

**500 Day Plan Hearing**  
before the  
**Intelligence Community Management Subcommittee**  
of the  
**House Permanent Select Committee on Intelligence**

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**Dr. Donald Kerr**

**Principal Deputy Director of National Intelligence**

**STATEMENT FOR THE RECORD**  
by the  
**PRINCIPAL DEPUTY DIRECTOR OF NATIONAL INTELLIGENCE**  
**DR. DONALD KERR**  
before the  
**HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE**  
on the  
**500 DAY PLAN FOR THE INTELLIGENCE COMMUNITY**

Chairwoman Eshoo, Mr. Issa, distinguished members, thank you for the invitation to discuss with you our Intelligence Community 100 Day Plan and the current 500 Day Plan.

**Background**

Over the last 60 years, more than 40 studies and independent commissions have examined the Intelligence Community (IC) and provided recommendations on how to reform the IC—in areas such as policy, management and budget, human capital management, technology, and collection and analysis capabilities. Many of the recommendations were either not acted on or not fully implemented across the intelligence enterprise. Despite strong leadership and best intentions, progress was uneven.

1. The integration challenges we face are multifaceted and complex - information technology integration, for example, requires an approach that simultaneously addresses culture, policy, and budget issues.
  
2. The nature of the intelligence business often means that our senior leadership is consumed by real world challenges on a daily basis, taking our attention

away from the more mundane—but critically important—task of integrating the community.

3. Intelligence organizations have been developed with typical mission problems in mind. A dedicated mechanism to oversee, track and gauge progress against complex issues is now a requirement for strategy and performance management.

What is required, first and foremost, is integrating the foundational elements and removing the barriers—in the areas of policy, management/budgeting, technology and acquisition, information, collection and analysis, and culture. The second thing we must do is improve collaboration around our core mission areas, such as counterterrorism and counter-proliferation, and improve our ability to anticipate strategic surprise.

### **Implementation Imperative**

That is why the DNI initially created the Intelligence Community “100 Day Plan” and now the “500 Day Plan for Integration and Collaboration”—to take into account the recommendations already made, build on the progress already achieved—and, more importantly, respond to today’s new global environment. To ensure accountability, we established a Program Management Office to track, monitor and oversee execution of the Plans that reports to the senior leadership on a bi-weekly basis.

These Community-wide plans identified six focus areas—or priorities—for intelligence reform. They are: Create a Culture of Collaboration; Accelerate Information Sharing;

Foster Collection and Analytic Transformation; Build Acquisition Excellence and technology Leadership; Modernize Business Practices; and Clarify and Align DNI's Authorities. Within each priority, we have delineated specific initiatives to implement reforms and a rigorous timeline for completion. These aggressive plans focused on initiatives that we believed could be accomplished, and that would allow us to demonstrate short-term progress and build momentum.

### **Focus Area 1: Create a Culture of Collaboration**

The first priority focus area is to “Create a Culture of Collaboration.” A long-standing criticism of the Intelligence Community is that we are a dysfunctional family—that we sometimes don't work well together and lack of cross-agency knowledge weakens our effectiveness. We have moved forward with urgency to address these concerns and shape a truly collaborative culture. Our intent is to promote and build an IC identity or sense of “jointness” by creating programs that provide for cross-agency work assignments and training. We will empower this workforce by implementing the right mix of incentives, training, education, trust-building measures, and skills that will create and sustain collaboration from the bottom-up. We are pursuing a number of initiatives that foster greater understanding and willingness to work together across organizational groups and missions. We continue to solidify performance management systems, move our education and training efforts towards an integrated learning environment and develop a more diverse workforce (to include enhancing our linguistic capabilities).

## **Joint Duty**

The first accomplishment of the initial 100 Day Plan was the implementation of Joint Duty across the Community. In the same manner that the Goldwater-Nichols Act transformed the Department of Defense, the Intelligence Community joint duty program will encourage and incentivize intelligence professionals to seek jobs outside their home agency, gain cross- agency knowledge, and forge new working relationships and collaborative networks. The Leadership Exchange Assignment Program (LEAP), was established in order to demonstrate the IC Senior leadership commitment to Joint Duty as well as jumpstart the Joint Duty program. Approximately 50 individuals have been identified to participate in an exchange of senior staff among the Agencies with personnel moving into these positions shortly. We expect that the knowledge gained by these rotational positions will pay dividends in understanding how other members of the Community work, think, and act. As with military joint duty, our officers will spend time together, better understand each others' thinking and cultures. Our Joint Duty website is also up and running which includes postings of joint duty position vacancies from across the IC, as well as video declarations by senior IC leaders on the importance of Joint Duty to the IC.

During this current 500 day period we will fully implement a new, common, IC-wide appraisal system that is aligned with our goals for improved collaboration. Furthermore, this new appraisal system will serve as the foundation for our compensation modernization initiative for IC civilians that will reward our most talented contributors and reinforce our core values. This will help us to recruit and retain our Nation's best and brightest.

## **Civil Liberty and Privacy Officers**

In addition, we have established a network of civil liberties and privacy officials at *all* IC agencies. This will allow the Community to transcend traditional IC stovepipes in order to spot common issues, assess rules and policies, formulate and execute protections, and test compliance. It enhances integration and information sharing, and provides a framework for ongoing collaboration needed to protect privacy and civil liberties throughout the IC. The dual imperatives are for protections

- to be effective, sustaining our values and maintaining public support of our mission, and for our rules to be reasonable and clear, so that misunderstandings are avoided and,
- to be applied in a balanced, consistent way that enhances information sharing, enables agencies to make responsible use of their authorities, develop and use technology, and otherwise vigorously pursue their mission objectives while protecting privacy and civil liberties.

This network will form the basis for formalizing an IC-wide governance and collaboration framework that will facilitate communication, policy guidance, training standards and best practices for the protection of privacy and civil liberties. We also work closely with the Privacy Guidelines Committee (PGC), which was established to support agency implementation to the Presidentially issued Information Sharing Environment Privacy Guidelines. The PGC consists of the Information Sharing Environment (ISE) Privacy Officials of the departments and agencies comprising the Information Sharing Council (ISC). The PGC is co-chaired by the senior privacy officers of the Office of the Director of National Intelligence and the U.S. Department of Justice.

## **National Intelligence University**

To build on our joint duty success, we have formalized a joint National Intelligence University and begun joint training to ensure all intelligence officers understand collaboration and integration as fundamental intelligence doctrine. The National Intelligence University (NIU) has developed a governance model that incorporates all IC education and training assets into a well functioning University community. In addition, it has inventoried training and education materials across the entire IC. This effort now serves as the foundation for an IC-wide training catalog and will contribute to the larger inventories that will occur as part of the President's National Security Professional Development initiative. In turn, areas of emphasis and training gaps can now be prioritized to increase capabilities of analysts, collectors, linguists, and other specialists across the intelligence spectrum.

## **Equal Opportunity and Diversity**

The Equal Opportunity and Diversity Office held an IC Diversity Strategy Implementation Workshop on 2 and 3 October. This was an important step in the accomplishment of the IC-wide EEO and Diversity Cross-Cutting Emphasis Area Plan (CCEAP) by providing each of the IC Agencies with the mechanisms and direction, consistent with Section 102A of the Intelligence Reform and Terrorist Prevention Act (IRTPA), to “ensure that the personnel of the Intelligence Community are sufficiently diverse for purposes of the collection and analysis of intelligence through the recruitment and training of women, minorities, and individuals with diverse ethnic, cultural, and linguistic backgrounds.” It sets the stage to ensure that the members of the Intelligence

Community not only reflect America, but also have the cultural backgrounds of our threats. In addition, the office held a “Second Affinity Group and Special Emphasis Program Leadership Colloquium” on 1 and 2 November which broadened outreach techniques to IC human resource offices, businesses, and others interested in minority recruitment for the IC. The Colloquium also included mentoring and coaching techniques for minority individuals and communication of EEOD issues to senior leadership members.

## **Focus Area 2: Accelerate Information Sharing**

The second focus area is to “Accelerate Information Sharing.” Closely related to our focus on improved collaboration is the need to move from an information ownership culture to an information stewardship philosophy—a new information sharing paradigm. It has been said that information is power, and we are intent on getting more power to the people who need it—faster. To ensure the seamless flow of information among the different collection disciplines and analytic communities, we are accelerating the process of moving from the “need-to-know” paradigm toward a “responsibility to provide” mindset. We have designed and built an integrated information environment that is based on clear policies, a shared network, robust security mechanisms, and common services across the IC. We have revised our policy guidance on information sharing to promote new practices and attitudes in favor of rapid information exchange among all legitimate users. Furthermore, to ensure coordination and seamless collaboration, the ODNI, a member of the ISC, works as part of the ISE. Both the IC and ISE efforts fully support



the National Strategy for Information Sharing that the President released on October 31, 2007.

### **Foreign Partner Information-sharing**

We are developing new information-sharing standards, eliminating out-dated controls, and streamlining authorities, so that we can securely provide all levels of our government and international partners with the power of useful, timely intelligence. For example, we implemented guidance to increase cooperation between our intelligence analysts and our foreign partners. We started an email pilot program (now operational) between selected U.S. and allied classified networks to provide email (with attachments) capability.

### **Single Information Environment**

We are designing and will build an integrated information environment that is based on clear policies, consolidated and interoperable, robust security mechanisms and common services (e.g. communications, discovery, directories, and so forth) across the IC. We will rationalize the Community's IT infrastructure, look for opportunities to consolidate networks and applications, and realize the potential for major savings from duplicative licensing and software-unique tool development. We will also provide collaborative information technology to Non-Title-50 customers (e.g., the Nuclear Regulatory Commission, Environmental Protection Agency, and Department of Health and Human Services) as well. Included in this effort is our collaboration in the development of government wide ISE information sharing policy, guidelines, and procedures to address systemic issues.

## **IT Policy Development**

During the first 100 days of the 500 Day Plan, we continued coordination of several draft policies and the Intelligence Community Information Sharing Strategy via the Intelligence Community Information Sharing Steering Committee. These artifacts set the foundation for addressing information sharing, writ large. As of November 20, 2007 the Director signed the “Improving Intelligence and Retrieval and Dissemination” strategic intent. This allows for the establishment of the Intelligence Community’s dispute resolution function. In addition, on November 19, 2007 the Director signed the “Intelligence Community Policy Memorandum - Unevaluated Domestic Threat Tearline Reporting.”

## **Focus Area 3: Foster Analytic & Collection Transformation**

The third focus area is to “Foster Collection and Analytic Transformation.” As our Community learns to collaborate, we must also improve the performance of our core business lines—collection and analysis. We must ensure that individual intelligence professionals and agencies can make the best use of their expertise against our hardest targets by giving them the latest collaborative technological resources, clearest and most rigorous analytical standards, well-defined priorities and effective collection strategies. The intent is to deploy collaborative tools and new strategies to bolster penetration and collection against our hardest targets, and ensure that collection priorities reflect the most pressing needs. We will evolve Community work practices toward more integrated operations that enable major advances in overall collection and analysis performance, and

build new and develop existing foreign relationships to bolster our collection and analysis capabilities. In the 100 Day Plan we made initial progress on all of these fronts. For example, we implemented a rigorous set of Community analytical standards designed to strengthen analytic tradecraft and improve the quality of our products.

## **NIC-C**

On October 1, 2007 we established a new National Intelligence Coordination Center (NIC-C), in partnership with the Under Secretary of Defense for Intelligence (USD(I)) and the former DJIOC (now the Defense Intelligence Operations Coordination Center). This new center established the means by which the DNI and Secretary of Defense can prioritize, synchronize, integrate, and task national, defense, and domestic collection resources. The NIC-C brings together all collection systems and agencies and will increase the opportunity to optimize the deployment of collection capabilities to protect against strategic surprise, manage collection resources, and focus on the nation's top priorities.

## **Analytic Tools**

We are also implementing an IC-wide analytic IT environment that will reduce information overload on our analysts, and create revolutionary opportunities for analytic collaboration. We are addressing long-standing shortfalls in collection management by accelerating and broadening our implementation of the Integrated Collection and Analysis Requirements System (ICARS) and by designing new mission management concepts for implementation over the next year. With these changes, our analysts and

collectors will be better connected and understand each others' needs, and our collection and analysis efforts will be better optimized within a single mission management construct. This 500 day period also features exciting collection and analysis initiatives that will continue to transform our line business areas.

### **LNI & A-Space**

Additionally, to improve our analysts' capability to find critical intelligence information from all sources, we have implemented the initial operational capability for the Library of National Intelligence, an on-line, searchable repository of all disseminated intelligence products. All intelligence documents will be discoverable and all published intelligence documents accessible to IC analysts. And, we will implement "A-Space" a collaborative IT workspace, where analysts can work together on key problems. A-Space will permit analysts to access data formerly sequestered by individual agencies, allowing them to find new intelligence, conduct research, and record what they know and how they know it.

### **Focus Area 4: Build Acquisition Excellence and Technology Leadership**

The fourth focus area is to "Build Acquisition Excellence and Technology Leadership." From large-scale acquisitions to cutting edge research and development (R&D), we must revolutionize how the IC does business by using innovative best practices to bring complex intelligence platforms online more rapidly and develop technology that gives us the speed, synergy and surprise we need to be successful. We will capitalize on the work achieved to date to streamline policies and processes, speed acquisition and develop the

technology and acquisition workforce. This will allow us to assess the highest-priority intelligence gaps across the IC that technological innovation can address and develop a plan to transition technology from research and development projects into National Intelligence Program acquisitions.

### **DDNI/Acquisition**

During the initial 100 Day Plan, the DNI elevated the task of transforming IC acquisition to the level of a Deputy Director of National Intelligence. We have already drafted an acquisition strategy and begun to improve the Community's acquisition process during this first part of the 500 Day Plan, and have begun to break down the roadblocks that have slowed improvement efforts in the past. Our strategy will lead to a more disciplined, agile, acquisition policy that will shorten the timelines for developing the technologies we need to stay ahead of our adversaries, and ensure acquisition excellence in achieving our cost, schedule, and performance targets. We have also developed options for clarifying DNI acquisition authorities and decision rights, with the intent to improve our ability to optimize acquisition in the interest of the Community as a whole. We are working with the Administration to specify those authorities in greater detail and will inform you of the outcomes. We will continue to monitor the health of major acquisitions across the community, assess risk, and make decisions to terminate or de-scope programs that are not performing.

### **IARPA**

The Intelligence Advanced Research and Projects Activity (IARPA) has been established in partnership with other intelligence agencies to identify high priority investment areas. With support from the Intelligence Community, we have published and disseminated the IARPA Vision and Guidance and the IARPA Implementation Plan which delineate the vision and mission of IARPA and outline the basic parameters within which IARPA will operate. We are now utilizing these documents as a framework to execute IARPA business.

### **Acquisition MOA**

The DNI has signed a Memorandum of Agreement, currently in coordination with the Department of Defense (DoD), on the Integrated Collection Architecture. The MOA defines the joint IC and DoD process that will be used to determine future mission systems investments for the Community. We have established an Acquisition Workforce working group made up of IC component members, OMB, and Defense Acquisition University leadership to develop the first IC-wide policy guidance on the acquisition workforce.

### **Focus Area 5: Modernize Business Practices**

The fifth focus area is to “Modernize Business Practices.” We are making strides to manage the IC’s security and financial programs more efficiently by applying best practices. From a workforce perspective, our intent is to transform the security clearance process to ensure that the Community can gain timely access to the talent it needs, and we will identify, acquire, and deliver capability by building comprehensive end-to-end

strategic enterprise management processes across the IC. During the 100 Day Plan, we began to identify budgetary resources for strategic priorities. We established a one time 5 percent “trade space” so that we can take resources allotted for the IC’s lowest priorities and reallocate them to strategic priorities.

### **Strategic Enterprise Management**

We have also established the design for a more integrated management system that aligns investments against our strategy and measures our performance against our goals and objectives. In the current plan we are continuing our efforts to modernize business practices so that the national intelligence enterprise properly aligns investments with strategy, achieves transparency, improves continuously, and demonstrates hard results against performance measures and desired outcomes. We are developing an end-to-end process that ensures this happens, and we will pilot the process over the current 500 days. The system will be agile, focusing more on decision making and less on planning for its own sake.

### **Security**

Security is a key area requiring modernization. Under the current plan, we are continuing transformation of the security clearance process, rolling out a pilot based on the initial 100 Day Plan validated “Proof of Concept” to reduce clearance processing time for new hires - from more than 270 days down to 60 days. We are implementing a classification guide that applies to the entire IC and improving access to Special Compartmented Information (SCI) data. This is especially important to IC components within larger

federal entities (e.g., Department of Homeland Security, Federal Bureau of Investigation and the U.S. Drug Enforcement Administration), which have not traditionally had access to classified information developed by intelligence agencies. This will also help entities outside the Intelligence Community (Non-Title 50 entities) gain access to SCI data as required.

### **Focus Area 6: Align DNI Authorities**

The sixth focus area is to “Clarify and Align DNI’s Authorities.” The agile and effective Community that we aspire to requires clear lines of authority—we cannot afford to allow ambiguity in decision rights to slow down the pace of transformation. We will continue efforts to clearly delineate roles and responsibilities across the agencies and ensure alignment through a policy program that clarifies decision rights and provides guidance.

### **EXCOM**

In the initial 100 days, we established an Executive Committee (EXCOM) that will give IC components “a seat at the table” and give the leadership roles and responsibilities that will reduce bureaucratic drag on corporate Community time, enabling the DNI to close on important and pressing issues. The thinking on the executive committee is, if you’re a major organization in the community or if you’re a major intelligence consumer like State Department, Defense Department, Department of the Treasury--you should be at the table during the deliberations leading up to key decisions. And the thinking on our part was to organize it a little bit like some industry players. Many industries have corporate headquarters; they have lines of business, some would even say separate



businesses. But when they need to make corporate decisions, they come together as a unit. As in business, our aim is to build agility, stakeholder buy-in, and clear decision rights into our decision process so that we act quickly and in unison. Our EXCOM meets regularly and includes the heads of all the major intelligence agencies, the DNI, myself, the DNI General Counsel, the Vice Chairman of the JCS, the USD(I), the Directors of CIA, DIA, NGA, NRO, NSA and senior representatives from FBI, DHS, State, and Department of the Treasury.

### **Decision Rights**

During the 500 day period, we are continuing our efforts to delineate clear roles and responsibilities across all IC agencies, ensure alignment through a robust policy program that clarifies decision rights, and provide guidance around a range of issues, from security clearances and classification to information sharing. We will clarify and align national intelligence policy and policy processes to reflect evolution of the National/Defense intelligence relationship. We are working with the Executive Branch to identify areas where such clarifications of DNI authorities are needed. At the same time, we are working with the USD(I) to update the charters of all the DOD intelligence agencies to articulate DNI, SecDef, USD(I), and DDI authorities, roles, and responsibilities with regard to the national/combat support intelligence agencies.

### **U.S. Persons**

At present, the policy on “U.S. Person” information has finished interagency coordination. It is now being coordinated with the Attorney General. When finished, it

will guarantee that procedures for handling U.S. person information are clear and as uniform as possible across the IC, while taking into account the different missions of the IC elements; with the ultimate aim of ensuring civil liberties are protected.

### **Policy Review Board**

We have also established a Policy Review Board comprising the senior members of the ODNI staff. This board has met several times already. It has developed an IC Policy Framework that has led to the prioritizing of IC policies that should be created, updated or rescinded.

### **PDDNI Focus**

I asked Mike McConnell to allow me to oversee the progress of the plan personally. On October 25, I led the ODNI Leadership Team through my first status report on the 500 Day Plan and on November 8 I accelerated deliverable completion and reporting. I also decided to link the completion of initiatives and measures against progress to personnel performance evaluations. We face many difficult long-standing challenges across our six 500 Day Plan Focus Areas, but we are rising to the challenge. On July 18, we closed out 17 of 26 initiatives and completed 40 deliverable products that demonstrate concrete progress for integration and collaboration across the Community. Our goal was to achieve rapid, demonstrable results that will help us lay a foundation for our larger transformational efforts—and ultimately help improve the quality of intelligence we provide to our customers. We established aggressive timelines for some longstanding problems. Five of the nine remaining initiatives during the first 100 day period are

finished; but we will continue to monitor their progress until they are completed. We will also continue to report on the progress we make on the 500 Day Plan in 100 day intervals as we execute the plan.

## **Conclusion**

In conclusion, there are a large number of initiatives that we are tackling. We feel that it is the right balance. There is no magical solution to any of these problems—they have existed for many years, and if they were easy, someone would have solved them already. Progress is, and will be, deliberative, focused, and iterative.

Our success in achieving the goals we set in the 500 Day Plan will impact the quality of intelligence we provide to all of our customers. Ultimately, it will ensure that the American people remain safe. We know what must be done. Now is the time to execute. We have begun to do just that and it is reflected in the accomplishments we have described.