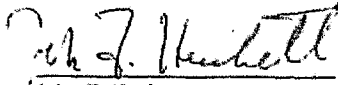MEMORANDUM FOR: Mr. William A. Cira
                         Acting Director, Information Security Oversight Office
                         700 Pennsylvania Avenue, NW, Room 500
                         Washington, DC, 20408

SUBJECT: ODNI Fundamental Classification Guidance Review

REFERENCE: ISOO Memorandum, Same Subject, dated January 27, 2011

       In response to your request for an update on agency efforts conducting Fundamental Classification Guidance Reviews, we are providing a summary (Attachment 1) for the Office of the Director of National Intelligence (ODNI) through June 30, 2011. The ODNI's ongoing efforts include a comprehensive review of policies affecting the program, as well as, classification guidance issued to ensure the information is up to date and accurate.

       Please contact me at [REDACTED] or via E-mail at: [REDACTED] with any questions.

John F. Hackett
   John F. Hackett
      Director, Information Management

_7/21/2011_
Date

Attachment 1: Status of ODNI Fundamental Classification Guidance Review Efforts

Total number of SCGs for which an FCGR has been initiated:	8
Total number of SCGs for which an FCGR has not been initiated:	14
Total number of SCGs for which an FCGR has been completed:	6
Total number of SCGs eliminated as a result of the FCGR:	1
Total number of active ODNI-sponsored SCGs:	22

Table 1: ODNI Classification Guide FCGR Summary

Overview:

The ODNI's initial review commenced in March 2010, and included a general review of policies, classification authorities, and procedures to determine if revisions or modifications were necessary based on EO 13526. As an additional measure, we reviewed the number of original classification decisions made over the past 24 months in order to determine if a reduction in Original Classification Authorities (OCA) could be made. The results showed that a number of positions previously designated as OCA had not used their authority. This allowed the ODNI to reduce the number of OCAs by almost 40 percent without impact to the mission. Subsequently, an extensive internal reorganization of the ODNI added several senior level positions requiring OCA. A new revised OCA listing was signed by the DNI on February 2, 2011.

The ODNI made significant progress in its classification management program. As noted in the Annual ISOO Report to the President for 2010, the ODNI was listed as the only IC agency to meet the deadline for complying with the provisions for implementing EO 13526 guidance. During the last year, the ODNI revised a number of internal ODNI policy and procedural documents in response to an extensive internal reorganization. The ODNI *Implementation Plan* was created to integrate the numerous elements contained in the Order and ISOO Directive, and to help guide the full range of ODNI classification management efforts. The ISOO-approved *Plan* also includes an ODNI Self-Inspection Guide to assess the adequacy and compliance of our classification management program which we intend to execute later this year.

Determining if the (classification) guidance conforms to current operational and technical circumstances: The ODNI has 22 classification guides under its purview. Classification guides are created through a centralized process to ensure uniformity, consistency and adherence to the Order, ISOO, and ODNI policies. This centralized approach helps deter and reduce duplication of effort and over-classification. All classification guides are signed by a designated and trained OCA. Systematic reviews of non-compartmented ODNI classification guides began in earnest last year and were documented on the ODNI's annual SF-311 - *Agency Security Classification Management Program Data Report* submitted to ISOO in November 2010. Most classification guides are reviewed annually to ensure current operational and mission requirements remain valid. Requests for changes to classification guides are reviewed and validated by ODNI element mission managers and subject matter experts. The requests are then centrally validated by the Director, Information Management Office (D/IMO) for non-compartmented guides; and by the Controlled Access Program Coordination Office (CAPCO)

for controlled guides. Approved changes are incorporated into revisions and forwarded to the respective OCA for signature and appropriate distribution. During the ODNI's review, one classification guide was eliminated because the program it supported was terminated. The centralized review and validation process was a key factor in linking the program's termination to the guide's elimination.

Determining if the guidance meets the standards for classification under section 1.4 of the Order and an assessment of likely damage under section 1.2 of the Order: The standards for classification are met and documented in each ODNI-developed classification guide by citing the applicable "reason" next to the information requiring classification. While the majority of reasons used within the ODNI classification guides cite 1.4 (c) – *intelligence activities*, several sections contain additional standards appropriate to the information being protected. The appropriate classification level is an assessment determined by the extent to which damage will be caused to the national security and the impact on sensitive sources and methods.

Determining if the dissemination and availability of the guidance is appropriate, timely, and effective: The availability and timeliness of ODNI classification guidance is achieved in several ways. The effectiveness of creating and disseminating classification guides was recently evidenced by the amount of queries and discussions that took place prior to the creation of the National Intelligence Priorities Framework (NIPF) Classification Guide in July 2010. Once the NIPF Guide was created and disseminated, queries concerning classification of NIPF information were reduced to near zero. Approved ODNI classification guides are distributed to all appropriately cleared mission managers and users of the information; posted to applicable Community of Interest (COI) and ODNI element websites; and placed in a repository maintained by the ODNI/IMO (for non-controlled guides) and CAPCO (for controlled guides). Classification decisions reflected in the guide are then electronically incorporated into the IC's tool for making derivative classification decisions.

An examination of recent classification decisions that focuses on ensuring classification decisions reflect the intent of the guidance as to what is classified, the appropriate level, the duration, and associated markings: The ODNI's centralized process for creating classification guides coupled with dedicated training for OCAs, helps ensure original decisions reflect only the critical program information requiring protection along with the appropriate dissemination control markings. Original decisions are cross-referenced with other internal and external classification guides to ensure duplication does not occur. Past Freedom of Information Act (FOIA) and Mandatory Declassification Review (MDR) release decisions are also factored in prior to final implementation. All classification markings applied (original and derivative) are validated through DNI's CAPCO *Register* which serves as the authoritative document for authorized IC-wide classification markings. Changes to existing levels or duration values for classified information are accomplished as necessary and justified, consistent with protecting our national security interests as well as sensitive intelligence sources and methods.

Establishing a secure capability to receive information, allegations, or complaints regarding over-classification or incorrect classification and to provide guidance to personnel on proper classification as needed:

- The ODNI Instruction 80.12, *Classification of ODNI Information*, was created to include provisions for a secure capability to receive information or complaints concerning the ODNI's classification management program. In addition, a Hot-Line phone-in capability, in use since early 2009, provides the workforce with an alternative method for communicating classification issues.
- The ODNI uses a dedicated email group address (*DNI-Classification*) on a classified network which allows easy access to the information management team for all issues involving classification management. This email group is used extensively and serves as a primary entry point to request guidance or report issues involving classification matters. In all cases, over-classification and "default" classification levels except in the rarest circumstances are prohibited.

Other highlights impacting our fundamental classification guidance review include:

- Creating IC-wide marking challenge procedures.
- Completing initial and/or annual training for all DNI delegated OCAs (completed as of June 30th).
- Updating or creating three ODNI internal regulations to incorporate the provisions of the Order where appropriate (completed).
- Creating the IC Information Management Council (IC-IMC); a formal sub-group of the IC-CIO Council, chartered to develop recommendations for issues within the classification, declassification, pre-publication review, records management, and Freedom of Information Act (FOIA) areas of interest. This effort will help guide the IC in standardizing processes and procedures in these dynamic and challenging areas.
- Installing the Automated Classification Management Tool onto the DNI SIPRNet which will standardize classification markings applied by all users of this network. Project completion is expected by November 2011.
- On the training front, we hold bi-monthly dedicated classification management training classes onsite and at select IC agency and contractor supported locations. In addition, we are working with NSA to share already developed web and computer-based training courses which comply with EO 13526 classification management training requirements to reduce cost and overhead support requirements.
- Updating pamphlets used to promote the education and awareness of classification markings and policies; these are also provided to ODNI staff and contractor personnel during their orientation.
- Updating the ODNI IC-CIO/Information Management website to address and explain in detail the changes to classification management along with its impact on the ODNI workforce. In addition, a Classification Management Quarterly Newsletter was created and posted to help keep employees up to date in classification management policies and procedures.
- Documented ODNI leadership support for the ISOO FCGR effort through a PDDNI memorandum signed on May 26, 2011 to all IC agency heads and intelligence elements