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DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC 20511

ES 2017-00589

MEMORANDUM FOR: Mark A. Bradley
Director, Information Security Oversight Office

SUBJECT: (U) Director of National Intelligence Supplemental Study to the Fiscal Year 2017 Fundamental Classification Guidance Review

REFERENCES: A. (U) DNI Memorandum, ES 2016-00158, Addendum to the FY 2017 Fundamental Classification Guidance Review, March 23, 2016

(U) Please find the attached supplemental study that summarizes the responses received from five Intelligence Community (IC) agencies and the Office of the Director of National Intelligence (ODNI) on the feasibility of reducing classification activities.


(U) In a memorandum dated March 23, 2016 (Reference A), ODNI solicited input from the heads of the Central Intelligence Agency, Defense Intelligence Agency, National Geospatial-Intelligence Agency, National Reconnaissance Office, National Security Agency, and our own Information Management Division to review possible ways of decreasing classification activities coincident with the required Fundamental Classification Guidance Review. Specifically, we requested input on the feasibility of four specific initiatives:

- I. (U) Reducing the number of original classification authorities;
- II. (U) Increasing discretionary declassification decisions;
- III. (U) Eliminating CONFIDENTIAL from internal agency classification guides; and
- IV. (U) Creating an IC-wide classification guide.

(U) I am submitting this study for your information. The ODNI point of contact for this matter is Ms. Patricia Gaviria, who may be reached at (301) 243-1054.



Daniel R. Coats



Date

Attachments:

1. (U) DNI Supplemental Study to the Fiscal Year 2017 Fundamental Classification Guidance Review, June 2017

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Fundamental Classification Guidance Review

Distribution:

Under Secretary of Defense for Intelligence

Director, Central Intelligence Agency

Director, National Security Agency

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OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE



DNI Supplemental Study to the Fiscal Year 2017 Fundamental Classification Guidance Review

LEADING INTELLIGENCE INTEGRATION

POLICY & STRATEGY
INFORMATION MANAGEMENT DIVISION

June 2017

Background

This Supplemental Study provides the results of a request made by the Director of National Intelligence (DNI) of the ODNI, CIA, DIA, NGA, NRO, and NSA to consider ways of reducing classification activities as part of the 2017 Fundamental Classification Guide Review (FCGR).

As background, Executive Order 13526, *Classified National Security Information (2010)*, requires all agency heads to complete a comprehensive review of their classification guides to ensure that the guidance is timely and relevant and that classified information that no longer requires protection is appropriately declassified.

Every five years, the Director of the Information Security Oversight Office (ISOO) directs each agency to conduct a FCGR to determine if their guidance meets the standards established by Executive Order 13526. To provide credibility, original classification authorities and agency subject matter experts are included in the process. Most recently, in a Memorandum dated March 17, 2016, ISOO directed agency heads to complete an FCGR for FY 2017.

Prior to the issuance of this ISOO Memorandum, representatives from the Office of the Director of National Intelligence (ODNI) and ISOO had reviewed ways to reduce classification activities and discussed whether the DNI's success in this area could be replicated within other agencies. As a result and in furtherance of these discussions, the DNI issued a Memorandum on March 23, 2016, that requested the above-referenced agencies, as part of their FCGR, to provide substantive comment on the feasibility of four specific initiatives:

- I. Reducing the number of Original Classification Authorities (OCA);
- II. Increasing discretionary declassification decisions;
- III. Eliminating CONFIDENTIAL from internal agency classification guides; and
- IV. Creating an IC-wide classification guide

This report summarizes the input received from the six participating agencies.

I. Reducing the Number of Original Classification Authorities (OCA) Internally:

There was general consensus that reductions to the number of employees with OCA can be accomplished. ODNI, DIA, NGA, and NSA have either already reduced or plan on reducing OCA numbers in the near future. Notably, DIA assessed that they will reduce their OCAs by 85 percent. CIA is satisfied that their current level is necessary to support their mission, however, they continue to monitor designations to ensure the numbers remain as low as possible.

II. Increasing Discretionary Declassification Decisions:

There were mixed reactions to increasing discretionary declassification decisions. CIA, NGA, and NSA are satisfied with their active programs, which they opine have created verifiable benefits to historians and to the general public. ODNI, DIA, and NRO stated that current staffing would not support the implementation of this initiative.

III. Eliminating CONFIDENTIAL from Agency Classification Guides:

Most agencies agreed that eliminating the CONFIDENTIAL level of classification from agency guides would pose little to no impact on mission. ODNI, NGA, and NRO have all already removed CONFIDENTIAL line items in their main guides. The CONFIDENTIAL level will be eliminated from other program level guides as revisions take place. CIA has committed to eliminating the CONFIDENTIAL level in future revisions to their guides, while DIA and NSA require more time to research the impact such action might pose to their Industrial Contractor base and long-standing information sharing activities.

IV. Creation of an IC-wide Classification Guide:

This effort was undertaken by ODNI in 2008 and again in 2015, but did not succeed due to variances in protection methods, classification levels, functional management authorities, and foreign disclosure requirements within HUMINT, SIGINT, and GEOINT operational domains and network infrastructures. ODNI learned from these earlier attempts that certain topics and activities within the IC may benefit from standardized classification guidance. As a result, in June, 2017, the ODNI issued classification guidance for all National Intelligence Program (NIP) budget and financial management activities to be followed by all NIP elements. Specifically, the NIP Budget and Finance classification guidance document provides:

- Minimum protection levels for NIP budget and finance activities that are done in common by all NIP components;
- Consistent and uniform classification levels on similar financial or NIP budgetary information;
- Counter-intelligence-related threat data that all NIP components should be cognizant of, while providing risk mitigation steps that can be implemented internally;
- NIP components with a choice in using either DNI source guidance or ingesting it into agency-level classification guides for employees to use.

ODNI will continue to consider developing additional baseline classification guidance for specific activities done in common within the IC, as appropriate.