted above. DHS faces a major challenge – effectively providing value-added information services to the National Intelligence Community and the State, Local, and Private Sectors. DHS has a significant and smoothly functioning law enforcement presence in the field. We have not yet established an effective intelligence presence in the State and Local segment. ***Adding an effective intelligence field presence and integrating it with the existing law enforcement presence will be a major challenge of this endeavor.***

There are at least 38 State Fusion Centers currently in operation. Massachusetts, Missouri, and New York each claim two State Fusion Centers. State Fusion Centers are located as depicted in the map below and listed in Annex H. There are also two major city Fusion Centers; one in New York City and one in Los Angeles. This is a dynamic list, with States and cities creating Fusion Centers as required, to meet their needs.

The existing and future SLFCs are critical sources of unique law enforcement information and threat information which can be used by DHS and the National Intelligence Community. SLFCs are the natural entry point into the State and Local "systems" for critical threat information from the National Intelligence Community.

These Centers are both suppliers and customers to DHS. We need the capability to routinely harvest information and finished intelligence in a timely manner from State and Local sources. Once we have done so, it is incumbent upon us to quickly fuse and analyze this information with national intelligence information and report threat information back to the State and Local level. We also must be able to effectively coordinate activities with our State and Local partners as the situation may dictate.

SITUATION

DHS components operate from multiple locations across the country. In some cases, these operations are located near, and participate in, Fusion Centers. In addition, the FBI operates Field Offices, JTTFs, and Field Intelligence Groups throughout the country. This field presence gives the FBI access to an enormous amount of state, local, and private data collected in the course of their operations. In some cases, the FBI has already established a partnership with the SLFC.

Based on the legislative mandate (see pp. 6-7), it is DHS' mission to ensure that we effectively collaborate with Federal, State, Local and Private Sector elements to share information concerning terrorist threats. We must leverage DHS' component presence, on-going operations, and local knowledge, and deconflict our efforts with those undertaken by the FBI. A strong, mutually supporting partnership with the FBI at the local level will pay great dividends to our State, Local and Private Sector partners.

SERVICE OFFERING

Our customer set is extremely diverse. We need to interact with over 35 sites, each with different needs. We realize that we will have to tailor the composition of the team and the service we provide to each SLFC based on the unique needs of each Fusion Center. Step one in our strategy will be to make direct personal contact with the appropriate authorities at each Fusion Center in order to discuss their requirements.

Our job is to move information. Above all else we must facilitate that process. The most effective way to do that is to put a professional or team of professionals (intelligence, operational, or both) armed with the right tools on the ground embedded in the SLFC. Based on the needs of the State & Local Fusion Centers, the potential functions performed by the members of the team are:

Information Sharing

- Improve DHS coordination and cooperation with the FBI at the local level
- Interpret / tailor national intelligence information to meet the needs of the SLFC
- Review SLFC information holdings for dissemination to the IC
- Ensure consistency of warning information provided to the State and Local governments by Federal agencies
- Ensure to the greatest extent possible that the SLFC receives the information that it needs, when it needs it, and in a form that it can use
- Provide analytic and reporting expertise
- Provide national level reporting to State, Local, Tribal, and Private Sector
- Serve as subject matter expert on DHS law enforcement jurisdiction and resources

- Facilitate the identification of crimes within the jurisdiction of DHS components that are generally recognized as "feeder crimes" for terrorism *(This is in coordination with DHS JTTF resources.)*
- Facilitate the process for identification of source/case developmental information pertinent to violations within the jurisdiction of DHS law enforcement components
- Facilitate the process of passing source/case developmental information from SLFCs to DHS law enforcement component(s) with appropriate jurisdiction

Advocacy

- Represent DHS at the Fusion Center
- Coordinate and cooperate with deployed Federal Principal Officials (FPO) and Protective Security Advisors (PSA) to ensure consistency in the information provided and the application of DHS policy to State and Local governments
- Work with the Preparedness Officials to ensure that grant money is appropriately applied, and that an adequate return on investment is realized.
- Assist in identifying specific local information needs and translating those needs into requests for intelligence support
- Serve as the champion for individual SLFC national-level intelligence requirements
- Assist in the requirements management process
- Act as an advocate for SLFC information needs with DHS law enforcement and intelligence organizations
- Facilitate responses to requests for assistance/information from DHS law enforcement components levied by SLFCs
- Facilitate passing requests for assistance/information from DHS law enforcement components to SLFCs

Mission Support

- Identify training needs
- Provide informal training to local personnel
- Depending on the maturity of the Fusion Center either
  - Assist local officials in structuring their center, or
  - Provide technical advice/assistance concerning center operations
- Assist in coordinating the activities of Fusion Centers regionally, if appropriate
- Improve coordination between DHS operational elements and State and Local law enforcement agencies
- Coordinate closely with the State Homeland Security Advisor
- Provide DHS operational and intelligence advice and assistance to the SLFC
- Facilitate close communication and coordination between each SLFC and DHS
- Facilitate and assist in the SLFC training program and SLFC exercise participation
- Coordinate with local DHS Component elements and serve as an advocate for the component elements with the Fusion Center

Each team's composition will be tailored to the specific needs of the Fusion Center being served.

RISK AREAS

DHS is made up of multiple agencies; many with established partnerships at the State and Local levels that work. We need to make sure that as we move forward we do so as a Department, not as a group of separate entities. It is critical to implement this plan with a complete understanding of the local situation and achieve buy-in from all affected DHS agencies up front. Another major risk in implementation lies in our ability to quickly fill positions in the Fusion Center Teams with qualified personnel. We assume that this will be the pacing item for implementation. We are prepared to staff SLFCs with temporary duty personnel as necessary to fill gaps.

STRATEGY

Our strategy is to move as quickly as possible to establish a presence in Fusion Centers located in two high-risk areas – New York City and Los Angeles. We intend to use these centers as prototypes for our future efforts. We will build a little and learn a little and change the model as we go if necessary. Each site will present unique requirements that we will have to be prepared to address. We want to be sure that we are not perceived as dictating to local officials or impinging on their prerogatives in any way. Once in place, we will closely monitor the partnerships and continuously evaluate the lessons learned.

We must send the right people armed with the right capability to achieve results. The key to success will be to ensure the free flow of information and ideas between the DHS and the Fusion Center at the personal level. ***In the final analysis information sharing is not a technical issue, rather, it is a relationship and trust issue – you can't legislate it or install it.*** We don't have all the answers – we recognize that and are prepared to move forward aggressively, but cooperatively.

With two FCTs in place we will monitor performance and stand prepared to adjust the composition, technical capabilities, or concept of operation to optimize the value received by both DHS and the Fusion Center. This monitoring period is expected to last two months.

OUTREACH / SITE ASSESSMENT

Each engagement will begin with a site visit by a team from DHS. During this visit the team will determine information sharing, advocacy and mission support requirements. This process will:

- Establish personal contact with the State Homeland Security Advisor and other local leaders
- Explain our intent to embed operational and intelligence staff in the SLFC
- Assess existing DHS relationships – if they exist we will leverage them to speed the fielding process
- Assess status of the SLFC: start-up, maturing, fully capable
- Determine local needs in the areas
    - Analytic/intelligence expertise
    - DHS Law Enforcement expertise
    - Security
    - Training
    - IT/Communications
- Establish what DHS may be able to get from the SLFC (control our expectations)
- Gain agreement in principle for DHS access to SLFC information holdings.

In addition, the site visit team will assess required support actions in the following areas:

- Governance
- Grant guidance
- Staffing
- Information technology
- Training

The focus of the assessment will be driven by the maturity of the site: Conceptual – Under Development – Operational. See table on following page for the details of this assessment and actions to follow for each level of site maturity.

Based on the initial site visit, we will quickly develop an engagement plan tailored to the needs of the specific site and the expectations that the office has for that site. This plan will be vetted with the SLFC for concurrence and joint implementation on a mutually agreeable timeline.

ASSESSMENT	• Conduct Site Survey • Determine Risk Based Prioritization	• Conduct Site Survey • Determine Risk Based Prioritization	• Conduct Site Survey • Determine Risk Based Prioritization
[redacted]	[redacted]	[redacted]	[redacted]
TRAINING	• Conduct SLFC Personnel Training Needs Assessment • Examine Grant Funding • Staffing, IT, & Governance Training • Determine Existing	• Conduct SLFC Personnel Training Needs Assessment • Examine Grant Funding • Staffing, IT, & Governance Training • Determine Existing	• Conduct SLFC Personnel Training Needs Assessment • Examine Grant Funding • Staffing, IT, & Governance Training • Determine Existing

	Resources Determine State Staff Training Plan Determine Federal Staff Training Plan Examine & Determine Continuing Education Requirements Develop State Training Plan Monitor Grant Provided Training and Conduct Gap Analysis Provide Required Training	Resources Determine State Staff Training Plan Determine Federal Staff Training Plan Examine & Determine Continuing Education Requirements Develop State Training Plan Monitor Grant Provided Training and Conduct Gap Analysis Provide Required Training	Resources Determine State Staff Training Plan Determine Federal Staff Training Plan Examine & Determine Continuing Education Requirements Develop State Training Plan Monitor Grant Provided Training and Conduct Gap Analysis Provide Required Training

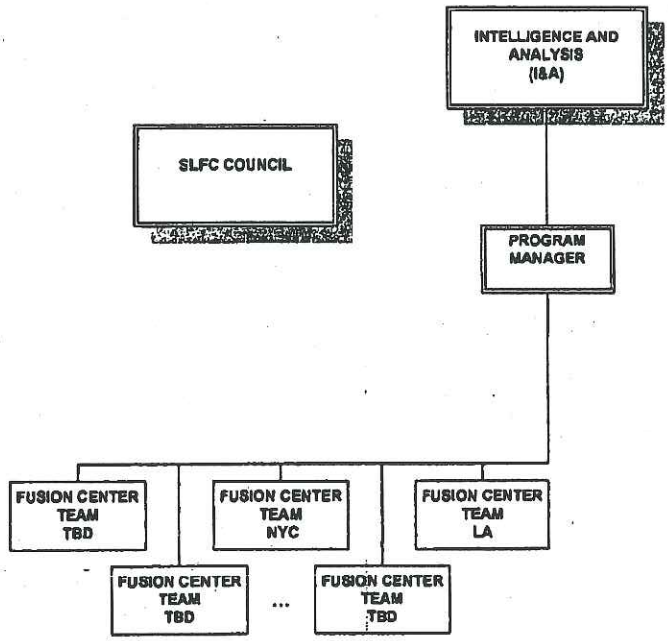
[redacted]

OPERATIONS

The operation of the Fusion Center Team is critical to success. Value is derived only through these operations. We must ensure that we put adequate mechanisms and structures in place to facilitate success.

Organization

We recognize the need for an organization that reaches across the entire Department, but remains lean and flexible. ***We recommend that the Secretary designate the Office of Intelligence & Analysis (I&A) as the Executive Agent. The Chief Intelligence Officer will appoint a Program Manager (PM) to be responsible for the day-to-day operation of the Program.***



Support initially provided by I&A

We recommend that the **State and Local Fusion Center Council**, Chaired by the Deputy Secretary, be established to provide high level policy guidance and oversight in the same manner that a Board of Directors does for a private corporation. The Council will meet quarterly, or as required, to review progress and provide guidance to I&A and the Program Manager.

I&A will provide the Program Manger with office space, DHS IT connectivity, and funding for the Program. Initially, I&A will also provide all common services staff support (human resources, information technology, security, training and logistics) to the operation until the number of FCTs grows to the point where a separate staff is warranted. From the outset I&A will provide at least one dedicated staff officer to assist the PM.

The Program Manager will work for the Chief Intelligence Officer. The PM's job is to "grow the business" by adding additional FCTs to SLFCs in an efficient and cost effective manner. ***Success will be measured in terms of the value added, not the number of the FCTs added.***

Fusion Center Team Structure

The fundamental job of each team is to move critical information to and from the SLFC. Beyond that, the DHS team is a service provider, there to assist State and Local authorities in any way possible to enhance "all-hazard" security. Not only must DHS realize value from the presence of the team, the Fusion Center must recognize the value of our presence as well. Ideally, the basic Fusion Center Team (FCT) will consist of three people:

- A DHS Fusion Center Support Team Chief
- A DHS Intelligence Professional
- A DHS Operational Professional[5]

But, the exact composition of each FCT and the number of people assigned will be determined by the PM based on requirements of each SLFC and the potential value of the information available from the site. We assume that every site will require an intelligence professional. If possible, the DHS Operational Professional will be a DHS Officer (Law Enforcement or other professional) already located at or near the SLFC being served. The Team Chief will be assigned from existing government personnel or as a new hire.

All newly assigned personnel will attend a three-week DHS orientation program at DHS Headquarters. This program will be similar to the orientation given to deploying Protective Security Advisors (PSA). Its purpose is to give the deploying staff officers a broad view of DHS and arm them with enough information to permit them to reach back into the Department to get the support that they need.

We assume that as the largest unmet requirement, intelligence support for individual SLFCs will initially be broader and more complex than operational requirements. We are prepared to tailor individual teams with additional personnel with specific skills, as needed. These personnel could consist of:

- Requirements and Collection Managers
- Reports Officers
- Intelligence Analysts
- Production and Dissemination Specialists
- Intelligence Training Officers
- Intelligence Program Managers

We recognize that personnel skill needs are dynamic and are prepared to be flexible in providing either permanent or temporary duty assignments as dictated by the situation.

If personnel from other DHS component agencies are detailed to I&A to serve on a FCT, the terms of the detail will be specified in an MOU between I&A and the component agency. In

[5] Operational Professional is defined as any non-intelligence professional.

general, detailees will serve for three years on a reimbursable basis. Extensions will be considered on a case by case basis.

The Program Manager will ensure that secure reliable communications is established between FCTs and DHS headquarters. The technical implementation of this connectivity will initially be via DHSNET, HSDN (when available), HSIN, HSIN-S and secure voice access. Our objective is to establish a service-oriented architecture to support the SLFCs. Planning for this objective architecture will be accomplished by the Program Manager in coordination with the DHS Office of the Chief Information Officer (OCIO) and the States. The PM will be responsible for disbursing funds for the implementation of the architecture. The SLFCs and the FCTs will comply with security and service policies established by the OCIO. New requirements will be identified by the local FCT, validated, and funded by the PM, and implemented by the OCIO.

Training and technical assistance is another key aspect of our team's value to SLFCs. Our team will be on site to assess training needs and assist Fusion Center managers in finding training to meet those needs. The FCT will participate in development and execution of Fusion Center exercises. Exercise participation will give the FCT an opportunity to assist the SLFC in developing new procedures and testing the flow of information as well as providing an opportunity to evaluate the effectiveness of previously delivered training.

We recognize that there are multiple elements of DHS with a presence and or equities at SLFCs. For example there are ICE and CBP officers and Protective Security Advisors (PSAs) already deployed at various State Fusion Centers. Our intent is to complement and assist these DHS offices in the accomplishment of their missions.

The Office of Grants and Training (G&T) works with States through its dedicated Preparedness Officers located at DHS Headquarters. Preparedness Officers are responsible for overseeing and assisting the States in administration of the DHS Homeland Security Grants Program. ***G&T will continue to administer grants to the States.*** The FCT will be in a position to facilitate G&T in monitoring the use of grant funds. In addition, the FCT is ideally positioned to assist the SLFC in identifying needs that can appropriately be met through grant funding

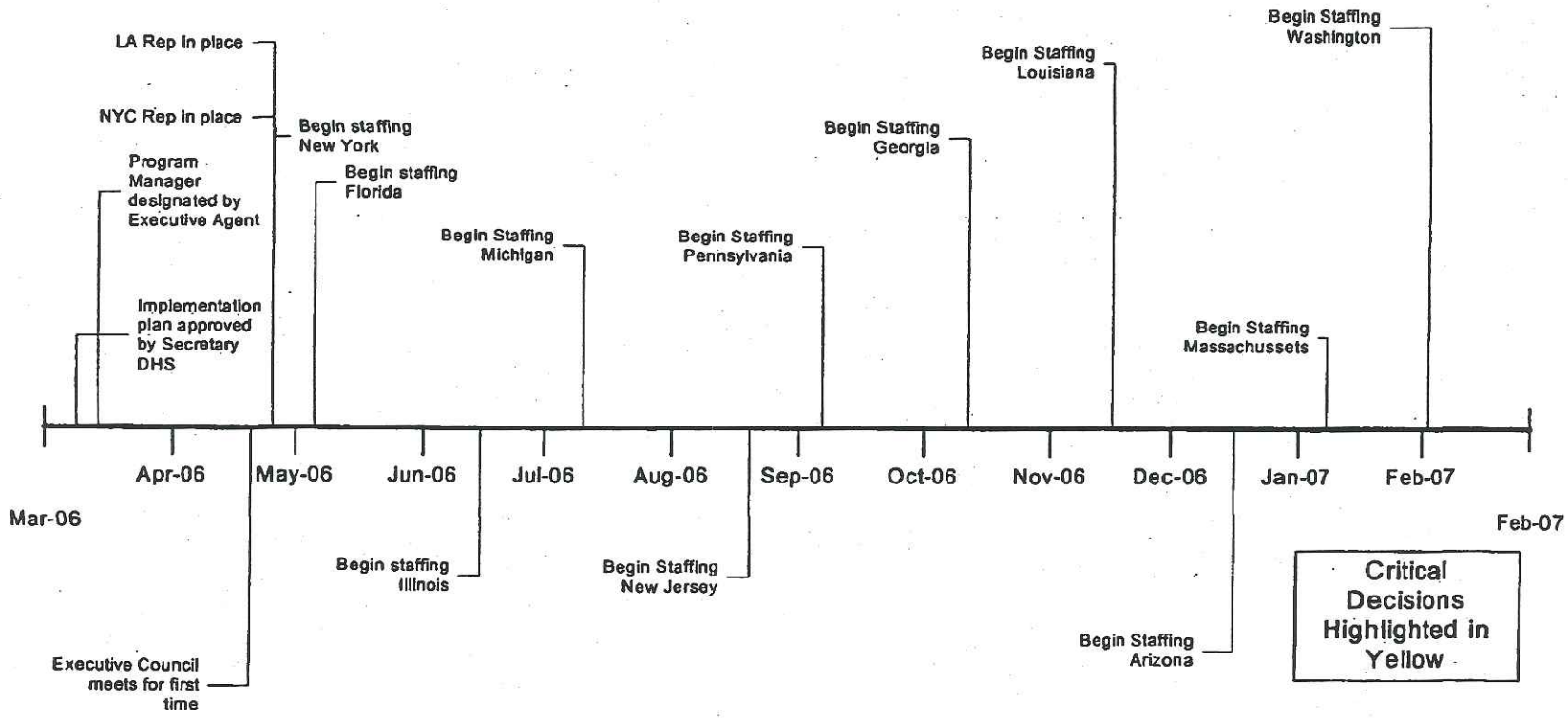
CONCLUSION

DHS is positioned to implement this strategy quickly. We are doing pieces of it today, primarily through DHS law enforcement field components. We envision building on and strengthening these existing relationships by providing direct operational and intelligence capabilities to SLFCs in a systematic manner through a dedicated management structure. The end result will be a set of optimized, coherent, mutually beneficial partnerships between DHS and SLFCs that will enhance and facilitate the flow of information.

ANNEXES

ANNEX A	First Year Milestones
ANNEX B	Cost Estimate
ANNEX C	Governance
ANNEX D	Staffing
ANNEX E	Grant Funds
ANNEX F	Training and Exercises
ANNEX G	Information Technology
ANNEX H	List of Fusion Centers (as of 1 Dec 05)

ANNEX A First Year Milestones (Notional)



DHS HSGAC FC 004052

ANNEX B Cost Estimate

Attached is a notional schedule and cost for fielding FCTs to 37 Fusion Centers, and a five year month-by-month cost estimate.

Each site takes approximately one year to become fully operational. During that year members of the staff are selected, hired, trained, deployed in a temporary duty status, and finally PCSed. ***The greatest risk to the schedule remains our ability to attract and retain qualified staff to fill positions in the field.***

The estimated average first year operating cost of a site is $878 K.
The estimated steady state annual operating cost of a site is $52 K.

The table below summarizes the five years estimated funding profile for the program to support 37 Fusion Centers. ***The figures include travel, PCS, IT, and FCT and Program Office operations.***

Cost estimate excluding personnel costs

Fiscal Year	2006	2007	2008	2009	2010
Sites	9	21	33	37	37
Personnel	31	73	112	127	127
Cost	$ 2.45 M	$ 11.24 M	$ 12.01M	$ 10.55 M	$ 2.50 M

Total Estimated Five Year Program Cost - $ 38.74 M

Cost estimate including personnel costs

Fiscal Year	2006	2007	2008	2009	2010
Sites	9	21	33	37	37
Personnel	31	73	112	127	127
Cost	$ 4.08 M	$ 17.84 M	$ 25.57 M	$ 27.85 M	$ 19.99 M

Total Estimated Five Year Program Cost - $ 95.34 M

I&A cannot fund this program from existing resources. Funding options include:

- Reprogramming existing funds from within DHS
- Seeking a top line increase
- CINT request additional funding from other source

ANNEX C: Governance

IMPLEMENTATION RECOMMENDATIONS

The Governance Working Group proposed two key recommendations for the implementation of Governance concerning State and Local Fusion Centers (SLFCs):

1) The assignment of an Executive Agent for the internal DHS governance and program management of DHS support to SLFCs.
2) The development of a Departmental SLFC Council to advise on policy matters, governance of the DHS–SLFC relationship, and to represent components in regard to issues affecting this relationship.

Definition of Governance

Governance is the policy, processes, and guidance that implement, regulate, and guide DHS support to the State and Local Fusion Centers (SLFCs). The purpose of governance is to produce a continuous stream of tangible, meaningful results that directly support the Department's and the SLFC missions. The need for a well-developed enterprise-level governance strategy within DHS is critical to ensure the ultimate goal of providing the right information to the right people in a timely manner.

External Governance

The Global Justice Fusion Center Standards offers recommendations on the governance structure within fusion centers. DHS will not interfere with the governance of the SLFC; rather, DHS will participate as an advisory member of the Fusion Center's governance board. DHS would be represented at each SLFC by a Fusion Center Team (FCT) Team Chief, considered the DHS Senior Official. This Senior Official would represent DHS on matters including, but not limited to, grant funding guidance, information sharing, staffing, training, threat indicators and warnings, emergent concerns, governance, as well as any other matters directly affecting the DHS–SLFC relationship. This FCT Team Chief will possess a variety of skills founded in an overall awareness of politics, law enforcement, intelligence, conflict management, and objection handling and in a more general manner, management practices to best represent DHS at the State / Local level.

INTERNAL GOVERNANCE

Executive Agent

The DHS Executive Agent, the Office of Intelligence & Analysis (I&A), is responsible for SLFC program execution. Other DHS components will provide support to the SLFCs. I&A will report monthly to the SLFC Council and address issues involving all SLFC relationships. I&A's authority to manage the relationship with the SLFCs is granted via the Secretary DHS signature page in this plan.

There will be Department-wide assignments to the SLFC program. Components engaging in the SLFC program will support the management structure in relation to their involvement with the SLFC. For example, the Office of Civil Liberties would not be expected to assign an FTE, but rather a POC for issues relating to the sphere of influence, while it is expected that I&A would provide robust support.

SLFC Council

An SLFC advisory council will be established within DHS. This structure will provide a Department-wide perspective on issues pertaining to the support of the SLFC. The Council would handle the key decision-making policies related to DHS' support and interaction with the SLFCs, with I&A (as the Executive Agent) functioning in the supporting role. We recommend the Deputy Secretary perform as Council Chair and that each component be represented on the Council at the deputy level. This inclusive participation is essential to support for initiatives relating to the SLFCs. I&A will prepare the necessary information for the Council to make rapid decisions. Tactical and operational decisions will be handled by I&A with only the most strategic decisions being brought before the Council. Council-approved and/or directed initiatives will be implemented by I&A.

The SLFC Council provides a forum for senior DHS intelligence, operational, and management leaders to ensure consistent governance both internally and externally dealing with the SLFCs. This Council will provide a forum for the components to endorse common philosophy, business rules and guidelines, and where appropriate, to prioritize and harmonize initiatives and adjudicate issues. The Council will have the responsibility to develop recommendations to the Secretary of Homeland Security relating to DHS support to SLFCs.

ANNEX D Staffing

IMPLEMENTATION

SLFCs represent force multipliers for DHS operational and intelligence elements. The DHS Fusion Center Team (FCT) will be catalysts for concurrently creating the force multiplier effect and bringing to bear appropriate DHS resources to support SLFC operations. The FCT will ultimately consist of three personnel:

- A DHS Fusion Center Team Chief
- A DHS Intelligence Professional
- A DHS Operational Professional

Initially, DHS will send one representative to a SLFC to establish the relationship and conduct an assessment of needs within that Fusion Center's area of responsibility. This representative may or may not stay in place in one of the DHS positions.

Staffing Priority

We will employ a risk-based methodology to prioritize the assignment of personnel to SLFCs. This methodology is based on twelve weighted factors listed below. Data was taken from the most current available source. The weights assigned to each factor are an initial estimate. We will empanel an expert group to validate and modify the weighting factors used.

1. **State Population,** 2000 US Census Data, 2005 Estimates, ***10%.***
2. **Population Density,** Population Division, U.S. Census Bureau, ***5%***
3. **Border Risk,** U.S. Department of Treasury, U.S. Customs Service, Office of Field Operations, Operations Management Database 2004 Crossings, ***10%***
4. **Critical Infrastructure,** *Public Road Length, Miles by Ownership*: 2003, U.S. DoT, Federal Highway Administration, Highway Statistics 2003; *Number of Road Bridges by Owner*: 2003, U.S. DoT, Federal Highway Administration, Office of Bridge Technology, National Bridge Inventory; *Federal and State Funding of Public Transit*, U.S. DoT, Bureau of Transportation Statistics, Survey of State Funding for Public Transportation for Calendar Year 2003; *Energy Consumption by Energy Source*: 2001, U.S. DoE, Energy Information Administration, State Energy Data 2001 Consumption. (components combined using weighted average,) ***10%***
5. **Terror Risk,** Law Enforcement Terrorism Prevention Programs total costs 2005, DHS Federal Grant Program Report, ***10%***
6. **Port Risk,** Freight Shipments by State of Origin: 2002, U.S. DoT, Bureau of Transportation Statistics and U.S. DoC, U.S. Census Bureau, 2002 Commodity Flow Survey, ***10%***

7. **Immigration Risk,** Population by State and U.S. Citizenship Status, With Percentages by State: 2003, U.S. Census Bureau, American Community Survey, Immigration Statistics Staff, Population Division, ***10%***
8. **Economic Risk,** Gross State Product Total (millions of current dollars), U.S. Department of Commerce, Bureau of Economic Analysis 2005, ***10%***
9. **Iconic Value,** Gross State Product (millions of current dollars) Travel & Accommodations, U.S. DoC, Bureau of Economic Analysis 2005, ***5%***
10. **Hazardous Materials Risk,** Hazardous Materials Managed by State in Tons 2003, State Detail Analysis the National Biennial RCRA Hazardous Waste Report (based on 2003 data), Environmental Protection Agency, ***10%***
11. **2005 UASI Grant Funding,** Department of Homeland Security, ***5%***
12. **2005 State Grant Distribution,** Department of Homeland Security, ***5%***

In evaluating this methodology we find that it is logical, transparent, objective, repeatable, and consistent. The resulting **DRAFT** ranking of sites appears below:

(Notional) Risk Based Manning Prioritization I & A Support to State & Local Fusion Centers
Pre-Decisional

Rank	State	Score	Rank	State	Score	Rank	State	Score
1	California	12.9%	18	Virginia	1.7%	35	Arkansas	0.8%
2	Texas	12.1%	19	Kentucky	1.6%	36	New Mexico	0.7%
3	New York	7.3%	20	Minnesota	1.6%	37	Utah	0.6%
4	Florida	4.4%	21	Maryland	1.5%	38	West Virginia	0.6%
5	Illinois	3.8%	22	Missouri	1.5%	39	Nebraska	0.6%
6	District of Columb	3.4%	23	Tennessee	1.4%	40	Maine	0.6%
7	Michigan	3.0%	24	Kansas	1.3%	41	Rhode Island	0.6%
8	Ohio	3.0%	25	Alabama	1.3%	42	Wyoming	0.6%
9	New Jersey	2.9%	26	Wisconsin	1.3%	43	North Dakota	0.5%
10	Pennsylvania	2.8%	27	Mississippi	1.2%	44	Hawaii	0.5%
11	Georgia	2.5%	28	Colorado	1.2%	45	Vermont	0.5%
12	Louisiana	2.5%	29	Connecticut	1.0%	46	Idaho	0.4%
13	Arizona	2.1%	30	Oregon	1.0%	47	Delaware	0.4%
14	Massachusetts	1.9%	31	South Carolina	0.9%	48	Montana	0.4%
15	Washington	1.9%	32	Oklahoma	0.9%	49	New Hampshire	0.4%
16	North Carolina	1.8%	33	Iowa	0.9%	50	South Dakota	0.3%
17	Indiana	1.8%	34	Nevada	0.8%	51	Alaska	0.3%

Factors:				
	Population	10%	Population Density	5%
	Border Risk	10%	Critical Infrastructure	10%
	Terror Risk	10%	Port Risk	10%
	Immigration Risk	10%	Economic Risk	10%
	Iconic Value	5%	2005 UASI Funding	5%
	Hazardous Materials Risk	10%	2005 State Grant Distribution	5%

Upon overall plan approval, we will take immediate steps to coordinate this methodology within DHS and with the Homeland Security Advisors.

The DHS FCTs will include individuals who will be detailed to the Program for 36 months (with 12 month extensions mutually approved by all parties) to DHS headquarters under the terms of a Memorandum of Understanding with the component providing the team member.

Current Fusion Center Staffing by Components

Only Immigration and Customs Enforcement (ICE) has one GS-13 Special Agent currently staffing a fusion center (UNYRIC, Albany New York.) There is a pending MOU between ICE and the State of Vermont for the assignment of one Intelligence Research Specialist part-time to the Vermont State Fusion Center.

Staffing Time Line

Immediate assignment of at least one DHS representative to the following two UASI cities: New York and Los Angeles.

Training for DHS Staff

Staff officers assigned to SLFCs will have experience in Law Enforcement and/or Intelligence and will be well-versed in their fields. The Orientation Program for these officers will be three weeks long. To maximize effectiveness and minimize the learning curve, the training will be focused on key operational information to facilitate acquiring full functionality in the new position as quickly as possible.

The Orientation will consist of an overview of DHS missions and functions and help create an informed working relationship for the new employee with DHS HQ. Since the HSOC is the primary active component in the daily operations of a Fusion Center, this Orientation will include a hands-on appreciation for the mission and daily operations of the HSOC using a working tour(s). To provide an understanding of the complementary duties that Law Enforcement and Intelligence officers will perform, the orientation will provide a basic appreciation of law enforcement essentials, including lead development for the intelligence analysts; likewise, the Law Enforcement employees will be trained in some basic aspects of intelligence analysis work, including understanding security designations for data, tearlines, and an overview the analytic process.

Our employees' ability to perform well depends in part on a responsive training program that can expand to meet identified needs. Once an employee has been on site for 90 days we will identify additional site-driven training needs and schedule additional training opportunities to meet those needs within the first 12 months of the deployment.

Week 1	Week 2	Week 3
♦ DHS Orientation (ANSER)* ♦ HSOC Orientation ♦ I&A Orientation	♦ Component orientation ♦ DHS Law Enforcement Agency Orientation	♦ Grants and Training Orientation ♦ DHS HQ and Primary Staff Orientation

* We will evaluate the applicability of the PSA orientation to FCT requirements

ANNEX E Grant Programs: SLFC Allowable Costs

OVERVIEW

On October 18, 2005, the President signed the Department of Homeland Security (DHS) Appropriations Act of 2006, providing vital funding to ensure the safety and security of our homeland. Through the DHS Preparedness Directorate's Office of Grants and Training (G&T), State and Local organizations will receive approximately $2.5 billion in grant funding to build capabilities that enhance homeland security. The FY 2006 Homeland Security Grant Program (HSGP) outlines a prioritized approach to funding allocations with an emphasis on risk and need.

As in previous fiscal years, the FY 2006 HSGP continues to provide funding for planning, organization, equipment, training, exercises, and management and administration to prevent, protect against, respond to, and recover from terrorist attacks, major disasters, and other emergencies in all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Territories. **The FY 2006 HSGP continues to expand the allowable costs related to information sharing and collaboration to ensure State and Local governments can use DHS grant funds to build and/or enhance fusion centers.** G&T possesses a dedicated team of personnel providing guidance to State and Local jurisdictions regarding the use of DHS grant funds. All grants-related questions should be passed directly to the G&T Preparedness Officers (POs) for immediate action. The POs will provide reach back for all fusion center personnel.

FUSION CENTER ALLOWABLE COSTS

The following text provides a detailed summary of the allowable costs related to the establishment, enhancement, and operation of fusion centers at the State and Local area.

Hiring of Intelligence Analysts

In previous fiscal years, the hiring of contractors as intelligence analysts inside SLFCs was an allowable cost but the hiring of new intelligence analyst staff was not an allowable cost. **The FY 2006 HSGP renders the hiring of both new staff and contractors allowable.** The HSGP language reads[6]:

[6] Applies to UASI and LETPP only.

"...No more than 25 percent of the gross amount of the allocation for these programs may be used for operational expenses and overtime costs for the...operational activities noted below..."

Grant funds may be used for the hiring of new staff and/or contractors to serve as intelligence analysts to enable information/intelligence sharing capabilities. In order to be hired as an Intelligence Analyst, staff and/or contractor personnel must have successfully completed training to ensure baseline proficiency in intelligence analysis and production. **Costs associated with hiring new intelligence analysts are allowable only for the period of performance of the FY 2006 UASI and LETPP programs. Upon close-out of the FY 2006 grants, States and Urban Areas shall be responsible for supporting the sustainment costs for those intelligence analysts.**

The International Association of Law Enforcement Intelligence Analysts' (IALEIA) Educational Standard # 7 (page 14 of the IALEIA Analytic Standards booklet) provides standards on the categories of training needed for intelligence analysts. DHS Grants and Training uses these standards to determine the adequacy of available training. The skills required include subject-matter expertise, analytic methodologies, customer-service ethics, information handling and processing skills, critical thinking skills, computer literacy, objectivity and intellectual honesty. Successful completion of the following courses satisfies the intelligence analyst training requirement:

- Intelligence Analyst Training Program (FLETC)
- Foundations of Intelligence Analysis Training (International Association of Law Enforcements Intelligence Analysis)

I&A and Grants and Training will identify other analytic courses available in the Intelligence Community which may also meet this training requirement. All training will be reviewed to ensure that it includes instruction on procedures for:

1. Identifying information of value to the Federal Government
2. Reporting this information to DHS (HSOC and I&A)

The IALEIA analytic training standard has been accepted by the community. As I&A becomes more involved with Fusion Centers we will collaborate with Grants and Training on enhancing and modifying these standards to more accurately reflect the needs of the Fusion Centers and the Federal Government. As the standards evolve we will keep the States informed of training that qualifies for grant funding through the publication of periodic Grants and Training Information Bulletins.

Other Allowable Costs

The following list highlights the additional fusion-related allowable costs through HSGP:

- Purchasing computers, IT hardware, software, radios, communication equipment, etc. to be used solely in the Fusion Center
- Paying contractors and consultants to make recommendations on the development of the Fusion Center
- Hiring an IT specialist to plan, develop, and implement the IT applications necessary for the Fusion Center
- Leasing office space to house the fusion center
- Purchasing furniture and other consumables (paper, toner, etc.) that will be used solely in the Fusion Center
- Digital Intelligence Forensic Recovery of Evidence Device - These workstations are critical for IT forensics in TEW and
- Overtime costs are allowable for personnel to participate in information, investigative, and intelligence sharing activities specifically related to homeland security. This includes activities such as anti-terrorism task forces, Joint Terrorism Task Forces (JTTF), Area Maritime Security Committees (as required by the Maritime Transportation Security Act of 2002), and Terrorism Early Warning (TEW) groups

Authorized Equipment List (AEL)

The AEL highlights a full spectrum of information technology, cyber security, interoperable communications, and terrorism incident prevention equipment that is allowable under the FY 2006 HSGP.

Recommendations:

No immediate action is required from the Office of the Secretary. The FY 2006 HSGP will allow State and local organizations to move forward with the development, enhancement, and operation of fusion centers. However, preparation for the FY 2007 HSGP has already begun. G&T will ensure that the FY 2007 HSGP supports the implementation of the final Fusion Center guideline recommendations. In addition, the AEL will also be revised throughout FY 2006 and into FY 2007 to reflect the equipment recommendations articulated in the final Fusion Center guideline recommendations, or to reflect current requirements due to changes in technology.

ANNEX F Training and Assistance to SLFCs

OVERVIEW

Training of SLFC personnel on the core fusion process concepts, processes, regulations, and tools is essential to the successful development of Fusion Centers nationwide. Training for all personnel involved in these centers will not only support the common sharing of information and intelligence across all levels and sectors of government, but it will also promote and provide a common understanding of the necessary levels of capability to support SLFC efforts. DHS will assist in ensuring that SLFC personnel are trained on all necessary information and intelligence collection, analysis, production, dissemination, and security requirements and processes, and all relevant regulations and guidelines.

FUSION-RELATED TRAINING, TECHNICAL ASSISTANCE, AND EXERCISE NEEDS

There are five main fusion-related training, technical assistance, and exercise categories that require funds and personnel:

1. Training

To ensure the successful development and enhancement of fusion centers across the nation, it is essential that all center personnel receive consistent, expert training on all relevant fusion-related processes in accordance with the four fusion-related target capabilities identified in the National Preparedness Goal:

- Information Gathering and Recognition of Indicators and Warnings;
- Intelligence Analysis and Production;
- Intelligence/Information Sharing and Dissemination; and
- Law Enforcement Investigations and Operations.

To support State and Local training needs, DHS will dedicate resources to the following:

- Develop and adopt minimum training guidelines for all SLFC personnel regarding the four fusion-related target capabilities;
- Assess the as-is fusion-related training environment to identify and evaluate *existing* Federal, State, Local public sector training courses available as well as the private sector commercial training courses available for SLFC personnel related to each of the four fusion-related target capabilities;
- Utilize the assessment of the as-is fusion-related training environment to determine which existing courses meet minimum training guidelines. These

courses must be formally approved and validated by DHS for use by State and Local grantees and SLFC personnel.

Note: While training to support the fusion-related target capabilities is imperative, the most immediate training-related need is the proper training of intelligence analysts. The FY 2006 HSGP Guidance identifies two courses that satisfy the intelligence analyst training requirement:

1. Intelligence Analyst Training Program (FLETC)
2. Foundations of Intelligence Analysis Training (International Association of Law Enforcements Intelligence Analysis)

Additional courses will be identified, as needed by G&T in conjunction with I&A. All training will be reviewed to ensure that it includes instruction on procedures for:

1. Identifying information of value to the Federal Government
2. Reporting this information to DHS (HSOC and I&A)

These courses will be continuously evaluated and modified to ensure that the meet DHS and SLFC needs.

A certificate of completion of such training must be on file with the SAA and should be made available to Preparedness Officers upon request upon the hiring of personnel."

Recommendation: DHS must continue to dedicate funds and personnel towards the identification, evaluation, and validation/approval of existing fusion-related training courses, as well as the development (as needed) of additional Training Guidelines and Courses to Support Fusion-related Target Capabilities with explicit priority placed on viable intelligence analyst training courses.

Necessary Training Resources: Costs associated with these tasks will depend on the data set compiled via the assessment of the as-is fusion-related training environment.

2. Technical Assistance

Assistance in the Establishment / Enhancement of the Fusion Process

Delivery of *Fusion Process Orientation Technical Assistance Workshop* must expand to assist States and Local jurisdictions in the establishment of a common understanding of the fusion process and facilitate its nationwide implementation. The service delivery consists of three main components:

- Detailed assessment of the as-is fusion process environment;

- Overview of the seven stages of the fusion process; and
- Collaborative development of a blueprint for developing/enhancing the fusion process based on the as-is environment.

Recommendation: Nationwide roll-out of the orientation service must commence as soon as possible to ensure that all fusion centers are established and operate based on a common vision, common approach, and shared ability to communicate with each other within a national network of common information sharing capabilities. Strong collaboration among all relevant DHS entities is vital to ensure the workshop is designed, developed, and delivered in the most effective manner.

Necessary Resources: Remaining FY 2005 funds can support delivery of the Fusion Process Orientation to all fifty States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Territories. No additional resources are required..

3. National Fusion Models for Replication

National fusion center models for replication, such as the Terrorism Early Warning Group (TEW), allow State and Local jurisdictions to learn from and replicate (if desired and where appropriate) established, functioning best practices and lessons learned. The TEW Program is targeted towards UASI jurisdictions through an orientation at the Los Angeles TEW, workshops in Urban Area/local jurisdictions, and continuing implementation support. The TEW fully comports with the fusion process methodology articulated in the Fusion Process Orientation Workshop and the follow-on TA services.

Recommendation: Continue delivery of the TEW Group technical assistance program to allow State and local jurisdictions to learn from functioning, operational resources. Strong collaboration between all relevant DHS entities is vital to ensure successful delivery and evaluation of all TEW on-site workshops.

Necessary Resources: Ongoing funding will allow the TEW Group technical assistance to continue, however, additional funding is necessary to ensure the program continues to grow and meet the needs of requesting jurisdictions. A separate funding stream would also allow for the identification of additional national models for replication to complement the TEW.

4. Continue to Build Library of Best Practices

Identifying, reviewing, cataloging, and sharing best fusion process/fusion center practices and lessons learned is vital to the success of the overall DHS effort. Numerous best practices and lessons learned reside within established Fusion Centers throughout the

nation, however, DHS must do more to ensure data is effectively harnessed and applied. These resources are invaluable to State and Local jurisdictions regardless of the sophistication level of their respective fusion process/center.

Recommendation: DHS must develop rigorous processes to identify, review, catalogue, and share best fusion process/fusion center practices and lessons learned.

Identify - As DHS interacts with SLFCs (via phone, on-site visit, training initiatives, exercises, technical assistance deliveries, etc.), DHS personnel must collect data regarding best practices and lessons learned.

Review – A series of conferences should be convened to allow Fusion Center personnel and Federal partners to review collected best practices and lessons learned. Convening these subject matter experts will enable collaborative development of a working list of best practices and lessons learned.

Catalogue - The results of the best practices efforts will ultimately be uploaded to the Lessons Learned Information Sharing portal (LLIS.gov) and added to the DHS website to allow State and Local jurisdictions permanent access to the data.

Share – Best practices and lessons learned will be disseminated via Fusion Center Teams. And, technical assistance services will promote application of best practices and lessons learned via SLFC exchange programs and regional workshops.

Necessary Resources: No additional resources are required.

5. Exercises

The DHS G&T National Exercise Program (NEP) currently administers the Terrorism Prevention Exercise Program (TPEP), which has a primary focus on, and will continue to support, the testing and validation of established SLFCs and processes. The TPEP is designed to deliver peer-evaluated exercises to homeland security partners using field-validated, collaborative Homeland Security Exercise and Evaluation Program (HSEEP) tools and methodologies tailored to support the analysis of intelligence fusion capabilities across the broad spectrum of State and Local constructs, ranging from purpose-built, terrorism-focused fusion centers to integrated, all crimes intelligence fusion operations as well as Terrorism Early Warning Groups. Additionally, TOPOFF will continue to serve as the most effective measure to engage key stakeholders from all levels of government in the exercise and evaluation of intelligence fusion capabilities, as well as the equally critical intelligence collection, threat recognition and intelligence dissemination capabilities which, in combination with the fusion and analysis process, form the framework of the National Information Sharing Environment (ISE).

Prevention exercises conducted under TPEP seek to validate that same framework at the State and Local level by stressing key nodes in the intelligence fusion process to provide an opportunity to demonstrate task-level proficiency, identify improvement opportunities and/or validate best practices relating to the fusion and analysis of intelligence. As the ISE differs in design and implementation from one jurisdiction to the next, each prevention exercise is designed based upon the jurisdiction's prevention-related objectives. This ensures DHS' ability to gauge whether existing fusion resources are being realized to their full potential and that the overarching fusion capability is adequately supported by intelligence collection, threat recognition and intelligence dissemination capabilities. Scalable prevention exercises are based on the findings of a Local threat and Information Sharing Environment Analysis (ISEA), that provides an in-depth understanding of how information and intelligence is received, collated, compared, contrasted and synthesized within the fusion node; allowing the near real-time, dynamic exercise play that is a prerequisite for testing and evaluating those technologies, plans, policies, and procedures critical to the fusion and analysis process.

Recommendation: The TPEP seeks to expand prevention exercises regionally to validate regional agreements / operations, incorporate private sector partners, and include Federal agencies and non-traditional prevention disciplines for FY06. The TPEP will incorporate leading edge concepts, including the Universal Adversary program and the Attack Tree to stress key nodes of the ISE to evaluate and improve the level of collaboration amongst Federal, State and Local entities.

Necessary Resources: The TPEP does not require additional resources beyond its existing FY06 funding to conduct FY06 activities.

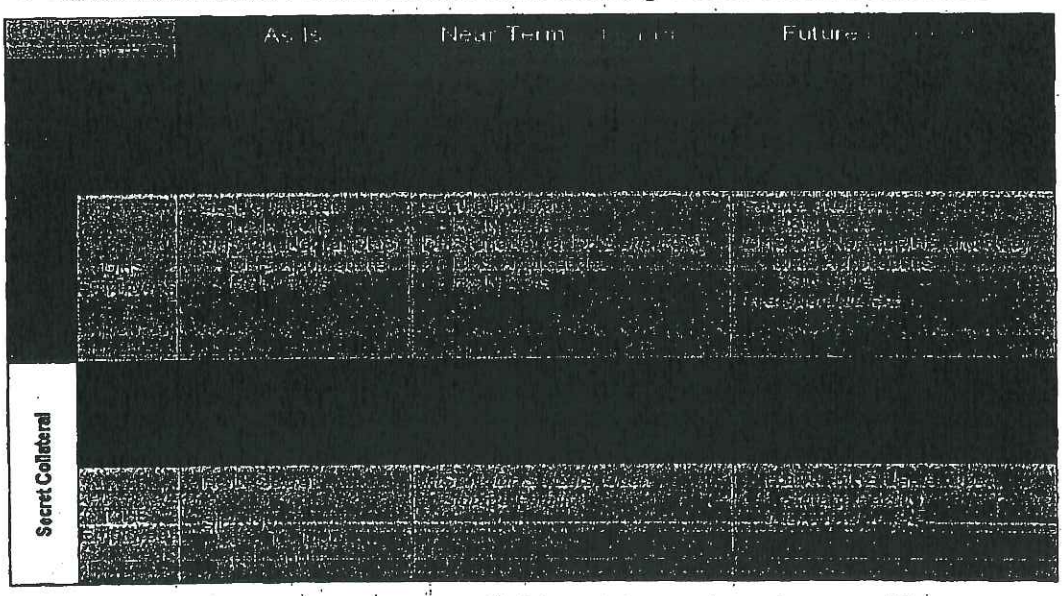
ANNEX G Information Technology

OVERVIEW

DHS is the primary facilitator of information sharing between the National Intelligence Community, DHS Components, State and Local governments, and the Private Sector. There has been progress towards developing a national Information Sharing Environment (ISE), but more needs to be accomplished between DHS and its SLFC partners. Near-term progress can be made by extending the existing robust IT capabilities of DHS to SLFCs and by encouraging information interoperability through on-going standards activities. Achieving this goal depends on the identification of a mission owner within DHS and empowerment of State and Local partners through the Homeland Security Grant Programs. This step will fuel the subsequent IT lifecycle steps necessary to meet ISE requirements.

The high-level performance goal of the SLFC IT concept is that DHS provide a robust, survivable information exchange capability with SLFC participants at the sensitive-but-unclassified (SBU) and collateral (SECRET) levels. Leveraging existing capabilities, DHS can work towards a target ISE that meets desired requirements and is programmatically sustainable. The figure below lays out the stages of a progression from as-is to near-term to a future target architecture.

State and Local Fusion Center Data Sharing Connection Architecture



*This system is unproven for use within SLFC and does not meet user requirements.
Italics are changes (moving left to right by row)

AS-IS

Few DHS employees are currently located in the SLFCs. Information sharing between DHS and State and Local personnel is primarily with DHS component representatives assigned to the Homeland Security Operations Center (HSOC) using the Homeland Security Information Network (HSIN) collaboration mechanism. However, State and Local governments desire more information at SBU levels and want the ability to search federal databases. HSIN meets the SBU secure encryption requirements, but relies on the commercial Internet infrastructure for availability.

DHS fielded HSIN-SECRET (HSIN-S) to 50 state emergency operations centers and additional state and local law enforcement sites. This was done as an immediate, inexpensive, and temporary basis to reach State and Local homeland-security and law-enforcement sites that can receive SECRET-level information. ***However, in its current state HSIN-S does not meet the desired capability.*** Sustainability, COMSEC and content issues have contributed to this reality.

NEAR-TERM (6–12 MONTHS)

Once DHS deploys more federal personnel to SLFCs, the opportunities to collaborate will be much greater. To enable the partnership, SLFC personnel must have the same access to information as DHS personnel at their home agencies. Extending the DHS SBU network (DHS OneNet) to SLFCs and authorizing access for selected State and Local personnel will support that capability. The goal of this step is to increase the survivability of the DHS to SLFC communication channel and to immediately increase the visibility of authorized State and Local personnel into federal databases. HSIN will continue to provide remote access and information services as is it does today.

Increased collateral information sharing capability will be afforded by migrating from HSIN-S to the Homeland Secure Data Network (HSDN). This will be done in a step-wise manner that provides the more robust capability of HSDN to SLFCs that are able to support it and HSIN-S to existing or new SLFCs facilities not certified for open collateral storage. Both SBU and collateral information sharing issues are being worked within DHS.

FUTURE (12–36 MONTHS)

DHS will work through the Office of the Director of National Intelligence (ODNI) to meet the vision of the ISE mandated in Executive Order 13356 and the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004. Key to this vision is the requirement that the ISE support information flow in two directions. Refined policy, business processes, and

technology are being applied to the problem. Information exchange interoperability and Electronic Directory Services (EDS) are two areas where DHS can support the ISE.

DHS will implement information exchange technology within DHS following the joint guidance developed under the Global Justice XML Data Model (GJXDM) and National Information Exchange Model (NIEM) initiatives. DHS will also do its part to encourage information exchange interoperability with SLFC by allowing HSGP funds to be used for programming and technical assistance for bringing systems into compliance with the GJXDM and NIEM.

DHS will promote the EDS solutions defined in the ISE concept of operations and architecture. The ISE vision supports implementation of a service-oriented architecture that allows for federated query of people, organizations, data and services across disparate databases. This architecture will leverage the existing data management infrastructure without duplicating it.

DHS is integrating the common information sharing models of the five major components within the Department. The Enterprise Data Management office is also planning an internal EDS for data that can be applied to the target ISE and SLFC architecture. Additional progress is being made throughout DHS to increase the use of best available data including geospatial (location), law enforcement, and immigration information.

ANNEX H Fusion Centers as of 1 Dec 2005

Intelligence Fusion Centers

Criminal Information Center	Montgomery	AL
Arizona Counterterrorism Information Center and Rocky Mountain Information Network Intelligence Center	Phoenix	AZ
State Terror Threat Assessment Center and Western States Information Network Intelligence Center	Sacramento	CA
Colorado Information Analysis Center	Sentinel	CO
Connecticut Intelligence Center	New Haven	CT
Multiple Threat Alert Center and Foreign Terrorist Tracking Task Force	Washington	DC
Delaware Information Analysis Center	Dover	DE
Counter Terrorism Intelligence Center	Tallahassee	FL
Georgia Information Sharing and Analysis Center	Atlanta	GA
Iowa Fusion Center	Des Moines	IA
Statewide Terrorism Intelligence Center	Springfield	IL
Indiana Intelligence Fusion Center	Indianapolis	IN
Kansas Threat Integration Center	Topeka	KS
Kentucky Fusion Center	Frankfort	KY
LSP Fusion Center	Baton Rouge	LA
Commonwealth Fusion Center	Framingham	MA
New England State Police Information Network Intelligence Center	Franklin	MA
Maryland Coordination and Analysis Center	Woodlawn	MD
Maine Intelligence Analysis Center	Augusta	ME
Minnesota Joint Analysis Center	Minneapolis	MN
Missouri Highway Patrol Intelligence Center	Jefferson City	MO
Mid-States Organized Crime Information Center	Springfield	MO
Montana All-Threat Intelligence Center	FT Harrison	MT
North Dakota Fusion Center	Bismarck	ND
Regional Operations Intelligence Center	West Trenton	NJ
Upstate New York Regional Intelligence Center	Latham	NY
Rockland County Intelligence Center	New City	NY
Strategic Analysis and Information Center	Columbus	OH
Terrorism Fusion Center	Salem	OR
Pennsylvania Criminal Intelligence Center	Harrisburg	PA
South Carolina Fusion Center	Columbia	SC
Tennessee Regional Information Center and Regional Organized Crime Intelligence Center	Nashville	TN
Texas Security Analysis and Alert Center	Austin	TX
Utah Criminal Intelligence Center	Salt Lake City	UT
Virginia Fusion Center	Richmond	VA
Washington Joint Analysis Center	Olympia	WA
Regional Intelligence Center	Madison	WI
West Virginia Intelligence Fusion Center	South Charleston	WV

= Redacted by the Permanent Subcommittee on Investigations

[redacted]

From: Alexander, Barbara
Sent: Wednesday, April 01, 2009 5:45 PM
To: [redacted] Chaparro, James
Cc: [redacted] Martin, Timothy; Jones, Keith; Groven, Philip; [redacted]
Subject: Open Source Requirements

Jim & [redacted] ***This is a joint RP-CR note...we decided against simultaneous transmission! But fully coordinated among the cc line addressees....***

RP and CR met recently to discuss an issue that's arisen with several of our State and Local Fusion Centers (SLFCs). They are collecting open-source intelligence (OSINT) on U.S. persons (USPER), without proper vetting, and improperly reporting this information through Homeland information reporting (HIR) channels to RP.

RP and CR feel the OSINT collection by SLFCs stems from lack of awareness of proper vetting procedures and legal requirements for the authorized collection OSINT on USPER. The improper reporting of this information through HIR channels is likely a result of a lack of training on proper collection and reporting procedures, as well as the fact that HIR channels and processes are much more familiar to the SLFCs. Nonetheless, because they are sending these reports directly to RP, they are inadvertently causing problems:

1. RP does not have the background or tradecraft experience to deal with Open Source information gathered, either in terms of the type of information that needs to be included in the report, or the legal and Intelligence Oversight issues related to collecting domestic Open Source information.
2. The current approach to gathering and reporting this information is overwhelming the Reporting Branch's ability to turn around this information in a timely fashion.
3. The current approach puts a large burden on the Fusion Center rep that can be alleviated by using the capability in CR that is designed specifically to support this type of collection.
4. The Fusion Center collection priorities are not aligned with the current targeting requests from HETA.

In our discussion, CR and RP agreed that a requirements driven approach coordinated by CR needs to be implemented, responding to and aligning the S&L Fusion Center needs with the Analytical priorities and PINS. RP and CR are working with SLFC representatives to develop an acceptable, clearly defined collection and reporting process. This process will also ensure alignment of State and local information needs with national intelligence priorities and will ensure proper deconfliction of State and local information needs from national intelligence requirements.

Once RP and CR solidify this process, we will engage with the SLFCs to ensure proper education of the new process, as well as necessary awareness of the legal requirements surrounding collection against USPERs.

Since some of the reps perceive an advantage in providing source information for an HIR because it is a metric that can be tied specifically to the individual rep, we anticipate some resistance to this new process that could be vectored through the State and Local Program Office to you both. Consequently, before we articulate this process to the I&A representatives, we felt it important to outline the issue for you. Should you have questions, RP and CR are happy to schedule time for you both to go over the process

Barbara Alexander
Director, Collection Requirements Division (CR)
Intelligence & Analysis Office (I&A)
Department of Homeland Security
[redacted]
Cell [redacted]

Timothy P. Martin
Director, Reporting and Production
DHS/I&A
[redacted] (O)
[redacted] (C)

[redacted]

Permanent Subcommittee on Investigations
Fusion Center Report
EXHIBIT #2

U.S. Department of
Homeland Security
Washington,
DC 20528

7 January 2010

MEMORANDUM FOR: Bart Johnson
Acting Under Secretary for Intelligence and Analysis

FROM: James Chaparro
Deputy Under Secretary for Operations
Office of Intelligence and Analysis

SUBJECT: Homeland Intelligence Reports (HIRs)

Purpose:

To address the current status of HIR production, issues, and the planned way forward.

Discussion:

As a follow-on to our discussion on 4 January 2010, I have reviewed the process for producing, reviewing and disseminating HIRs within I&A. In accordance with Policy Directive 0003, HIRs that: a) are disseminated outside the federal government or, b) include US Person information, must be reviewed by the designated clearance offices. On average, the clearance process takes approximately 94 days, and a growing backlog of HIRs is a concern. HIRs contain raw, unevaluated intelligence and timeliness is essential if they are to be of value to the Intelligence Community (IC), the Department and its state/local/tribal partners.

The initial response to decrease production time for HIRs was to consider amending the Policy Directive and remove HIRs specifically from the review process. After reviewing the existing HIRs awaiting clearance, the Collection and Requirements Division, OGC representatives and I agree the current quality of information in HIR reports is inconsistent and the program is not yet mature enough to remove HIRs from the oversight process.

Issues and Mitigation Strategies – *Addressing Systemic Problems*:

1. The CRD Reports Officers (ROs), located at I&A or deployed to the state and local fusion centers or regions, do not always apply sufficient scrutiny to the data which they are asked to turn into an HIR, often due to increasing pressure from I&A customers to forward information which is not of value to the IC or DHS Components or does not fit

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within Intelligence Oversight (IO) guidelines. According to IO guidelines, any information reported via HIR *must* fall within one of five authorized I&A intelligence activities. These include: a) specific tasks related to terrorist threats; b) general tasks related to priorities for protective and support measures; c) general tasks related to Departmental support; d) general tasks directed by the Secretary; and e) specific tasks directed by statute or Presidential directive.

> ***Mitigation:*** Enhanced training of the ROs, beginning with the scheduled offsite 25-29 January, will be implemented. At the offsite, CR/CL, PRIV and OGC will brief their review criteria for I&A reporting. Additionally, CRD will implement a reporting check list that clearly defines the topic areas acceptable for reporting and includes critical areas which must be addressed prior to being submitted for review. CRD performance goals for the 10 government ROs will be adjusted to reflect a qualitative standard of limited re-writes or cancellations of HIRs. The work of contractor ROs will be reviewed similarly for quality.

2. There have been cases where I&A state and local fusion center representatives have pushed ROs to submit reports which do not meet reporting criteria. Since most deployed ROs are contractors or junior personnel who are not in a position to speak authoritatively to the state and local representatives and as well, to avoid conflict, the CRD ROs have submitted reports which do not fall within the scope of these activities. This in turn creates a larger volume of reporting that goes into the review process only to be returned to the originator for failure to meet reporting criteria. It is important that a better understanding at the State and Local Fusion Center level be developed regarding what information is reportable under intelligence oversight standards.

> ***Mitigation:*** A multi-pronged approach will be taken to strengthen the dialog with the SLFC and SLPO personnel – emails explaining the criteria, briefings when they are in town or at conferences and leadership contact when a SLFC-nominated request for an HIR is turned down. Additionally, an alternative report for state and local information that does not fall into an intelligence report is being developed, and a data repository, such as HSIN-LE or other community of interest, will be used to disseminate the reports among the LE community. In addition, CRD personnel will provide the SLPO personnel with a list of the state submitted reports which have been submitted to the IC as classified reporting.

3. The DHS components also send data to CRD ROs and request HIRs be prepared on their behalf. The process is lengthy, requiring significant researching of databases, contacting the originator of the information, etc. My review with CRD revealed *a significant imbalance between the number of reporters in the field and the personnel at headquarters who process, review, and disseminate the HIRs*. In other IC agencies, the goal is to have a ratio of 3 support personnel for each field reporter (3:1). In CRD the ratio is 1:1. In short, there are too many HIRs being generated and not enough staff to review and edit the HIRs. It is unlikely that the current budget situation will allow for the application of additional resources to adjust this ratio to a healthier state.

Mitigation: In coordination with the SLPO, CRD will realign some personnel away from deployed locations and increase the number of personnel researching and reviewing HIRs before they leave I&A. Failure to do so will continue to create additional backlogs in the future, especially as I&A deploys more field representatives in FY10 and FY11. There is little logic to drafting large numbers of HIRs is we lack the bandwidth to publish and disseminate them.

The Way Forward – *Implementing Short Term Fixes*:

CRD has developed a plan of action to reduce the immediate backlog of HIRs.

1. Senior Reports Officers (SROs) will began on Monday, 11 January, to individually review every report currently identified as "Ready to Publish" (RTP) in the clearance process. The reports currently awaiting only OGC review (144 reports) in this category will be given priority. The 182 reports currently awaiting full clearance (review by all four clearance offices) will be given second priority.
2. It is estimated that 20 reports per day of the 326 priority reports identified above can be cleared by the Reporting Branch and placed back in the "review" folders for Clearance review by CRCL, Privacy, IO and OGC. All reports will be cleared by the Reporting Branch at the same rate with the exception of the three day period, 26-28 January 2010 during the RO Conference at Mt. Weather. All State and local reporting will be cleared from the RB by 11 February 2010.
3. Policy Directive 003 *requires* all reviewing parties in the clearance review process previously agreed to clear their queues within a 24 hour period. The Reporting Branch will coordinate with each reviewing office to ensure they are aware of this surge effort to clear the backlog. It is important to note that the backlog cannot be cleared without the full cooperation and resource commitment of offices inside and outside of the purview of I&A. CRD estimates that there will be no more than a one week lag time between the clearing of the reports from the Reporting Branch and the reports clearing the clearance offices and being sent to Production Management for release and dissemination. All reports currently backlogged should be out of clearance and published by week of 15 February 2010.

Note: *Each Reporting Branch member of the surge team will devote 12 hours per day to this effort until the backlog is cleared.* I have already authorized overtime expenses out of my existing budget to cover these expenses. (This does *not* address resources that might be needed for PVCY, CRCL, SLPO, OGC and PM).

Resources Required – *What It Will Take to Get There*:

Number and Grade	Role	Overtime requirement
2 GS 15	Final Release	64 hours per person = 128 hrs
2 GS 14	SRO (Team Lead)	64 hours per person = 128 hrs
2 GS13	SRO	64 hours per person = 128 hrs
1 GS12	SRO	64 hours per person = 64 hrs
7 Government		448 hrs

1	Functional Specialist (CTR)	SRO	64 hours @124.07/hr = $7,940.48
1	Principal Analyst (CTR)	SRO	64 hours @108.96/hr = $6,973.44
2	Contractors		$14,913.92

The Deputy Under Secretary for Operations will receive a weekly report on the status of the backlog reduction, and a monthly report on HIR production status.

Getting The RO Program Healthy in the Long Run:

For the future, CRD is finalizing the Baseline Assessment for the RO Program, to be followed by the program management plan that will lay out a plan of action to address challenges identified in the baseline. As the mitigation strategies above are implemented, quality of reporting should improve, which in turn will enable the review offices to move more quickly through the reports. We anticipate that in a relatively short period of time, the HIR production will mature, and enable HIRs to be exempted from the Policy Directive review process.

We are also anticipating RO program growth in the FY11 budget cycle due to ODNI's support of the "Partnership" initiative. Filling RO positions with government personnel versus contractors will help I&A to build and sustain a professional cadre of ROs

Cc: DUS-A
DUS-PPPM
I&A COS
Director, SL PMO

Action Plan for Eliminating DHS (S&L) Reporting Backlog

Goals:

1) To eliminate the backlog of CRD reporting.
2) To provide to the clearance offices a series of reporting that meets agreed upon departmental thresholds for reporting.
3) To remove any dependencies from the Reporting Branch to expedite the dissemination of any S&L based reporting.
4) To develop a sustainable process that allows for the timely reporting of raw intelligence information in accordance with the Clearance Process Management Directive.

Estimated Completion Date for All Activities: 11 February 2010.

1. In order to complete this task the Reporting Branch will develop a memo identifying the criteria by which HIRs will be published. RB will also complete a checklist for inclusion in every report submitted to the Collection and Requirements Division. This checklist will include simple information pieces to include USPER identifiers, DHS mission area, and exemption information. Senior Reports Officers (SROs) will individually review every report currently identified as "Ready to Publish" (RTP) in the clearance process. The reports currently awaiting only OGC (144 reports) in RTP, will be given priority. The 182 reports currently awaiting full clearance (review by all four clearance offices) will be given second priority.
2. It is estimated that 20 reports per day of the 326 priority reports identified above can be cleared by the Reporting Branch and placed back in the "review" folders for Clearance review by CRCL, Privacy, IO and OGC. All reports will be cleared by RB at the same rate with the exception of the three day period, 26-28 January 2010 during the RO Conference at Mt. Weather. All State and local reporting will be cleared from the RB by 11 February 2010.
3. All reviewing parties have previously agreed to clear their cues within the 24 hour period as directed in Policy Directive 0003. RB will coordinate with each reviewing office to insure they are aware of this surge effort to clear the backlog. RB estimates no more than a one week lag time between the clearing of the reports from RB and the reports clearing the clearance offices and being sent to Production Management for release and dissemination. All Reports currently backlogged should be out of clearance and published by week of 22 February 2010.

Note: Each Reporting Branch member of the surge team will devote 10 hours per day to this effort until the backlog is cleared.

Resources Required:

Number and Grade	Role	Overtime requirement
2 GS 15	Final Release	64 hour per person = 128 hrs

2	GS 14	SRO (Team Lead)	64 hours per person= 128 hrs
2	GS13	SRO	64 hours per person= 128 hrs
3	GS12	SRO/RO	64 hours per person= 192 hrs
9 Government			576 hrs

U.S. Department of Homeland Security
Washington, DC 20528

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Homeland Security

March 09, 2011

INFORMATION

MEMORANDUM FOR: Mike Potts
Deputy Under Secretary for Intelligence and Analysis

THRU: Don Torrance
Director, Collection and Requirements Division

FROM: Harold "Skip" Vandover
Chief, CRD Reporting Branch (CRD/RB)

SUBJECT: Reporting Backlog

Overview

At the outset of CY10, reporting queues reached unwieldy proportions. As a result, the Branch undertook two initiatives to reduce the volume of reporting currently being handled by the Branch. As a result, the volume of reporting dropped by 80% and the timeline for production fell from 80 days to 14.

Currently, every report released by I&A to the Intelligence Community is reviewed by a Senior Reports Officer (SRO). But over the past three months, the Branch has suffered some important personnel losses that have directly impacted this initial success. In August of 2010, the RB had seven full time SROs working at DHS HQ and Mount Weather. These SROs include Deputy Chief Jon Wilham and HVE Lead Mark Collier. Since August, the following things have transpired:

- SRO [redacted] was detailed as the I&A Representative to ICE. His billet went with him.
- SRO [redacted] resigned in November. The first replacement candidate declined the governments offer. The second candidate offer is with Human Capital.
- SRO Michael Breder resigned to work for TSA at the end of February. RB has identified an internal candidate for lateral transfer, and his offer letter is currently being worked by Human Capital.

Additionally, the Branch has tasked several SROs as team leads for the HVE initiative currently scheduled to commence in the immediate future. These include Mark Collier and SRO [redacted] as well as field SROs [redacted] and [redacted] With these deployments underway, the branch will be left with SRO [redacted] (at Mt. Weather) and Jon Wilham (until he

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goes on paternity leave). As a result, there will be a minimum staff number available to do the review of reporting and the probability of increases in reporting timelines is very good.

Recommendations

1) *Recall [redacted] from ICE to return to his previous position as an SRO.*

There has never been a lot of clarity as to the role that [redacted]s performing at ICE, and the mission need within CRD is much clearer. To the best of my knowledge, no formal MOA/MOU regarding this position was ever signed. Because his billet went with him, this was a significant loss that has not been replaced. [redacted] can either be recalled to I&A to work full time as an SRO, or have the SRO duties added to his current job functions at ICE.

2) *Expedite the transfer to replace SRO [redacted]*

This process is underway, and will hopefully be resolved soon.

3) *Add an additional week of down time in between HVE deployments for headquarters based SROs.*

The HVE initiative is going to challenge the branch as is, and its ability to complete the core mission. Two of the government staff ([redacted] and [redacted]) are also going to be covering down on their field locations in their down time. As such, affording SROs [redacted] and [redacted] an additional week at headquarters (totaling two) in between HVE deployments will help stem the tide of reporting until options one and two are underway.

——— = Redacted by the Permanent Subcommittee on Investigations

Torrence, Donald

From: Vandover, Harold
Sent: Wednesday, August 24, 2011 7:48 AM
To: Torrence, Donald; Robinson, Charles
Cc: Wilham, Jonathan; [redacted]
Subject: FW: S&L HIR "Surge"

For your situational awareness, this is the guidance I've sent to the Field SROs as my way ahead to reduce the backlog of S/L HIRs.

H.J. "Skip" Vandover
Chief, Reporting Branch
Collection & Requirements Division
Intelligence & Analysis
Department of Homeland Security
[redacted]

the Permanent
ce on Investigations

-----Original Message-----
From: Vandover, Harold
Sent: Wednesday, August 24, 2011 4:26 AM
To: Wilham, Jonathan; [redacted]; Collier, Mark; [redacted]; [redacted]
Subject: S&L HIR "Surge"

ALCON,

I hope this email finds you well, and that you are all beginning to get settled into your new locations and new roles. I am fully aware that the guidance on these new roles may not have been the most defined, but I am hoping that I can begin to move forward in clarifying what some of that is and hat the guidance from EMS Leadership will be forthcoming and clarify the position of all of you.

Recently, DU/SIA Potts and CRD Director Torrance both voiced their concerns over the continuing backlog of reporting here at HQ. As it stands right now, there are over 500 HIRs waiting to be reviewed and published. I have taken a proactive stance here, promoting [redacted] and [redacted] to release authorities. Jon Wilham has returned and is spinning up. Newly minted ROs [redacted] and [redacted] are also beginning to start the peer review process to see if we can get them prepared to review reporting. However, even with these changes, we are still dealing with the loss of Mark Collier to [redacted] [redacted] to Missouri, and [redacted] to Richmond and as of Monday 29 August to Mt. Weather. Even with the changes I have identified, we are continuing to slip further behind.

So here is what we are going to do. For the remainder of this week, earth quake delays may modify things a bit, I am tasking staff here at HQ to re-look at all of the S&L originating HIRs and prioritize them based upon the most recently issued CINT Priorities. We have been receiving this priority list weekly for the past month on JWICS. Once that re-prioritization has taken place, we are going to begin sending those draft HIRs out to you all for an initial

DHS HSGAC FC 050751

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review. I know this is going to be a challenge based upon things that you all are expected to do on a daily basis, but this is really the only resource we have to begin to attack this problem head on.

You will be sent the submission provided from the field to HIRSubmission on the A-Lan. If a peer review has already been performed here at HQ, we can print and fax that to you. If you have a certified SRO in your region (which I currently think is only [redacted] please feel free to leverage them as this has become an "All Hands On Deck" situation. The SROs here at HQ are going to attempt to keep the component queue under control while you all attack the S&L part. This will also give you a broad brush look at the abilities of your SLPO counterparts as well as topics in your region.

While I would love for this to be an open discussion, we have too much riding on our ability to rectify this situation to have a protracted debate over the best approach. Please consider how you would allocate your resources and time for the remainder of this week before we start pushing reporting for your review starting Monday AM. Even if you cannot accomplish the review, get your ROs to perform peer reviews and coordination to improve the quality of these products or coordinate possible cancellations. Even if you are on travel, one review in a day should not be too extreme. Remember, this is of critical importance that we accomplish this task.

H.J. "Skip" Vandover
Chief, Reporting Branch
Collection & Requirements Division
Intelligence & Analysis
Department of Homeland Security
[redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

DHS HSGAC FC 050752

U.S. Department of Homeland Security
Washington, DC 20528

July 20, 2009

ACTION

MEMORANDUM FOR: Secretary Janet Napolitano

THROUGH: Deputy Secretary Jane Holl Lute

FROM: Bart R. Johnson
Acting Secretary for Intelligence and Analysis

SUBJECT: Department of Homeland Security (DHS) State and Local Fusion Center Initiative

Purpose

This is a request for recommitment to a Department-wide initiative to strengthen the baseline capabilities and analytic capacity of state and major urban area fusion centers so that they will be better able to:

1. Operate at a more consistent and sustainable level;
2. Rapidly identify and disseminate information regarding emerging terrorism, criminal and other homeland security threats; and
3. Support and enhance a state and urban area intelligence platform for risk-based, information-driven decision-making by federal, state, local, tribal and territorial homeland security and law enforcement officials.

A Secretarial declaration of recommitment to this initiative would for the first time place the full support of the Department and all of its resources into the national fusion center effort, and would ensure that the goals of the *Implementing the Recommendations of the 9/11 Commission Act of 2007* are fully implemented and achieved.

Background

The Implementation Plan for the federal Information Sharing Environment, established by the *Intelligence Reform and Terrorism Prevention Act of 2004*, directs the federal government to promote the work of state and major urban area fusion centers as a key means of facilitating effective collaboration and information sharing.[1] The National Strategy for Information Sharing

[1] Fusion centers are defined as the "collaborative effort of two or more agencies that provide resources, expertise, and information to the center with the goal of maximizing their ability to detect, prevent, investigate, and respond to criminal and terrorist activity." *Fusion Center Guidelines*, August 2006.

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specifically designates fusion centers as the primary focal point for integrating homeland security information[2] vertically and horizontally across geographical and jurisdictional boundaries. The *Implementing Recommendations of the 9/11 Commission Act of 2007* (9/11 Act) codifies DHS' role in this effort by directing the Secretary to establish a State, Local, and Regional Fusion Center Initiative (Fusion Center Initiative).

The 9/11 Act provided statutory support for steps that DHS had already taken. In June 2006, DHS issued the DHS Support Implementation Plan for State and Local Fusion Centers and designated the Office of Intelligence and Analysis (I&A) as the executive agent for managing DHS' fusion center development program. Although Presidents and Members of Congress have repeatedly stressed the importance of the Fusion Center Initiative, both funding and institutional support from within DHS and I&A itself have heretofore been slow to materialize.

DHS has failed to date to institute a well-coordinated, Department--wide approach to supporting and interfacing with state and major urban area fusion centers. Past DHS leadership chose not to issue any Management Directives or associated Delegations of Authority that could have provided a clear delineation of authority to I&A to effectively carry out the fusion center responsibilities required by the 9/11 Act. This shortcoming has resulted in a disjointed and adhoc approach by DHS elements toward supporting and interacting with these centers. The lack of a Department-wide approach in this area has been identified by Congress and by state and local officials as a significant impediment to both enhancing the capabilities of fusion centers and integrating them into a national information sharing capability.

In addition, there do not exist—with a few exceptions—Memoranda of Agreement or Understanding between DHS and individual fusion centers. These MOA/MOUs are needed to (1) govern the roles and responsibilities of deployed DHS analysts in fusion centers, and (2) establish the terms and conditions governing the information-sharing activities between DHS and the fusion center—particularly those relating to the protection of privacy and civil liberties.

Discussion

The following milestones are consistent with requests from DHS' state , local, tribal and territorial (SLTT) stakeholders and represent a bare minimum of what DHS' new fusion center initiative should encompass:

Refocus the Efforts of the Office of Intelligence and Analysis (I&A) – A significant part of the initiative involves restructuring I&A so that it is better able to meet the needs of state and urban area fusion centers. This effort is currently under way, but has not been formally announced.

- The needs of state, local, tribal and territorial governments should drive I&A intelligence products, and associated component products, as applicable. Within 60 days of the

[2] For the purposes of this paper, "homeland security information" means any data, analysis, or other information relating to any DHS counter-terrorism , law enforcement or homeland security prevention and protection activities.

establishment of a joint program office, I&A—in coordination with the Office of Intergovernmental Programs (IPG) and the Office of State and Local Law Enforcement (SLLE)—will accordingly develop and implement survey tools to ensure that state, local, tribal and territorial law enforcement officials, emergency managers, Homeland Security Advisers, Mayors, Governors, County Officials and tribal leaders are provided the opportunity to define and otherwise identify the types of homeland security-relevant information they need and the format in which they need it. Regular follow-on surveys will be used to rate the products that I&A produces in response to those identified needs.

- Through I&A, DHS intelligence production and dissemination processes will be streamlined and optimized to better support these consumer-driven needs. Intelligence and other information intended for state, local, tribal and territorial authorities will be provided rapidly, using dissemination processes that ensure that all state, local, tribal and territorial decision-makers responsible for counterterrorism and other homeland security efforts have the right information at the right time to make critical operational and planning decisions. I&A will work closely with the Federal Bureau of Investigation (FBI), the National Counterterrorism Center (NCTC), the Drug Enforcement Administration (DEA) and other members of the Intelligence Community (IC), as well as internal components of DHS, to clearly define roles and responsibilities related to the dissemination of federal intelligence and other information to state, local, tribal and territorial officials. I&A will work with these same entities to provide state, local, tribal and territorial officials with all intelligence and other information necessary to support threat monitoring, investigative activity, protective actions and disaster response preparations – particularly during rapidly evolving threat-related situations and major events.

- I&A will develop with state, local, tribal and territorial authorities mechanisms to improve the capability of state and major urban area fusion centers to gather, assess, analyze and share information and intelligence regarding threats to both local communities and the nation. I&A representatives in these centers will work closely with representatives from locally based DHS operational components as well as other locally based federal personnel (FBI, DEA, ATF, etc.) to avoid duplication of effort and to ensure close cooperation in the sharing of federal information. I&A will, with these stakeholders, develop tools to assess the value and quality of such products.

- Finally, I&A will analyze locally generated information to identify regional trends and national threats. Each day across the country, state, local, tribal and territorial law enforcement and other officials gather information in the course of their work to provide emergency and non-emergency service to their communities. This information may serve as the first indicator of a potential threat to the homeland. The ability to blend and analyze information gathered and documented by multiple localities is vital to the ability of I&A to identify regional and national patterns and trends that may be indicative of an emerging threat to homeland security. Within 180 days of the establishment of a joint program office, I&A—working with key stakeholders—will begin to regularly provide cross-jurisdictional products to the supported fusion centers to assist in their assessment of trends and impacts on

each of their communities. I&A will also support federal efforts to institutionalize the Nationwide Suspicious Activity Reporting (SAR) Initiative.

Achieving Baseline Level of Capability – DHS' grant-making and technical assistance capabilities will immediately focus on developing tools to ensure that state and major urban area fusion centers establish and maintain baseline capabilities in the areas of:

- Receiving, handling, storing and using classified information;
- Recognizing potential threats;
- Evaluating vulnerabilities of critical infrastructure and key resources and understanding the potential consequences resulting from terrorist and other catastrophic events in order to support completion of both tactical and strategic risk assessments;
- Producing and disseminating analytic reports that directly support operational decision-making by local, state and federal officials;
- Producing and disseminating analytic reports that inform frontline police officers and sheriffs' deputies, as well as other emergency management and public safety officials, so that they are better able to identify behaviors and incidents that are indicators of emerging terrorist threats, related criminal activity and other potential public safety issues;
- Gathering and analyzing locally generated information so that emerging local and regional threats can be identified and, when appropriate, sharing that information with federal investigative and analytic authorities so that national threats can be rapidly identified and mitigated; and
- Establishing policies that protect the privacy, civil rights and civil liberties of the American people and fully incorporating those policies into the operational framework of each fusion center.

Increase the Number of DHS Personnel Assigned to Fusion Centers – Through an integrated plan involving I&A and various components, DHS will increase its presence in state and major urban area fusion centers so that it can bolster analytic efforts there, improve outreach activities and provide better support to its state, local, tribal and territorial partners through direct and lasting workplace partnerships.

Improve Access to Classified Information – DHS will initiate the process to provide Secret-level connectivity to ALL state and major urban area fusion centers within 180 days of the establishment of a joint program office, and DHS will make it a top priority to provide security clearances to appropriate fusion center personnel. DHS will also ensure that fusion center personnel receive adequate training and other support so that they are able to receive, handle, store and utilize classified information relevant to their public safety missions.

Better Integrate the Department's Unclassified Networks – Multiple networks are used throughout DHS to share unclassified information with state, local, tribal and territorial officials. It will be a priority to leverage and integrate various mission critical systems such as U.S. Immigration and Custom Enforcement's Law Enforcement Information Sharing Service (LEISS) with other unclassified collaborative environments (HSIN NextGen and HS-SLIC) to ensure that critical

information can be shared among DHS components and their federal, state, local, tribal and territorial partners in an unclassified format.

Strengthen DHS' Partnership with Other Federal Entities – Working with other federal agencies, and with the informed input of state and major area fusion centers, DHS will provide analytical training to support the centers' own analysts in analyzing the information they receive from the IC and other homeland security partners.

Strengthen Privacy and Civil Liberty Protections – Efforts to gather, assess, analyze and share intelligence and other information will be guided by the dual imperatives of protecting the nation from those who wish to harm it and protecting privacy, civil rights, and civil liberties. DHS will expand efforts to train and work with state, local, tribal and territorial officials as well as representatives of the privacy, civil rights, and civil liberties communities to ensure that information-sharing efforts comply with both the letter and spirit of the law. The DHS Office for Civil Rights and Civil Liberties (CRCL) and Privacy Office will specifically identify and track challenging areas, including private sector partnerships, ambiguous lines of authority, suspicious activity reporting policies, and the use of open source information.

Finalize Memoranda of Agreement or Understanding - In some instances, fusion centers have resisted formalizing their partnership with DHS. Where fusion centers have agreed to formalize their relationship with DHS, such memoranda have not been finalized. Absence of these agreements could pose a significant challenge if and when privacy and civil liberties issues arise. I&A will ensure memoranda of agreement or understanding governing the roles and responsibilities of DHS personnel deployed to fusion centers are drafted, negotiated and signed by DHS and the respective fusion centers within 180 days of the establishment of a joint program office.

Ensure Better Coordination Among DHS Components – DHS will adopt a "OneDHS" approach when working with or providing technical, financial and operational assistance to state and major urban area fusion centers.

Recommendation

It is recommended that the Secretary issue a statement to the entire workforce recommitting DHS to the implementation of a robust Department-wide initiative to support the establishment and sustainment of a nationwide network of fusion centers. This statement would announce the intent to execute a Management Directive and produce an action plan for the implementation of a DHS strategy for supporting this initiative.

It is further recommended that the Secretary issue a Management Directive and associated Delegation of Authority within 30 days that directs the establishment of a Joint Fusion Center Program Management Office (PMO) to coordinate DHS' interaction with and support to state and major urban area fusion centers. This PMO will be managed by I&A and staffed by personnel assigned from various components throughout DHS, including—but not limited to—FEMA/National Preparedness Directorate and Fusion Process Technical Assistance Program, Office of State and

Local Law Enforcement, Office of Intergovernmental Programs, Policy, NPPD, Operations Planning and Coordination, TSA, CBP, ICE, and USCIS.. This entity will leverage the existing Information Sharing Governance Board to ensure Department-wide coordination in this effort.

It is also recommended that the Secretary task the development of a DHS-coordinated action plan to be completed within 90 days of the issuance of a Management Directive and associated Delegation of Authority that defines specific objectives of the DHS Fusion Center Initiative, outlines the resources necessary to effectively implement this Initiative, and identifies the steps necessary to successfully implement and sustain it.

Approve JeNyK 7-31-09 Disapprove _____

Modify _____ Needs more discussion _____

cc:

U.S. Department of Homeland Security
Washington, DC 20528

Homeland Security

29 July 2011

MEMORANDUM FOR: Office of Intelligence and Analysis (I&A)
Regional Directors, (RDs),
Intelligence Officers, (IOs),
Senior Reports Officers (SROs),
Reports Officers (ROs) Deployed to the Fusion Centers

FROM: Director, State and Local Program Office (SLPO) (Acting)
Mr. Christopher Button
Deputy Assistant Under Secretary for Intelligence and Analysis,
Enterprise Mission Support (EMS)
Mr. Michael Potts

SUBJECT: Management of I&A Personnel at State and Major Urban Area Fusion Centers

Definitions:

- **Regional Director (RD)** – Supervisory government employee assigned to the State and Local Program Office (SLPO) and physically located at a fusion center or other field site location. RDs are responsible for the development, direction, and facilitation of DHS I&A goals and objectives within their respective areas of responsibility (AORs). As the senior I&A manager within a geographic region, the RD manages all assigned personnel, processes, and technologies to enable the National Network of Fusion Centers to meet U.S. Intelligence Community, Department of Homeland Security and State, Local, Tribal, and Territorial (SLTT) requirements.
- **Senior Reports Officer (SRO)** – Supervisory government employee assigned to the Collection and Requirements Division (CRD) Reporting Branch and physically located at fusion centers or other field site locations. SROs are responsible for annual performance appraisals and the development, direction, and facilitation of DHS Reports Officers assigned to the fusion centers within a defined geographic AOR.
- **Intelligence Officer (IO)** – DHS I&A SLPO employee physically located at a fusion centers or other field site location, who is responsible for facilitating intelligence and information sharing relationships with federal, state, local, tribal, territorial and private sector stakeholders within their AOR. IOs are the onsite lead for all DHS I&A personnel within the assigned fusion center and AOR. The IO manages all functions of the intelligence cycle in a specific geography; supports fusion center directors' intelligence, information and resource requirements as they relate to Baseline Capabilities, especially

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Critical Operations Capabilities; and regularly conducts outreach to cultivate or strengthen relationships between DHS I&A, DHS Components and State, Local, Tribal, Territorial (SLTT) personnel.

Reports Officer (RO) – A DHS I&A CRD Reporting Branch employee who is responsible for producing raw intelligence reports for dissemination to the Intelligence Community and other appropriate DHS stakeholders. The RO reviews, categorizes, stores, and retrieves highly sensitive information used in national security efforts. The RO writes, edits, vets, and disseminates raw intelligence reports based on information obtained through interaction with federal, state, local, tribal, territorial and private-sector partners in a geographic region.

Roles and Responsibilities of the DHS I&A RDs

Role of DHS I&A Regional Directors (RDs)

1. RDs are responsible for ensuring that DHS I&A IOs brief their respective State and Major Urban Area Fusion Centers, federal, state, local, tribal, territorial, and appropriate private sector partners on all aspects of the DHS I&A mission.
2. The RD, in coordination with DHS I&A SLPO, the SROs and IOs within their AOR, are responsible for focusing intelligence efforts against the DHS Chief Intelligence Officer (CINT)-approved intelligence priorities and information handling/sharing processes for their region.
3. RDs are responsible for the overall management of DHS I&A personnel assigned to the field in support of fusion centers. RDs are responsible for making decisions and taking appropriate action to resolve issues and challenges encountered by DHS I&A personnel assigned to the field in support of fusion centers.

    a. RDs are responsible for elevating issues that cannot be resolved at the regional level to headquarters personnel within SLPO.
    b. Issues involving an RO that cannot be solved at the SRO/RD level will be elevated by the SRO, in coordination with the RD, to Reporting Branch/Collection and Requirements Division leadership, who will coordinate with the SLPO leadership, if necessary, to resolve the issue.
4. RDs will provide input to the SRO for midterm and annual evaluations of the ROs within the RD's AOR.
5. RDs will provide input to the Chief, CRD Reporting Branch for midterm and annual evaluations of SROs within the RD's AOR.

Roles and Responsibilities of DHS I&A SROs

Role of a DHS I&A Senior Reports Officer (SRO)

1. The SRO is the first line supervisor for all ROs located within the SRO's AOR. The SRO will handle all performance management-related functions for Reporting Branch/CRD personnel located within the region. IOs, serving as the onsite lead for all

DHS I&A personnel within their assigned fusion center and AOR, will handle daily administrative oversight of ROs within their fusion center and AOR.

2. The SRO assists the RD with regional and organizational objectives and requirements, as requested.
3. In coordination with RDs, the SRO performs a full-range of substantive intelligence reporting operations duties, including applying expert knowledge of advanced intelligence-gathering, report writing and dissemination methods and techniques to address highly complex projects and issues, frequently developing new approaches, policies, or guidelines to support operations.
4. The SRO is responsible for keeping the RDs, IOs, and ROs informed of all aspects of the DHS I&A Reports Officer Program. SROs will provide routine and/or scheduled information on changes to DHS Intelligence Enterprise Reports Officer standard operating procedures. SROs collaborate with the RDs and IOs to ensure the overall I&A mission in the region is successful. The SRO works with the RD and IO to provide regular updates on reporting activities, and issues and informs fusion center leadership, as necessary, on all aspects of the RO program.
5. SROs, in collaboration with the RD, IO, and regional ROs, determines and sets the priorities for the information and intelligence reporting focus within the region in accordance with established DHS I&A Standing Information Needs, IC requirements, and other focused information and intelligence collection and reporting efforts and initiatives directed by I&A leadership.
6. SROs oversee the gathering and reporting efforts of the ROs within their respective regions, to include development and validation of reporting strategies, as well as compliance with intelligence oversight regulations, guidelines concerning privacy, civil rights and civil liberties issues, and other and reporting and dissemination policies and procedures.
7. SROs guide collection within the AOR to identify and gather information that has been, or will be, collected by state, local, tribal, and territorial elements within the region; assists ROs in assessing the intelligence value of the information and in identifying any counterintelligence or other operational concerns with the information; and ensures intelligence reports balance the needs of protecting sources while also protecting the integrity of the information.
8. SROs, in accordance with the DHS Intelligence Enterprise Reports Officer Certification process, develops and trains ROs within their respective AORs through constant mentorship, including on-the-job training, continuous feedback on written reporting, and providing suggestions on methods to improve information-gathering and reporting skills.
9. The SRO maintains awareness of significant regional developments related to the Reports Officer Program, prepares analyses of the implications of these developments, and recommends program modifications, as necessary.
10. The SRO develops and maintains coordination and liaison with IC and DHS Intelligence Enterprise within the region to vet intelligence reporting requirements, and other issues related to the reporting program. The SRO assists ROs within the AOR with coordination of reporting, as needed.

Roles and Responsibilities of DHS I& SLPO IOs

Role of DHS I&A Intelligence Officers (IOs)

1. IOs maintain the primary information-sharing responsibility among fusion center partners and the assigned ROs within that AOR. IOs will continually work with the assigned ROs and SROs on all aspects of IIR development and production.
2. While an IO is expected to assist the RO in identifying topics for raw reporting within their respective AORs, and while the IOs may assist with drafting raw reports, deployed ROs have the primary responsibility for drafting, coordination, and processing duties for all raw intelligence, allowing the IO to focus on strategic priorities within their fusion center and AOR.
3. IOs assigned to fusion centers without an embedded RO may request assistance from an RO located at the nearest fusion center to provide peer review and assistance on final draft reports produced by the IO.
4. IOs will ensure that any and all issues and challenges that arise involving DHS I&A personnel within the fusion center are handled at the IO level without involving fusion center personnel. Issues that cannot be satisfactorily resolved at the IO level will be elevated to the RD within the region. If the issue elevated to the RD involves an RO, the RD will confer with the SRO to achieve resolution.
5. The IOs may be asked by the SRO or RD to provide input for midterm and annual evaluations on ROs embedded within the IO's fusion center.

Roles and Responsibilities of the DHS I&A Reports Officer (ROs)

Role of DHS I&A Reports Officers (ROs)

1. ROs will closely collaborate and coordinate all reporting and outreach activities with the IO within their fusion center or AOR. As key I&A deployed team members, ROs will work closely with the IO within their fusion center or AOR to advance fusion center Baseline Capabilities and Critical Operational Capabilities related to information gathering and reporting capabilities, and to advance regional goals and objectives established by RD and SRO within their AOR.
2. ROs have expertise in DHS I&A Standing Information Needs and other IC requirements. ROs will serve as subject matter experts in the gathering of data that meets Standing Information Needs of DHS I&A, the IC, and state, local, tribal, and territorial entities within their AORs.
3. ROs are responsible for ensuring information responsive to Standing Information Needs of DHS I&A, the IC, and/or state, local, tribal, and territorial entities is compiled into I&A- and IC- approved message formats, maintaining compliance with coordination policies, oversight regulations, guidelines concerning privacy, civil rights and civil liberties-related issues, and ensuring timely reporting and dissemination of gathered information.
4. ROs will provide fusion center personnel expertise and guidance regarding intelligence reporting activities as requested.
5. ROs identify reporting requirements and directives, and review intelligence databases and various ancillary sources to gather and disseminate intelligence information in support of ongoing or emerging intelligence program or project requirements.
6. ROs identify and gather information that has been, or will be, collected by state, local, tribal, and territorial elements within their AOR; assess the intelligence value of the

information; identify any counterintelligence or other operational concerns with the information; and produce raw intelligence reports that balance the needs of protecting sources while also protecting the integrity of the information.

7. ROs identify geographic and functional topics within their AOR that are of interest to DHS and the IC. ROs monitor regional intelligence-gathering activities and evaluate intelligence information to determine potential reporting.
8. In collaboration with the IO within their fusion center or AOR, ROs participate in departmental and IC presentations, briefings, and forums related to the gathering of intelligence information. ROs serve as regional DHS representatives to appropriate homeland security and IC working groups, committees, and subcommittees, related to the gathering of intelligence related information.
9. In collaboration with the IO within their fusion center or AOR, ROs develop and maintain coordination and liaison relationships with IC and DHS Intelligence Enterprise personnel within the RO's AOR to vet intelligence reporting requirements, and other issues related to the reporting program acting as the subject matter expert on all reporting related issues for the AOR.

Sent: Thursday, August 30, 2012 11:54 AM
To: Rood, Justin (HSGAC)
Cc: Schram, Zachary (HSGAC) [redacted]
Subject: Follow-up

Justin: Following up on our conversation yesterday, I wanted to get you our answer on your question relating to using classified systems for HIRs. [redacted]

There was no transition from field reporters submitting draft HIRs via regular email to submitting via JWICS. There was, however, a transition to all submissions being made over HSDN, the system for SECRET transmissions (JWICS is top secret). Initially, all unclassified HIRs were submitted via the unclassified email system, and all classified HIRs were submitted on HSDN. During that period, all HIRs were managed here at DHS HQ on JWICS, where they were reviewed by IO/OGC/CRCL/Privacy. However, with the transition to HOT-R and IIRs on October 1, 2011, *all* reporting from the entire DHS Intelligence Enterprise is now submitted via HSDN and all processing and management of reporting is also performed on HSDN.

[redacted]

--Jon

Jonathan E. Meyer
Senior Counselor to the General Counsel
Department of Homeland Security
[redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

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D) Please identify any specific, confirmable example in which information from a fusion center helped disrupt a terrorist plot or apprehended a terrorist.

Fusion centers are state and locally operated entities that deal with a variety of threats and hazards, including terrorism. They are focal points within the state and local environment for the receipt, analysis, gathering, and sharing of threat-related information among federal, state, local, tribal, territorial (SLTT), and private sector partners. As analytic hubs, fusion centers are uniquely situated to empower frontline personnel to understand the local implications of national intelligence by providing tailored, local context to national threat information. This enables local officials to better protect their communities and help inform/enhance the national threat picture. The ongoing analysis and information sharing that occurs through the fusion centers ensures that federal, state, and local partners are kept abreast of developments in the threat environment and fuse this information with the expertise and knowledge resident in their local area of responsibility . This approach supports fusion centers to empower front-line personnel to lawfully gather and share threat-related information, while providing interdisciplinary expertise and situational awareness to inform decision-making at all levels of government. State and major urban area fusion centers routinely share terrorism-related tips, leads, suspicious activity reports, etc. with the FBI's Joint Terrorism Task Forces and some of the reports result in and/or support FBI investigations. Below are several examples that have been shared with DHS.

In September 2009, Najibullah Zazi drove from his home in Denver, Colorado, to New York City, intending to detonate explosives on the New York City subway during rush hour as one of three coordinated suicide "martyrdom" bombings. In the Najibullah Zazi case, the Colorado Information Analysis Center (CIAC) provided analytic support to the Denver FBI and the Department of Homeland Security regarding the suspicious activity reported to the CIAC through the public website and 1-800 number. In support of this effort, the CIAC provided personnel to assist the Denver FBI in the investigation and support the field operations. CIAC analysts also assisted in the review and analysis of the evidence obtained during the execution of the search and arrest warrants. CIAC leadership addressed media inquiries regarding the investigation, the threat to Colorado residents, and the threat to national security.

From December 2010 through February 2011, the Alaska Information Analysis Center (AKIAC) provided consequential information that assisted an FBI Anchorage Field Office investigation that culminated in the arrest and conviction of a Sovereign Citizen/Militia Leader and two associates. Starting with information contained in an Arizona Homeland Intelligence Report (HIR), the AKIAC published an HIR that provided a national perspective of the subject's activities advocating violence at a venue in Montana, his increasingly violent public rhetoric in Alaska, and a first-hand account of threats made to Alaska State Troopers in Fairbanks. The subject was convicted in June 2012 of conspiring to murder law enforcement officers and related weapons charges. In August 2012, two of his associates pleaded guilty to plotting to murder a Federal judge and purchasing illegal weapons and explosives.

After the attempted bombing of Times Square by Faisal Shahzad, fusion centers across the country shared tips and leads pertaining to Shahzad directly with their federal partners. Florida Fusion Center analysts discovered Shahzad was associated with two subjects that had previously resided in Florida. Pertinent information was passed to the Federal Bureau of Investigation (FBI) Joint Terrorism Task Force (JTTF) to further pursue leads. The JTTF provided the information to the National Counterterrorism Center, which used the information in a subsequent intelligence product. In New York, an alert AAA employee filed a SAR with the New York State Intelligence Center regarding a call on May 2, 2010 – when Shahzad called for assistance because he had locked his keys inside the vehicle. This was the same vehicle later recovered at the airport with a firearm inside on the day Shahzad was arrested. This information was forwarded to the FBI to support investigation and corroboration.

In June 2011, the fusion center in Colorado, along with local law enforcement, coordinated with the FBI's Joint Terrorism Task Force (JTTF) on an individual who had placed two improvised devices at a book store. A few hours later, the fusion center sent information to the entire National Network of Fusion Centers and Colorado law enforcement officers requesting additional information on the incident. Less than 15 minutes later, the fusion center received vital information from a law enforcement officer about a recently arrested individual who could also be a suspect in the book store bombing attempt. Concurrently, the fusion center received another lead which linked the same suspect to yet another device that partially detonated near a hotel a short distance from the book store. They passed this information to the FBI JTTF to further support the investigation. The suspect is currently in custody awaiting trial on federal explosives charges.

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DHS response to Subcommittee Inquiry (8/17/2012)

REQUEST:

Please provide a written statement identifying the time period/s (or other defining characteristics) of emails that the department was unable to provide to PSI pursuant to the Subcommittee's Nov. 21, 2011 request letter, and explain why they could not be produced.

RESPONSE:

While in some cases the volume of emails we were able to pull varied according to time period, the Department was unable to retrieve emails responsive to the Subcommittee's November 21, 2011 request letter only for the months of May and June 2011. In response to gaps in the production identified by PSI, we specifically focused the IT team on the period April to November 2011. We received and produced material responsive to this request. Toward the end of that data call, one last PST file was located but our technological representatives were unable to access any data within the file. These representatives have confirmed that all available data has been provided for the request and have closed the case.

Homeland Intelligence Report Working Group (HIRWG) Phase 1 Report and Recommendations November 2010

Background

The Department of Homeland Security (DHS) Under Secretary for Intelligence and Analysis (I&A), in her role as the Department's Chief Intelligence Officer (CINT), directed the stand up of the Homeland Intelligence Report Working Group (HIRWG) to evaluate the DHS Intelligence Enterprise (IE) HIR program. This effort included a complete review of the existing program, processes and policies gathered from existing documentation, working group meetings, as well as interviews and surveys. As stated in the Terms of Reference (Attachment 1), the HIRWG examined the efficiency and effectiveness of the current operating models, the review/clearance process, reporting thresholds and definitions. The goal was to identify a consistent and equitable HIR process for replication across the IE.[1] A subsequent review of the resource implications and requirements will be forth coming in the Phase 2 report.

The HIRWG arrived at a preliminary series of recommendations focusing on a coordinated DHS HIR production[2] and review process. Primary recommendations include the need to develop Standard Operating Procedures (SOPs) to outline the drafting, review, coordination, de-confliction, pass-back, dissemination or cancellation process of HIRs, as well as reporting thresholds and policy management, and a Concept of Operations (CONOPs) that clearly defines the institutional roles, responsibilities and functions of both the operational Components and the Office of Intelligence and Analysis (I&A). The development of SOPs and a CONOPS are currently treated as functions to be led by I&A with close Component coordination in development. Upon final approval by the CINT, the CONOPs and SOPs will be submitted to the Homeland Security Intelligence Committee (HSIC) for review and adoption.

Although this report does not cover every possible challenge concerning HIR production within DHS, it attempts to highlight key issues to facilitate a streamlined and standardized production process. Recommended solutions noted in this review are enumerated in Attachment 2.
In this report a total of 13 recommendations are presented for consideration and approval. While recommendations 1-9 were unanimously supported by the HIRWG, recommendations 10 – 13 did not receive unanimous support. As a result, each of these contains recommendations, alternative options and dissenting justifications for leadership consideration. Finally, all but three of the recommendations will have start-up and sustainment resource implications. Upon determination by the CINT, with the support of the HSIC, all approved recommendations will need to be evaluated for their resource impact. As noted earlier, this will be addressed more completely in the Phase Two report.

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[1] As a DHS Component with stand-alone membership in the IC, the U.S. Coast Guard (USCG) is not bound by recommendations implemented from this report. The USCG provided valuable contributions to the HIRWG and will continue to promote information sharing throughout the Department.
[2] Production in this sense connotes the development of an HIR, not the formal production process of a finished analytic product.

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UNANIMOUS RECOMMENDATIONS

Nomenclature and Term Definition

The term Homeland Intelligence Report (HIR) is used only by the Department of Homeland Security. The more common nomenclature, used by the Defense Intelligence Agency (DIA), the Federal Bureau of Investigations (FBI) and the United States Coast Guard is the Intelligence Information Report, or IIR. IIRs are the primary method of formally disseminating unanalyzed, raw intelligence from these organizations to information consumers. Similar to HIRs, IIRs are disseminated principally via the Automated Message Handling System (AMHS). In addition to AMHS, DHS HIRs are also posted to the I&A product pages on the Joint Worldwide Intelligence Communications System (JWICS) and the Homeland Secure Data Network (HSDN)[3].

Recommendation 1: For the purpose of adopting a more integrated IC-wide reporting practice, the HIRWG recommends changing the DHS nomenclature of a Homeland Intelligence Report (HIR) to the common IC expression of Intelligence Information Report (IIR).[4]

Recommendation 2: The DHS-IE will define IIR to mean: a formal, standardized method of disseminating raw unevaluated intelligence information on behalf of DHS Components, State and major urban area fusion centers, and other information providers to elements of the intelligence community, departmental Components, and other Federal, State, local, and tribal governments and agencies with responsibilities relating to homeland security, as appropriate. IIRs are not analytic products and should represent raw information, rather than theories or conclusions.[5]

Post-Release Audit

Throughout the process of this effort, HIRWG found no record of any audits or studies of previous HIR releases, cancellations or tracking of substantive edits. This significantly complicates efforts to establish metrics for production, quality, cancellations, or reporting problems, and impedes the identification of best practices.

Recommendation 3: The HIRWG recommends establishing a post-release audit process whereby HIRs could be systematically evaluated in a joint environment, led by Collections and Requirements Division (CRD), Office of Intelligence and Analysis (I&A) in partnership with HIR Senior Reports Officers (SROs) and clearing offices to ensure proper adherence to the reporting thresholds, legal requirements, reporting quality and timeliness. Any problematic HIRs identified in the course of a post-release review shall be revised, redacted, recalled and/ or re-disseminated as necessary.[6] The availability of an audit does not replace the need for pre-release

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[3] DHS began its raw intelligence production using the IIR format in 2004. At the direction of the then Deputy Undersecretary for Analysis and Production, the DHS standard for raw intelligence was changed to the HIR format currently in use.

[4] As the recommendation to replace the term HIR with IIR is under consideration, we use the current term HIR throughout the report.

[5] For the purpose of this report, we have adopted the HIR definition found in the I&A "Draft Standard Operating Procedure for Homeland Intelligence Report Production," pg. 4.

[6] In the event that a problematic HIR is discovered during a post-release audit phase and is found to be of questionable activity under I&A's Interim Intelligence Oversight Procedures, this may require I&A to report the violations to ODNI and the President's Intelligence Oversight Board (IOB).

review of HIRs destined for publicly accessible sources. In addition, the post-release review will not delay the original release of HIRs. This review will play a crucial role in identifying challenges and progress during the initial implementation of any comprehensive changes to the HIR program. All issues identified through this process will be integrated into a process improvement cycle that includes training, certification, process and policy amendments.

Reporting Thresholds

While specific production guidelines or process controls may be in development, existing intelligence thresholds for HIR reporting are clear. All of the Components demonstrated ample understanding of both the purpose and application of established reporting thresholds. The existing threshold guidelines (see Attachment 3) require HIRs to satisfy all of the following criteria: further an authorized DHS mission; fulfill a recognized Standing Information Need (SIN) or Intelligence Community (IC) collection requirement; account for data control and minimization involving U.S. persons or interests; and contain information generally unavailable via mass media or other IC reporting. Additionally, the guidelines establish five categories of possible HIRs: Terrorist Threats, Protective and Support Measures, Departmental Support, Tasks Directed by the Secretary, and Specific Tasks Directed by Presidential Directive.

One of the major concerns expressed by the operational Components lay in the perception that their HIRs were subject to arbitrary review and inconsistent application of the standing reporting thresholds. They further contend that this challenges the integrity of the program and hampers reporting timelines, production rates, and collaborative effort. The HIRWG strongly endorsed the need for all intelligence thresholds to be approved by the CINT prior to implementation. The fact that current practice is to provide notification via email and is not posted in a central repository is viewed as problematic.

Overall, the Components did not endorse the need for the current four office formal review of raw intelligence reporting prior to release. The Offices of Civil Rights/Civil Liberties, (CRCL), Privacy (PRIV) and Intelligence Oversight (IO) noted, however, because of high turnover rates and various duty locations, Reports Officers (ROs) may often be unaware of clearance office comments, input, or lessons learned from previous HIR review and clearance. Component participants urged that whenever a USPER issue is identified by the review offices, the incident should be shared across the IE so that each program could clearly address any similar issues prior to the release of an HIR. The HIRWG suggested that identifying these standards and issues as they occur and informing the RO/SRO cadre in an accessible format and central location would significantly enhance RO production by reducing the likelihood of these problems being repeated or sustained.

Recommendation 4: The HIRWG recommends that all reporting thresholds[7] be CINT-approved (with signature), published and universally applied. Should law, Presidential Directive, Director of National Intelligence (DNI) guidance, or DHS directive require modification of published baseline reporting thresholds, any such action will be developed and implemented in coordination with the CINT, affected Components, and relevant clearing offices with proper notification, updated guidance, and training provided to ROs/ SROs to ensure compliance. This

[7] Reporting thresholds are not the same as reviews conducted by CRCL, Privacy, Intelligence Oversight or OGC.

in no way diminishes or limits the statutory or other responsibilities of the recognized clearance offices.

Training and Certification of Reports Officers and Senior Reports Officers
Training related to HIR production and submission is provided through I&A's Reports Officer Basic Training Course. Currently there are no formal IE standards or requirements for training or certification that must be met prior to an RO or SRO placement. The HIRWG unanimously felt that these standards and requirements should be established to ensure individuals engaged in HIR production, review, and control are trained and qualified in a uniform and satisfactory manner. They also noted that this would not preclude any additional requirements that Components may impose that apply to their data or agency rules. The HIRWG further commented that Component training standards and requirements should be published by I&A Training Branch with input from CRD to ensure all SROs are equally aware of the unique nature of the Component information and how to handle it appropriately.

Recommendation 5: I&A, with the input of the HIRWG, will establish RO and SRO training and certification requirements and guidelines specific to the HIR production process. Certification will be required both for individual personnel working within IE reports programs (I&A and Component) as well as the Reporting program itself. Mandatory training will be required for all DHS RO and SROs, administered by the I&A Training Development Branch as a headquarters function.[8] Components must require that their ROs and SROs receive this training prior to writing and releasing HIRs. Components may provide supplemental training provided such training accords with the requirements and guidelines of I&A provided training. This certification and training will include appropriate HIR uses, threshold requirements, production processes, review procedures, content restrictions, and privacy and civil rights concerns. In addition, CRD will be responsible for establishing the criteria for certifying the participating RO programs.

Prioritization
There is no production prioritization framework currently applied to HIRs that addresses the nature of the information being transmitted; thus no consideration is given concerning the perishable or exigent nature of the information submitted. At present, HIRs are handled in the order of receipt or, in the case of state and local HIRs, by customer set. Under the current system, the tracking of unpublished HIRs is accomplished manually through the use of spreadsheets stored within a file system on a shared drive. A report's status is only visible to CRD staff: manual notification is necessary to inform the originator or member within the review chain that a report requires their attention. The introduction of a modern technical messaging solution and SOPs will have a positive impact on this concern. While the HIRWG makes no specific prioritization recommendation at this time, prioritization issues should be addressed within the proposed CONOPs, SOPs, Technology, and IIR Advisory Group (recommended below), as well as any subsequent implementation of those recommendations. These should be consistent with the DHS-IE prioritizations identified through the Homeland

[8] Resources must be identified for the purpose of supporting RO/SRO and HIR development training.

Security Intelligence Priorities Framework, which incorporates the Department's Standing Information Needs (SINs).

DHS HIR Concept of Operations (CONOPS)

DHS Components are well-situated to collect and share information extensively used in the course of their law enforcement or regulatory duties. At present, no comprehensive, coherent policy or documentation has been assembled to define the roles and responsibilities of all parties engaging in the IE HIR production and reporting process.

The IE HIR process will benefit from the establishment of an IE HIR CONOPS, which will lay out the specific functions of each participating Component (to include I&A). This CONOPS will address production, means and methods of intelligence sharing between Components and external organizations, and other associated protocols facilitating daily interaction between intelligence functions for HIR production.

Recommendation 6: Establish a HIR production and reporting CONOPS which highlights the various departmental collection and reporting missions, delineating reporting priorities and specializations for both the Components and I&A based on mission set and authorities, and providing guidance for sharing intelligence information and normalized daily interaction between intelligence functions and organizations external to DHS in accordance with applicable laws and regulations. The construction of the HIR CONOPS must be generated with full IE coordination. It will be the responsibility of the IIR Advisory Group (see recommendation 14) in conjunction with CRD to deliver both the CONOPS and the SOPs (see recommendation 12).

Standard Operating Procedures and Guidance

The existing I&A HIR SOPs were developed during the HIRWG's tenure. CRD's HIR SOPs represent the first step in institutionalizing the HIR process across the department.[9] To date, they have not been socialized or reviewed by members of the IE. Some Components have developed their own SOPs or production aids: both USCG and ICE have standing HIR SOPs, and USCIS provides ROs with a "style guide" to assist in drafting HIRs.

Recommendation 7: The HIRWG recommends development and refinement of IE HIR SOPs to coordinate the Department's HIR processes. Building from a baseline I&A framework, this approach will require Component-specific appendices to establish standardized, repeatable, and easy-to-follow processes for HIR development and dissemination. The HIRWG recognizes SOPs developed by ICE and USCG represent best practice examples and should be leveraged by CRD. The Components urged CRD, working in coordination with the Advisory Group, to lead this effort through cross-Component collaboration to develop a coordinated IE HIR SOP with Component appendices as appropriate.

Technology

The current DHS HIR production process occurs via traditional word processing and email which rely on manual data transfers between multiple security levels, impeding production and

[9] The SOPs were compiled during the course of the HIRWG tenure. They are in a nascent stage of development and will greatly benefit from a thorough review and re-write.

workflow management. This process increases the difficulty factor for production by further slowing down review and processing. As discussed, HIRs are shared throughout the IC principally via AMHS, but also on I&A products pages on HSDN and JWICS. Outside of DHS, many IIR originators, including the DIA and FBI, have migrated to an automated software application called *HUMINT Online Tasking and Reporting* (HOTR) to draft, review, control, disseminate, audit, and peer review IIRs. The concept of enlisting this type of technology was universally endorsed as it is designed specifically around AMHS formatting requirements and automatic ingestion into the Library of National Intelligence pursuant to Intelligence Community Directive 501. Unfortunately, the Department's ability to delete corrected or rescinded HIRs from the Library of National Intelligence (LNI) has caused the delay in implementation of HOTR.

Recommendation 8: The HIRWG recommends planning for and approving future acquisition resources for the purpose of funding a spiral software development to align the HOTR application to specific DHS reporting needs.

Long Term Reporting Oversight

Because of the intelligence value of homeland security information to the IC, the HIRWG recognized the need to ensure that the full implementation of all approved recommendations and continued administrative oversight of the HIR process should be governed by a permanent Component advisory group. The HIRWG viewed this as an activity that would ensure program participation, eliminate conflicts in a timely and orderly manner, and allow for the CINT to be apprised of any unresolved issues or issues requiring leadership consideration.

Recommendation 9: The HIR Working Group will transition to a permanent IIR Advisory Group with full Component representation that will be responsible for assembling on a quarterly basis to ensure standards, training, compliance, and resources issues are addressed in a timely and effective manner. All future actions required of the HIRWG, including the implementation of any Recommendations herein, will transition to the IIR Advisory Group. The HIRWG advises that this IIR Advisory Group be chaired by one of the Component members. A Charter to address the composition and responsibilities of the IIR Advisory Group will be developed within 30 days of transition from the HIR Working Group. This will be accomplished by the current HIRWG.

RECOMMENDATIONS WITH DISSENTING POSITIONS

Component Production Methods & Processes

The current HIR production process consists of at least three distinct staffing models and varying levels of established procedural guidelines. The divergent methods and processes have emerged as a result of resource availability and ad hoc relationships between IE members and I&A. The three prevailing models include:

- **Model 1: Embedded I&A Support.** I&A Reports Officers (ROs) detailed to Components' intelligence shops are responsible for reviewing data and drafting HIRs for submission to I&A's Collection and Requirements Division (CRD). This model is currently used to

support Transportation Security Administration (TSA) HIR production.[10] Model 1 has been a highly successful reports production model, as the information is defined and produced within the Component. This allows for an explicit, uniform understanding of the raw information being reported and the manner for identifying and sharing that information in the most effective manner.

- **Model 2: I&A Production.** Raw information from a Component (as in the case of Customs and Border Protection) is sent to CRD to develop, review and submit an HIR for distribution This model has inherent challenges in the current environment. Component information is often addressed in a "first-in, first-out" manner, as existing systems and process are inadequate to prioritize production based on content. A request to expedite production can be generated, but the HIRWG found no system by which those requests are prioritized or evaluated. Additionally, I&A reporting agents do not specialize in a particular Component or information set, resulting in variances in HIR development, review, and approval/ cancellation rates. To its credit, this model allows for a focused effort to a particular production source, enabling high production volume or surge capacity.

- **Model 3: Component Production.** The organic Component model, as employed by Immigration and Customs Enforcement (ICE), makes the Component solely responsible for HIR development to the point of final distribution via Automated Message Handling System (AMHS). This requires a staff of Senior Reports Officers (SROs) and Reports Officers (ROs) within the Component. An HIR is drafted, reviewed, and forwarded to CRD for subsequent release to I&A Production Management Division (PMD). PMD then releases the report for AMHS distribution. This model has been highly successful largely because their staff has specialized training for ICE HIRs. As subject matter experts, ICE personnel hold specific knowledge of the information to be reported as well as a clear sense of how the thresholds for production are levied. This has resulted in an effective and efficient production model.

Recommendation 10: After a review of both the intent and requirements of the program, the HIRWG recommends migration toward a partnership model that integrates the strengths of all three models emphasizing collaboration between Components and I&A. Component participants felt it would be possible for each of their organizations to assume principal responsibility for developing a Reports Officer Program responsible for their Component's HIR production over the next three fiscal years (FY12-14). The Working Group also recognized that the IC role which I&A holds needs to be sustained and supported within this model. As mentioned in Recommendation 5, each Component Reports Program must be certified by FY 14. This certification will be worked in conjunction with appropriate programs within I&A. In time, certified Component programs may be able to independently produce HIRs. At this time, however, the requirement for an I&A release agent to be embedded within a Component was recognized (albeit not universally endorsed due to past experiences with I&A detailed personnel). In this model, Components independently produce HIRs as Component ROs/ SROs will draft, edit, and vet ready-to-publish HIRs. Detailed I&A SROs will be responsible for

[10] Note: TSA production centers on a highly specialized subset of information, not the full range of data available at TSA.

enforcing threshold standards, de-confliction, and forwarding approved HIRs to PMD for AMHS distribution. Component intelligence elements with insufficient funding to adequately staff ROs and SROs for HIR needs will continue to receive the support of I&A until such time as they are able to sustain their own program.[11]

Recommendation 11: To reduce review timelines and errors, eliminate conflicts in organizational priorities, and sustain a strong connection between the Component program and the CINT to ensure Executive Order 12333 compliance for intelligence reporting, I&A will embed at least one Senior Reports Officer (SRO) with each Component. To increase stability and foster collaborative professional engagement, I&A SROs, in consultation with the host Component, will be detailed to a Component for no less than 12 months, during which time they may not be reassigned or recalled to I&A, except at the specific request of the host Component. The I&A SRO will be housed at the Component and will report there on a daily basis. As in any other detail arrangement, they will report to the Component but will be administratively supported by I&A. The detailed I&A SRO will work with the Component to ensure the Component information is reported in a timely, effective, IC-compliant manner and for submitting Component reporting into the I&A production process, as outlined in the Review, Clearance and Release section below.

Issues with Recommendations 10 and 11: The recommendations as stated represent a compromise between all programs, I&A and operational Component alike. As compromise recommendations, they caused each participating elements some level of discomfort. I&A/CRD endorsed the status quo model, while the Components advocated for a purely independent model. As neither position satisfied the requirements for standardization, oversight, coordination, and IC participation, the model proposed attempts to both respect the IC role of I&A and the Component expertise of their own information. One of the critical concerns of the Components was that past experience with I&A placements were unsatisfactory and were characterized as inefficient and inconsistent. For this reason recommendations 10 and 11 focus on collaborative efforts to ensure Component equities are protected and enhanced by this relationship. Embedding an I&A SRO should serve to bolster relationships and ensure that the IC roles of I&A and the CINT are met. Ultimately, these recommendations were agreed upon but with caution. As is documented in the recommendation, the Components advocated that the CINT and HSIC closely monitor these relationships, evaluating the effectiveness of the program within three years.

Review, Clearance and Release

Notable inconsistencies came to light regarding review and clearance procedures. Some HIRs sent to CRD for release are reviewed by the clearing offices while Component HIRs are not. Clearance offices include the DHS Offices for Civil Rights and Civil Liberties (CRCL), Privacy (PRIV), General Counsel (OGC), I&A's Intelligence Oversight Branch (IO) and, in some cases, the I&A State and Local Program Office (SLPO).

[11] As a fee-funded agency, U.S. Citizenship and Immigration Services may be seriously challenged to establish and maintain a robust RO program. CIS Intelligence Branch leadership reports that an exemption to the self-funded requirement will be required for continued participation in the HIR program.

The review offices contend that HIRs must receive formal review prior to any release. Components unanimously disagreed with this position and questioned the need for any additional formal review for raw intelligence. As a form of compromise the HIRWG proposed a recommendation that attempts to garner both the timeliness required for release to the IC as well as the review sought prior to non-IC dissemination aimed at protecting the Department from inappropriate release of USPER or sensitive information. This compromise was offered given the fact that the formal review process in its current format has been significantly streamlined[12] and reports would not be delayed from release to the IC.

OGC does not take a position as to whether the clearance process is necessary, but agrees with the other clearing offices that, to the extent a clearance process is retained, there is no logical distinction to be drawn between HIRs intended for distribution to the IC and HIRs intended for distribution to state and local partners for purposes of the clearance review. OGC further observes that enacting a two-tiered clearance process may discourage the sharing of information with state and local partners, as HIRs intended for distribution to this audience would now be uniquely subject to another layer of review. However it should also be noted that this clearance review is already in place for those products being released to State, local, tribal and private sector partners, so it would not decrease the likelihood that sharing would occur any more so than is currently experienced.

Some clearing offices, particularly CRCL and PRIV, are against any framework where all HIRs are not cleared prior to any distribution and do not concur with the dual track process outlined in Recommendations 12, 13 and 14. Alternatively, all operational Components (CBP, ICE, TSA and USCIS) strongly opposed a system where each HIR is subject to clearing office review, a practice unique to DHS and not replicated across the IC; each stated they believed that a well trained RO and SRO would be able to sufficiently draft and review prior to release. It was also noted that the SOPs and training should emphasize that any RO or SRO that has questions regarding the release-ability of information should proactively engage the clearance offices prior to release of any product that deals with USPER or Constitutionally protected activities.

It should be noted the Office of Intelligence Oversight cautioned that broad release without formal review could potentially expose the Department to risk. While it was expressed that the risk could be considerable, the presented no formal evidence to support that position. As discussed during the HIRWG effort, the rate at which problem HIRs discovered through formal review was very low and decreasing over time. Additionally, issues brought up by the review elements point to a need to significantly strengthen RO and SRO training as well as the need to develop a certification program that develops highly competent RO and SROs.

Recommendation 12: To ensure information is made available to the IC and our critical stakeholders in a timely and effective manner, the formal four office review of CRCL, PRIV, Intelligence Oversight and General Counsel should be waived and dissemination should be expedited. As an HIR is raw, unevaluated information/intelligence and not a finished analytic product it is not subject to the same formal review required of a finished intelligence product.

[12] However, the timeframe for review could be dramatically challenged if all HIRs are required to be reviewed prior to release – a position defended by CRCL, Privacy, and Intelligence Oversight.

Alternative Recommendation 12a: The clearance offices of CRCL, Privacy, and Intelligence Oversight recommend a single track for review and dissemination as a means of addressing their concerns about a bifurcated dissemination process. Review by the clearing offices mitigates risks associated with potential sharing of information by DHS that implicate civil rights, civil liberties, intelligence oversight, privacy and legal concerns. A single clearance office review for all HIRs will eliminate the need to identify the appropriate clearance track based on factors such as the potential audience, and ensure that information is not mistakenly released without the appropriate review. Additionally, a single review and dissemination track ensures that ROs and SROs are not required to take on the additional burden of performing a complex oversight review necessitated by the dual track process. A single point of service will provide effective review in a timely manner and reduce challenges in managing a dual track system of clearance and dissemination.

(Selecting Alternative Recommendation 12a will eliminate Recommendations 12 and 13, sustain current practices, and will increase the review burden on the clearance offices as they will now review and clear all HIRs produced by DHS.)

The Components did not support Recommendation 12a and viewed the mandatory clearance of all HIRs as unnecessary when released to the IC as raw intelligence. They stressed the fact that the HIR is not an analytic product and should not be drawing any conclusions on the information, thereby mitigating any undue risks associated with release to the IC. In addition, they pointed out that with proper training the "error rate" was extremely small and a post-dissemination audit (recommended below) would identify problems, allowing for improvements to be made to the training, policies, and practices as necessary.

Recommendation 13: Excluding comments to the contrary, HIRWG members expressed confidence that properly trained SROs at the Component level are fully capable of providing HIRs in a ready-to-release format for stakeholder consumption. Component officials will review HIRs for content and adherence to established Component and Departmental requirements; embedded I&A SROs will review for compliance with technical specifications and threshold requirements. With the concurrent approval of both the detailed I&A SRO and the appropriate Component official(s), HIRs will be processed through PMD for AMHS distribution without further review. All ROs and SROs are encouraged to contact relevant clearing offices as needed for assistance, particularly with regard to HIRs reporting on protected First Amendment activities.

Recommendations

Recommendation 1 (Change HIR Terminology to IIR): For the purpose of adopting a more integrated IC-wide reporting practice, the HIRWG recommends changing the DHS nomenclature of a Homeland Intelligence Report (HIR) to the common IC expression of Intelligence Information Report (IIR).

Approve/date MAR 18 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 2 (IIR Definition): The DHS-IE will define IIR to mean: a formal, standardized method of disseminating raw unevaluated intelligence information on behalf of DHS Components, State and major urban area fusion centers, and other information providers to elements of the intelligence community, departmental Components, and other federal, state, local, and tribal governments and agencies with responsibilities relating to homeland security, as appropriate. IIRs are not analytic products and should represent factual information, rather than theories or conclusions.

Approve/date MAR 18 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 3 (Post-Release Audit): The HIRWG recommends establishing a post-release audit process whereby HIRs could be systematically evaluated in a joint environment, led by CRD in partnership with HIR SROs and clearing offices to ensure proper adherence to the reporting thresholds, legal requirements, reporting quality and timeliness. Any problematic HIRs identified in the course of a post-release review shall be revised, redacted, recalled and/ or re-disseminated as necessary. The availability of an audit does not replace the need for pre-release review of HIRs destined for publicly accessible sources. In addition, the post-release review will not delay the original release of HIRs. This review will play a crucial role in identifying challenges and progress during the initial implementation of any comprehensive changes to the HIR program. All issues identified as a result of an audit will be integrated into an improvement cycle that includes training, certification, method, and policy amendments.

Approve/date MAR 18 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 4 (Threshold Approval): The HIRWG recommends all reporting thresholds be CINT-approved (with signature), published and universally applied. Should law, Presidential directive, DNI guidance, or DHS directive require modification of published baseline reporting thresholds, any such action will be developed and implemented in coordination with the CINT, affected Components, and relevant clearing offices with proper notification, updated guidance, and training provided to ROs/ SROs to ensure compliance. This in no way diminishes or limits the statutory or other obligations of clearance offices.

Approve/date MAR 1 8 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 5 (RO & SRO Training and Certification): I&A, with the input of the HIRWG, will establish RO and SRO training and certification requirements and guidelines specific to the HIR production process. Mandatory training will be required for all DHS RO and SROs, and administered by the I&A Training Development Branch as a headquarters function. Components must require their ROs and SROs receive this training and that their programs are certified. Components may provide supplemental training, provided such training accords with the requirements and guidelines of I&A provided training. All ROs and SROs creating or handling HIRs must be HIR certified and comply with all HIR training requirements. This certification and training will include appropriate HIR uses, threshold requirements, production processes, review procedures, content restrictions, and privacy and civil rights concerns.

Approve/date_____ Disapprove/date_____

Modify/date MAR 1 8 2011 Needs discussion/date_____

Recommendation 6(Concept of Operations [CONOPs]): The HIRWG recommends the establishment of a DHS-IE HIR production and reporting CONOPS., This document will highlight the various departmental collection and reporting missions, delineat reporting priorities and specializations for both the Components and I&A based on mission set and authorities, and provide guidance for sharing intelligence information and normalized daily interaction between intelligence functions and organizations external to DHS in accordance with applicable laws and regulations. The construction of the HIR CONOPS must be generated with full DHS-IE coordination. It will be the responsibility of the IIR Advisory Group (see recommendation 14) in conjunction with CRD to deliver both the CONOPS and the SOPs (see recommendation 12).

Approve/date MAR 1 8 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 7 (Standard Operating Procedures & Guidelines): The HIRWG recommends development and refinement of DHS-IE HIR SOPs to coordinate the Department's HIR processes. Building from a baseline I&A framework, this approach will require Component-specific appendices to establish standardized, repeatable, and easy-to-follow processes for HIR development and dissemination. The HIRWG recognizes SOPs developed by ICE and USCG as best practice examples and should be leveraged by CRD. CRD, working in coordination with the HIRWG, should lead the cross-Component collaboration to develop the coordinated DHS-IE HIR SOPs and Component appendices.

Approve/date MAR 1 8 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 8 (Technology): The HIRWG recommends planning for and approving future acquisition resources for the purpose of funding a spiral software development to align the HOTR application to specific DHS reporting needs.

Approve/date MAR 1 8 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 9(Charter the IIR Advisory Group): The HIR Working Group will transition to a permanent IIR Advisory Group with full Component representation. This group will be responsible for assembling on a quarterly basis to ensure standards, training, compliance, and resources issues are addressed in a timely and effective manner. All future actions required of the HIRWG, including the implementation of any Recommendations herein, will transition to the IIR Advisory Group. It is advised that this IIR Advisory Group be chaired by one of the Component members. A Charter to address the composition and responsibilities of the IIR Advisory Group will be developed within 30 days of transition from the HIR Working Group. This will be accomplished by the HIRWG.

Approve/date MAR 1 8 2011 Disapprove/date_____

Modify/date_____ Needs discussion/date_____

Recommendation 10 (Component Production Models): After a review of both the intent and requirements of the program, the HIRWG recommends migration toward a partnership model that integrates the strengths of all three models emphasizing collaboration between Components and I&A. Component participants felt it would be possible for each of their organizations to assume principal responsibility for developing a Reports Officer Program responsible for their

Component's HIR production over the next three fiscal years (FY12-14). The Working Group also recognized that the IC role which I&A holds needs to be sustained and supported within this model. As mentioned in Recommendation 5, each Component Reports Program must be certified by FY 14. This certification will be worked in conjunction with appropriate programs within I&A. In time, certified Component programs may be able to independently produce HIRs. At this time, however, the requirement for an I&A release agent to be embedded within a Component was recognized (albeit not universally endorsed due to past experiences with I&A detailed personnel). In this model, Components independently produce HIRs as Component ROs/ SROs will draft, edit, and vet ready-to-publish HIRs. Detailed I&A SROs will be responsible for enforcing threshold standards, de-confliction, and forwarding approved HIRs to PMD for AMHS distribution. Component intelligence elements with insufficient funding to adequately staff ROs and SROs for HIR needs will continue to receive the support of I&A until such time as they are able to sustain their own program..[13]

Approve/date_____ Disapprove/date_____

Modify/date_____ MAR 1 8 2011 Needs discussion/date_____

Recommendation 11 (Component Embedded I&A Senior Reports Office): To reduce review timelines and errors, eliminate conflicts in organizational priorities, and sustain a strong connection between the Component program and the CINT to ensure Executive Order 12333 compliance for intelligence reporting, I&A will embed at least one Senior Reports Officer (SRO) with each Component. To increase stability and foster collaborative professional engagement, I&A SROs, in consultation with the host Component, will be detailed to a Component for no less than 12 months, during which time they may not be reassigned or recalled to I&A, except at the specific request of the host Component. The I&A SRO will be housed at the Component and will report there on a daily basis. As in any other detail arrangement, they will report to the Component but will be administratively supported by I&A. The detailed I&A SRO will work with the Component to ensure the Component information is reported in a timely, effective, IC-compliant manner and for submitting Component reporting into the I&A production process, as outlined in the Review, Clearance and Release section below.

Approve/date_____ Disapprove/date_____

Modify/date_____ MAR 1 8 2011 Needs discussion/date_____

[13] As a fee-funded agency, U.S. Citizenship and Immigration Services may be seriously challenged to establish and maintain a robust RO program. CIS Intelligence Branch leadership reports that an exemption to the self-funded requirement will be required for continued participation in the HIR program.

***Recommendation 12 (Concurrent Review, Clearance and Release Process)*:** To ensure information is made available to the IC and critical stakeholders in a timely and effective manner, the formal four office review of CRCL, PRIV, Intelligence Oversight and General Counsel shall be waived in order to expedite dissemination of actionable and perishable intelligence to the field.

Approve/date_____ Disapprove/date_____

Modify/date_____ MAR 1 8 2011 Needs discussion/date_____

Alternative Recommendation 12a: The clearance offices of CRCL, Privacy, and Intelligence Oversight recommend a single track for review and dissemination in order to address their concerns about a bifurcated dissemination process. Review by the clearing offices mitigates risks associated with potential sharing of information by DHS that implicate civil rights, civil liberties, intelligence oversight, privacy and legal concerns. A single clearance office review for all HIRs will remove the need to identify the appropriate clearance track based on factors such as the potential audience, and ensure that information is not mistakenly released without the appropriate review. Additionally, a single review and dissemination track ensures ROs and SROs are not required to take on the additional burden of performing a complex oversight review necessitated by the dual track process. A single point of service will provide effective review in a timely manner and reduce challenges in managing a dual track system of clearance and dissemination.

Approve/date_____ Disapprove/date_____ MAR 1 8 2011

Modify/date_____ Needs discussion/date_____

***Recommendation 13 (Review and Release for IC Material)*:** Component officials will review HIRs for content and adherence to established Component and Departmental requirements; embedded I&A SROs will review for compliance with technical specifications and threshold requirements. With the concurrent approval of both the detailed I&A SRO and the appropriate Component official(s), HIRs will be processed through PMD for AMHS distribution without further review. All ROs and SROs are encouraged to contact relevant clearing offices as needed for assistance, particularly with regard to HIRs reporting on protected First Amendment activities.

Approve/date_____ Disapprove/date_____

Modify/date_____ MAR 1 8 2011 Needs discussion/date_____