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Attn: MS&O/Information Access and Release Team
14675 Lee Road
Chantilly, VA 20151-1715
Fax: (703) 227-9198
Email: foia@nro.mil
Online Request Form

12 June 2014

This is in response to your letter, dated 20 November 2008, received in the Information Management Services Center of the National Reconnaissance Office (NRO) on 26 November 2008. Pursuant to the Freedom of Information Act (FOIA), you are requesting "an electronic/digital copy on a CD-ROM or by email of each transcript or summary linked directly (for 2006-2008) or indirectly (for years 2002-2005) to the NRO Town Hall page on your internal website at: http://frontoffice.gwan.npa.ic.gov/townhall.htm."

Your request is being processed in accordance with the FOIA, as amended, Title 5 U.S.C. § 552. The NRO has provided four interim releases to you in response to your request, dated 23 July 2010, 19 August 2011, 26 October 2011, and 7 December 2012. Details of these releases were included in the letters that accompanied the released documents

At this time, as a fifth interim response to your request, we are releasing to you thirty-eight additional pages. These pages are being released to you in part.

Information withheld from release is denied pursuant to FOIA exemptions:

(b)(1) as properly classified information under Executive Order 13526, Section 1.4(c) and 1.4 (e); and

(b)(3), which applies to information exempt from disclosure by statute. The relevant withholding statutes are 10 U.S.C. §424, which provides (except as required by the President or for information provided to Congress), that "no provision of law shall be construed to require the disclosure" of the organization or any function of NRO, including the function of protecting intelligence sources and methods from unauthorized disclosure, or the name, official title, occupational series, grade, salary or numbers of persons employed by or assigned or detailed to the NRO; and the Central Intelligence Agency Act of 1949, 50 U.S.C. §403, as amended, e.g., Section 6, which exempts from the disclosure

requirement information pertaining to the organization, functions, salaries, and numbers of personnel employed by the Agency,

Additional documents responsive to your request remain in consultation with other agencies. We will provide responses to you with regard to those documents as they become available.

Since we have been unable to provide a final response within the 20 working days stipulated by the Act, you have the right to consider this as a denial and may appeal to the NRO Appeal Review Panel. It would seem more reasonable, however, to have us continue processing your request and respond as soon as we can. You may appeal any denial of records at that time. Unless we hear from you otherwise, we will assume that you agree, and will proceed on this basis.

You have the right to appeal this determination by addressing your appeal to the NRO Appeal Authority, 14675 Lee Road, Chantilly, VA 20151-1715, within 60 days of the above date. Should you decide to do this, please explain the basis of your appeal.

If you have any questions, please call the Requester Service Center at (703) 227-9326 and reference case number. F09-0009.

Sincerely,

Patricia B. Cameresi
Chief, Information Review
and Release Group

Enclosures:
1)   Town Hall manuscript, 10 Dec 2003
2)   Town Hall manuscript, 4 Aug 2004
3)   Town Hall slides, 8 Dec 2005

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DNRO Mr. Peter Teets Town Hall
December 10, 2003

Mr. Teets: Glad you all are here and I think the last time we did this was maybe late July and so I beg your forgiveness for not doing it anytime before now. But life is busy as you all know, plenty going on, but I'm happy to have an opportunity to spend some time with you today. And I do have a few charts and a few remarks I want to make and then we'll just toss it open for Q & A and anything that's on your mind or comments or questions that you have; be happy to engage.

Let me start by saying hope you and your families all had a great Thanksgiving time; I know I sure did. It's a wonderful time of the year; I wish you and your families the best for the holiday season here as we approach year end too.

It's been a very very eventful year; I think it's been a good year for the NRO for sure and I think we're making headway in a what is a vitally important mission and it's a growingly important mission. And speaking of which, if we go to that first chart, sorry, I already forgot my order here.

The first chart, I want to talk about people, which is of course our most important asset anyway. And there have been a good number of leadership changes here in the last few months. And I want to just quickly tick through them with you and make mention of it.

First of all, Bob Latiff, has taken over as Deputy Director for Systems Engineering; he replaces Art Decker. Art went over to NGA as their chief scientist, I guess you would say. I asked Bob to move over from AS&T because I think Bob will bring to the Systems Engineering organization a certain amount of discipline and force of character that is needed. I want to see as we've talked before, a strengthening in Systems Engineering across the NRO, a strengthening of the way we actually implement program management on each of our programs; and Bob's in a great position now to be able to do just that. And of course we wish Art Decker well in his new assignment over at NGA.

Also delighted to say that we have on board a new Deputy Director for Administration, (b)(1)1.4c, (b)(3) 50 And (b)(1)1 welcome; (b)(1) came on board I guess about a month ago and has been getting the fire hose treatment from me for sure. And has been doing a great job and already starting to get her arms around a lot of the administrative activity here at the NRO. She brings a great deal of background and capability from her previous career in the CIA. And most recently she (b)(1)1.4c, (b)(3) 50 U.S.C. 403, Sec 6 (b)(1)1.4c, (b)(3) 50 U.S.C. 403 And I have the great fortune of meeting (b)(1)1 some months ago down there and she's a wonderfully capable person and I think you all will truly enjoy working with her as time goes on.

Also real pleased to say the Dr. Pete Rustan has joined us. And I should actually ask (b)(1)1 to stand up; some of the people know you already and some don't. That's (b)(1)1 (b)(1)1.4c, (b)((applause) there you go. Now Bob you've got to stand up too cause we're doing this for completeness (applause). And know Pete Rustan please (applause). When

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Bob moved over to take over DDSE well obviously, I feel blessed, fortunate to be able to recruit Pete Rustan back to the NRO. We recruited him actually from his role as private enterprise side; he was a very successful consultant for a lot of government agencies and private industry folks in this area. But Pete has a certain passion, as many of you in AS&T know, for advanced technology and science. And it is a passion that he brings to that job. And I can't tell you how happy I am that Pete has joined us because he has wonderful ideas; he's no stranger to National Security space for those of you who may not know; when he was in the Air Force he actually ran the Coreolis(sp) Program and very, very successful Program. And he's an innovator and a creator and a high energy person, and I know he's going to do a great job in AS&T. So delighted you're on board Pete.

Next I would mention (b)(3) 10 U.S.C. 424 Is (b)(3) here today? Yes, (b)(3) 1 up here in the back. (b)(3) 1 has moved over to take on the Chief Scientist role in Imagery Systems over in the IMINT Directorate. Many of you know that I recruited (b)(3) to come in to the NRO from being the Deputy over the National Security Space Architects Office about a year ago. And (b)(3) came in, was the CIO, put us on a course where I think we're definitely on the improvement curve here and (b)(3) as I say has elected to go over to the IMINT Directorate. And will be back filled in or replaced as CIO by (b)(1)1 4c, (b)(3)

I (b)(1)1 4c here? (b)(1)1 yes, please (applause). And (b)(1)1 joins us from the, coming from the Deputy Director of Systems Engineering role most recently. She was the Architect in the Systems Engineering Office. And before that has had a distinguished career in the CIA and has had a lot of information systems kind of experience in her background; And she'll do a great job of leading our CIO Office. Which I think really continues to be a very important item to focus on. We need information assurance and it's not easy to get in these kinds of times with all the technology change that has gone on.

Also Annette Wyeth, I think you all know Annette (applause). She's been in the EEO Office for a while when (b)(1)1 4c, (b)(3) departed to go back to the CIA, Annette stepped in to the EEO job and is doing a great job at it and so delighted to have Annette there.

(b)(3) 10 U.S.C who's not here right now has become the Associate Deputy for National Support, replacing (b)(3) 10 U.S.C. 424, (of course, was John Wilder's Deputy, and that's the job that (b)(3) has now. But (b)(3) 1 was rerecruited back to the CIA and we miss (b)(3) 1 and he will be missed; he did a fine, find job for us. And many of you know he actually deployed over in harm's way and spent some time in Baghdad in the search for weapons of mass destruction and has returned, but he has been rerecruited by the CIA. So he's back over there.

And then lastly, buy certainly not least, Mr. Fred Faithful (applause). Fred has become Deputy Director in the IMINT Directorate, Deputy to Scott Large; and Fred comes to us from NIMA, now NGA, and of course Fred becomes his senior NIMA representative over here at the NRO. And there's a significant contingent of NIMA people that are our mission partners and partnering with us. So, with that, that's a lot of personnel changes I know, but I just wanted to mention those in the last few months.

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And now I'd like to turn to some highlights. In particular, start with what I would call a great mission success, a great two mission successes. First the successful launch of ▓(b)(1)1▓ ▓(b)(1)1.4c, (b)(3) 10 U.S.C. 424▓ the spacecraft's in orbit doing great moving forward towards it's operational mission; and by all reports collection is terrific. And then here on December 2nd, and Atlas IIAS, launched our ▓(b)(1)1.4c, (b)▓ It too was a perfect kind of a launch and ▓(b)(1)1.4c, (b▓ is in orbit in the process of getting checked out. That will be a few months in process before it goes operational, but all indications are good. And so this can be a year of real mission success for the NRO.

And on that note I do want to take a couple of moments to talk a little bit about just how important it is that we focus on this thing that we call Mission Success. Because in our business every time you step up to the plate and launch a satellite it matters, it counts, and we want them all successful. And we have faced a little bit of adversity with some of the satellites we've had on orbit but I'll say our the resilience and excellent work by the people that are at our ground stations have really made all of our missions mission capable. And the job that's getting done by NRO assets ▓(b)(1)1.4c, (b)(3) 10 U▓ 24/7 for sure is something that can make us all proud and which is making a difference to this war on terrorism. I continue to maintain and I know it's true that our assets will make the difference here in our ability to win the war on terrorism.

As a matter of fact, I was up at NSA here a couple of weeks and visited there geocel up there; I don't know how many of you have seen the geocel but it is a very impressive display of how our assets can contribute vitally to the location of terrorists and the geolocation of terrorists. And people who are networked in a involved in this whole terrorist activity. So many of the successes that we've had, and we have had a good significant number of successes that are due directly to NRO assets. And that's a big deal in my mind and I can't say often enough or frequently enough just how important mission success is as we go forward.

It has been a busy year, if I can get the next slide here. One of the really good pieces of news, FIA is making great progress. And while I guess we don't get a lot of press coverage on it I want to say that it is a newsmaker; because you know a year ago we really had to face some adversity with FIA. We had a program that was not progressing well; we had program that wasn't properly structured. Frankly, it wasn't properly incentivised and it was under funded. And it took a lot of hard work by people here at the NRO and the IMINT Directorate and I take my hat off to Dennis Fitzgerald as well for really rolling up the sleeves. Vincent Dennis as well played a huge role and Betty Sapp and the whole team over in what was then ROM, in terms in trying to identify and find and fight for and get additional resources to make the FIA Program successful.

And there's been great progress on it this year. It turns out that in January we were able to add something on the order of ▓(b)(1)1.4c, (b)(1)1.4e▓ to the FIA Program, which is about what it's going to take in order to make it a successful Program. And ▓(b)(3) 10 U.S.C. 4▓ and his team have done just a fine job in implementing the Program now; and they've completely restructured the Boeing contract. It has the proper amount of work content in it; it has a schedule that is pressing, but doable. We'll ▓(b)(1)1.4c, (b)(3) 10 U.S.C. 424▓

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(b)(1)1.4c, (b)(3) 10 U S C 424 .... And there's been some really good progress made on (b)(1)1.4c, (b)(3) 10 U.S.C. 424 .... first flight articles. Matter of fact, (b)(1)1.4c, (b)(3) 10 has been completely checked out; it's about to get shipped out to El Segundo for final assembly. The (b)(1)1.4c, (b)(3) 10 has actually had power on and all's looking good on it. We got some really great news on the electro-optical side; you know this is an enormously complex chain of mirrors, some (b)(1)1.4c mirrors I think, that have to operate in a way that gets the proper photons to the focal point. And they actually ran the first light test here about a month ago. And it was successful and going great.

The Program Office has named the FIA birds now. (b)(1)1.4c, (b)(3) 10 U.S.C. 424 (b)(1)1 4c, (b)(3) 10 U.S.C 424 .... And I guess that is the result really of some form of contest that was run to provide names for these things. And sure enough the (b)(1)1.4c, (b)(3) 10 U S C 424 .... won out with (b)(1)1 4c, (b)(3) 10 (b)(1)1 4c, (b) and then one late evening after they'd renamed these birds, (b)(3) 10 U.S.C. 4 was up looking at his (b)(1)1.4c, (b)(3) 10 of course, for definitions. And he found that (b)(1)1 4c, (b (b)(1)1.4c, (b)(3) 10 U.S.C. 424

(b)(1)1 4c, (b)(3) 10 U.S.C 424 .... Well, seems appropriate (laughter). And (b)(1)1 4c, (b)(3) 10 (b)(1)1.4c, (b)(3) 10 U.S.C. 424

(b)(1)1 4c, (b)(3) 10 U.S C 424 .... (laughter). So (b)(3) 10 well done. Sounds just right.

Want to say a word or two about (b)(1)1.4c, (b)(3) 10 U S C 424 .... which is an (b)(1)1.4c, (b)(3) 10 U.S.C And there're really two elements to the (b)(1)1.4c Program. One is the (b)(1)1.4c, (b)(3) 10 U.S.C. 424 .... It too was a bit of a troubled program last year and the year before. It has also been restructured and it's progressing well; a lot of excellent work being done. There's another component to it which is a (b)(1)1.4c, (b)(3) 10 (b)(1)1 4c, (b)(3) 10 U S C 424 And as a matter of fact it'll (b)(1)1 4c, (b)(3) 10 U S C 424 (b)(1)1 4c, 10

(b)(1)1.4c, (b)(3) 10 the part that will be (b)(1)1 4c, (b)(3) 10 U S C 424 has been experiencing some difficulty. They've had some (b)(1)1 4c, (b)(3) 10 U S C 424 .... , but there's design fixes underway and these kinds of programs that are leading edge will have difficulty. Terribly important that one more time we learn the lesson of focusing on mission success. In this case it's cost us some schedule; we'll be probably on the order of a year late when we finally launch this first (b)(1)1 4c, (b)(3) 10 U.S.C. 42 But the teams doing well now and I think we are on track for solid delivery. [Concerns are now waived for (b)(1)1 4c, (b) and other spacecraft issues, along with this (b)(1)1 4c, (b)(3) problem have caused the launch date to slip,]

Another program I want to mention is transformational COMM; I want to mention it really every place I go because it is an all empowering kind of system. Transformational COMM is really a, first what I would call, a true system of systems, architected, communication system. And it's a joint effort really, between the NRO and Air Force Space Command. And each of these two great organizations will have important roles to play. We'll be designing, building, flying, implementing (b)(1)1.4 from our NRO perspective; and Air Force Space Command will be bringing on line a Lasercom satellite system called, TSAT, Transformational Satellite.

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The objective of course, and this is an architecting that has been just superbly well by
Rand Fisher in his spare time. You know it really is true, it's almost above and beyond
the call and Rand and his team, many of whom who were made up from NRO people
here, have done double duty. Just taking on an additional assignment; and this additional
assignment is incredibly complicated; because Transformational Communications has
these lofty objectives of removing bandwidth and acts as constraints to communications
in the DoD and the Intelligence Community. And that is one daunting challenge. If you
look at the complexity of our current satellite based communications systems it's really
severe. And Transformational COMM Architecture that Rand and his team have put
together and have now really base-lined in a solid way, is going to move us forward in
that direction very meaningfully. It going to be an enormously expensive program,
actually this morning we had a pre-DESAB meeting, on the ███████ ?) part of it, and
again, hats off to the COMM Directorate and the COMM team. I think ██████ is moving
ahead the way it ought to move, and similarly, the Joint Program Office out in Los
Angeles, under Christine Anderson -- the MILSAT COMM program out there -- is doing
a fine job of getting ready for TSAT, as well, so a lot of emphasis, a lot of important
acquisition milestones ahead for us. We'll be having the formal DESAB on ██████ in
January. We'll also have the formal. . . I guess you call it. . . DESAB. . . I guess we're
having the NAB, and the Air Force will be having the DESAB . . . or TSAT, in January,
as well, and so we'll be moving forward on transformational COMM.

Another great program that we're moving out aggressively on is Space-Based Radar, and
we're making good headway on Space-Based Radar. It's been a tough slog, really, so to
speak, and it's been a lot of intense activity by people who are trying to truly horizontally
integrate now, and Space-Based Radar is almost the poster child for horizontal
integration because it's going to force DoD warfighters, as well as the intelligence
community to work together to define a concept of operations, define requirements,
which will allow this system to fulfill really important roles in terms of getting ground
mobile target indications from space, as well as ███████████████████████████
██████████ so those two programs -- Transformational COMM, and Space-Based
Radar -- are both programs that are, that require the involvement of both the NRO and the
warfighting community, and I think we're making great headway on both of them.

Let's see, the last item I've got here, on the slide, is relative to the Byeman control
system, and the fact that we're in the process now of retiring it. You know, when the
NRO went from covert to overt back in 1992, the security people really at that point in
time recognized that ultimately the Byeman system would disappear, and we've gotten to
a point now where there are a very large number of people who are cleared into the
Byeman control system; I think well over ██████ as a matter of fact, and its usefulness
has probably passed. And what we will do now, we've kind of started talking about this
at a DCI off-site that involved all the elements of the intelligence community, and we're
trying to bring down the barriers that separate elements of the intelligence community,
and work better collectively as a team, and one of the things that always does provide
some difficulty in communication and in interchange are the various, different control
systems. What we kind of tried to say is we'd go off and take the action and see if we

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can't, in large part, deal on an SI/TK basis, and on that basis, collaborate with other intelligence organizations and operate as a team in the intelligence community more effectively than we have in the past. Now, as always, security is vitally important, and there are some elements of security which have to be restricted, limited, in order to protect ways and means, and sources and the methods that we use in order to collect our enemies' intelligence, and so we will have some special compartmented information, which we will try and keep at a very minimum to protect, but other than that, I think that it's very appropriate for us now to declassify from the Byeman system, and reclassify into the SI/TK system most of the information that we deal with here at the NRO. So, I want to make that point to you today, and just simply say that we're very much involved now with an implementation plan. Ken Renshaw, from our Office of Security, and of course, (b)(1)1.4c, (b)(3) 50 the DDA, will be putting together that plan, but chances are, in the spring of this year, or thereabouts, the Byeman control system will retire, and then we'll move forward from there.

So, with that, those are kind of the remarks that I wanted to make today, and I'd be more than happy to take questions or hear comments.

(*directed to audience member*) Please. (b)(3) 10 U

QUESTION: Sir, any thoughts on the news reports that the nation can't afford two EELV providers?

Mr. Teets: Yes. (*laughter*) My thoughts are that we can, and we must. Assured access to space a vitally important part of our ability to continue to make use of these highly vital programs that we're flying, both at the NRO and in national security space at large. And I think that assured access is a vital underpinning for that national security space effort. It is, perhaps, expensive, but I think it would be expensive to go to a single supplier, too. And with a single supplier, as you know, if you lose a launch pad, or if you even have a mission loss that causes a stand down, that stand down can be for multiple months, sometimes even longer than that. It could be measured in years, and I don't think our nation can find itself in a situation where we don't have an ability to put vitally important national security assets into space, and so we're going to move forward with two EELVs, and we're going to try and find a good way to compete what makes sense to compete, but compete in a way that won't put one of the two families of launch vehicles out of business, and what it'll probably involve (b)(3) 10 U is a form of sustainment contract for each of the two families, with some sustaining engineering and so forth, and then have periodic, maybe every two years or thereabouts, competitions for upcoming missions that will allow us to hopefully gain the benefits of competitive activity where the companies will be assigning their top people to the programs, where they'll be innovating, where they'll be willing to invest in infrastructure and cost reduction, and so we're going to move forward that way.

(*to next questioner*) Please...

QUESTION: (*first part of question inaudible, but something about valuing diversity*)

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Mr. Teets: You know, I did, and forgive me for not mentioning that. Yes, I should. I spent a lot of time this last year, as a matter of fact, testifying before Congress, on a lot of subjects, and most of the time the subjects involved budgets and schedules and that sort of thing. But on one occasion I had the opportunity to testify on equal opportunity employment, and the value of a diverse workforce. As a matter of fact, Annette went with me over to the Hill, and it was a very interesting session. There was strong interest on the part of the Congress on understanding – and I mean understanding in a meaningful way – what progress we're making on equal employment opportunity, and that within the intelligence community what the power of diversity really is, and I believe pretty passionately that diversity does bring an extraordinary difference, or makes an extraordinary difference in the way any capable team can solve problems and look at problems. And I've found it from personal experience, very frankly, that if you get a diverse set of people that are properly motivated and you have that group of people focus on any given problem, you'll get such a much better outcome, and such a much better solution can be crafted if you have people who are looking at the problem from different perspectives, and you get that when you have diverse organizations. I've said often, and I really believe it, one of the great things about the NRO is just the very nature of the diverse number of organizations that are here. Obviously people from the CIA, people from the Air Force, Army, Navy, Marine Corps, people from diverse backgrounds. Boy, there's power in that diversity, and obviously racial, ethnic diversity is important. When you get people from different backgrounds, different walks of life, they've all had different experiences, and when faced with a problem, they'll look at it much differently, and if you have a little patience to listen and learn from it, it makes a huge difference in the quality of the answer you come up with. So anyway, I had the opportunity to testify before Congress on that subject, and I think it was really worthwhile.

E-MAIL QUESTION

Mr. Teets: Something hot off the wire, huh? Thank you. There's been talk about a possible '09 launch of some sort of (b)(1) incarnation; can you discuss some of the steps to be taken or your ideas about accelerating work on this program while avoiding some of the missteps of FIA?

Yes, I'd be happy to talk about (b)(1) a bit. I, you know (b)(1) has a ground well of support for good reason. It can give us (b)(1) 4c, (b)(3) 10 U.S. and the goal of (b)(1) 4c, (b)(3) 10 U.S.C is important to both the intelligence community and the warfighting community. It would be great to be able to (b)(1) 4c, (b)(3) 10 U.S.C. 424 (b)(1) 4c, (b)(3) 10 U.S.C. 424 Here's the problem, it's, it is really hard technology; now we've been working on it for a good long time and (b)(3) 10 (b)(3) 10 U.S.C. is Program Manager of (b)(1) has done a fine job of embracing industry. We have three very excellent concepts that are currently under consideration. But the (b)(1) 4c, (b)(3) 10 U.S.C. 424 And I think of it as a case where we are going to have to make a giant leap forward with our technology

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development in order to successfully field this system; and it's going to be a very, very expensive system. So all these kinds of things do have opportunity costs and if, my view is we will be real smart to follow the course that [(b)(3) 1] has kind of laid out for us. She has three contractors involved in three very different concepts for how you would successfully achieve a successful [(b)(1)1.4c, (b)(3) 10 U.S] satellite. Each of them involves a few inventions before they can be successful. And so she's laid out a plan where for the next couple of years, year and a half to two years, these three different ideas will be competed. They all have plusses, they all have minuses, they all have technology leaks. We'll do a very careful evaluation of those three and after about a year and a half or thereabouts, we'll be able to select a single concept. That single concept still won't have mature technology associated with it, and so we'll have to do some risk reduction on that technology. When the risk reduction phase, which is probably, I don't know, a year and a half or two years in and of itself, when that's completed we'll be able at that time, I believe, to lay out a program that we can execute. The problem with laying it out right now and saying let's go for the gusto in 2009 or even 2012, the problem with it is we really know enough to lay out a program that you could with confidence execute. And that's exactly the way you get into a serious problem.

So I've been pretty vocal on the subject that we're forecasting in our way ahead a [(b)(1)1.4] [(b)(1)1.4c, (b)(3) 1] We plan to spend significant amounts of money, but we're not going to waste money early on in the program until we can see our way clear with the technology. When we have a clear technology road map going forward we'll be available to lay out a program that will we're confident we can execute. I think it will be about [(b)(1)1] when it will be ready to launch, but if we find that we can do it sooner than that we surely will. The trouble is we don't know right now.

Okay second question here.

QUESTION: Now that President Bush has decided to close the federal government on December 26th, is the NRO going to extend that courtesy to contractors? (laughter).

Mr. Teets: You know to tell you the truth I did not know that President Bush had decided to close the federal government on December 26th; is that really true? Wow, well Hallelujah! (laughter) Ah, man, relative to our contractors, no I don't think we should tell our contractors when they can have holidays and when they can't have holidays. We're going to be closed. (more laughter)

Okay. How about other questions or comments, thoughts, please [(b)(3) 1]

QUESTION: Yes sir, in light of the most recent shuttle accident, have we started to see changes in requests for operational support or requirements that may be coming to our systems or new concepts of operations with respect to supporting manned space flight and NASA.

Mr. Teets: [(b)(1)1.4c, (b)(3) 10 U.S.C. 424]

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(b)(1)1.4c, (b)(3) 10 U.S.C. 424

Other comments, (b)(3) please (b)(3)

QUESTION: Sir, since (b)(3) 10 U.S asked a question about launch I'd like to ask a question about congressional affairs.

Mr. Teets: There you go. (laughter) That's good.

QUESTION CONTINUES: I was just curious sir about the recent activity on NBC News and the story that was run there, if you had any feedback or comments from the executive branch or the legislative branch that you can share with the feedback from that story.

Mr. Teets: You know I didn't get an awful lot of feedback from that story. I watched it and I didn't see much bounce from it. Now maybe there has been bounce and Rick you might say a word or two. I've seen very little bounce from that particular story. The story that got bounce was the Boeing FAI deal out of the New York Times. And now that was an old story actually, and the New York Times writes it and all of a sudden everybody in the country picks up on it. So I don't know; anyway I haven't seen much on the horrible NBC piece. (laughter) You know it is, talk about old news, they're something.

Okay, good (e-mail question), Thank you.

QUESTION: Has the NRO's way ahead approved by Mr. Stenbed and Cambone and what is it's schedule of implementation.

Mr. Teets: You know, I should say a word or two about the FY05 cycle. As you all know we put together a NRO way ahead, which actually looked from now or from last summer really out to the 2020 timeframe. And then we used it really to inform our budgeting process which would establish budgets for FY05 through FY09, but we'd at least have a vision of where we ultimately were heading. We turned that budget in to CMS, as we always do, and CMS had a bunch of questions. And in the mean time USDI also took a look at it, and they had a bunch of questions, and we've had numerous

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interchanges and interfaces on it. And at one point I think CMS kind of liked what we had submitted and was prepared to put it in the budget planning documentation. USDI wanted more time and so they said well we're not going to put in our DSRP dollars until we fully understand this thing. So the whole thing has been on hold and it is still on hold today. I think that clearly in the very near future I, surely before Christmas, this things going to have to close, and the President's budget will be put together in final form. We have modified our initial submittal somewhat based on all the interchanges that we've had; and when I say we've modified our initial submittal, what we've done is put a little more conservatism in to it, quite frankly. We have funded programs in a way that it would allow us to be confident we can execute the programs. I just say that we've funded all of programs to what we think our independent cost estimates would require us to fund to. And that's caused a few, I'll say relatively minor changes to our budget. Another change that we put in came as the result of this trip I was mentioning to you to NSA. This geocel thing is really important and it's really making a difference in the war on terrorism. So we decided to fund the continuation of both ▮▮▮▮▮ and ▮▮▮▮▮ in our on going program going forward. We had put it in above guidance category, but didn't fund it in our way ahead and so we've modified the way ahead to put that in. We have funded ▮▮▮▮▮ because very frankly the community was crying out for it and wants it and needs it and are using it and we just felt that is was probably not responsible for us not to fund it so we funded it. In order to that we had to slip funding for some of the spectral capability that we would have liked to have brought on line in an operational way early. But again in trying to read our customer base and the community doesn't express an awful lot of interest in operations ▮(b)(1)1.4c, (b)(1)1.4g, (b)(3)▮ I think that will all change once ▮▮▮▮ gets on orbit, but I think we're going to have to wait for that change to happen.

So what I'm saying is we have modified our way ahead driven five year plan budgeting cycle to accommodate the kinds of things I've just mentioned. The one big open item, I'll just say I think it's the driving open item, is ▮▮▮▮ And had a question earlier about ▮▮▮▮ and I kind of went on at length about it. I'll just say I think we got it right in the way ahead and if others decide differently so be it. But I think we would be very hard pressed right now to with confidence project and executable program for ▮▮▮▮ We can put something out there and we can spend more money than we planned to spend on it, but we're a few years I think honestly from being able to really, really put forth a program that we can with confidence say is executable; we're still an invention or two away.

Other comments or questions. Please.

QUESTION: Sir, with the pressures that you've just mentioned about potentially ▮▮▮▮ becoming a program earlier and the FIA program continuing with it's success, the SBR program and also the ▮▮▮▮ program, do you see that the NRO is in a situation where you may need to rebalance some of your personnel resources in order to support all those potential new starts?

Mr. Teets: Well, that's a good question, truly is. I think that we are straining a little right now. We had an ▮▮▮▮ nab this morning or prenab that was a very meaningful kind of a

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review actually and I would just publicly commend [(b)(3) 10 U] for his independent program assessment. You know, the nab process, the acquisition process here at the NRO, that we have lifted and are modeling our whole national security space acquisition process after, it's a good, good process. And a thorough independent program assessment of the [(b)(1)1.4c] program identified as a very top risk item staffing and the ability to properly man the program office with talented people that could execute this program. And I take that very, very seriously. If you'd asked me yesterday, the question that you just asked me, I would have answered that I think we have enough people resources here to execute our mission and our job. I would have to, after this morning's meeting, I'd have to say I've got to reevaluate that, I've got to think that one through a little bit. I, we are clearly short in the COMM Directorate right now and Transformation COMM is the cause of it. And when Space Based Radar gets going I know that we're going to get leaned on to be the real payload space based radar payload lead office. So that will strain some resources there as well. It's probably appropriate for us to take about two steps back and look at that whole question. So thanks for the question and it's a good observation.

[(b)(3) 10 U]

QUESTION: Power struggle if you will between NGA and DI over the [(b)(1)1.4c, (b)( ] account and who should be the community leader may be adjudicated this week, any predictions, and how do you think that might impact the future [(b)(1)1.4c, (b] funding.

Mr. Teets: Well [(b)(3) 10] I'll tell you, on the subject of [(b)(1)1.4c, (b] I think there's enough [(b)(1)1.4c, (b] for everybody (laughter). Really I do. I sincerely mean that. I mean that [(b)(1)1.4c, (b] is one of those hard to define kind of terms. I see a role for DIA in [(b)(1)1.4c, (b] and frankly I think there's a role for NGA in [(b)(1)1.4c, (b] I mean what, what NGA does with [(b)(1)1.4c, (b)(3) 10 U.S.C. 424] makes sense. It's kind of the [(b)(1)1] product that you manipulate using all the good NRO developed algorithms and sure enough you get a product that means something to a customer. On the other hand DIA has a lot of involvement with [(b)(1)1.4c, (] and should have on a broad front. And so kind of my take on it is that [(b)(1)1.4c, (b] is kind of a giant term that collects a lot of different intelligence needs. And in point of fact NGA and DIA can both be involved and engaged. As it relates to [(b)(1)1.4c, (b)(3)] I do think that it's important to have a using community pulling, promoting new requirements and new uses of information. And I don't think there's any question of a doubt that [(b)(1)1.] is valuable to our warfighters and it's going to be more valuable as time goes on. One of the biggest threats our country's going to face is from supersonic cruise missiles and we need to be able to detect and track supersonic cruise missiles. [(b)(1)1.] gives us a chance at that. So I think that the future of [(b)(1)1.] is good and I would expect the warfighting community as well as the intelligence community to be advocating, pulling for more of that kind of information.

Other comments, questions?

Well, let's have a great day and let me take an opportunity to wish all of you and your families a very happy holiday season; be safe and we'll see you soon.

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DNRO TOWN MEETING
4 AUGUST 2004

Mr. Teets: Well, good morning everyone and welcome to our Town Hall meeting. I think the last one we had was back in April the day before income tax day, and anyway, it's a pleasure to have you here and I look forward to the opportunity to make a few remarks and then we're going to have a little special presentation by General Frostman. I'll introduce him here shortly and then following that I'll be very pleased to take questions and it seems this is a point in time when there probably are some questions out there. There're sure a lot in my mind. And you know, it is an interesting time and these next few months are going to be really interesting for all of us that are engaged in the Intelligence Community in making certain that we strengthen our mission and do our jobs even better than we've done 'em in the past. And I must say I'm really proud of the NRO for all of the wonderful contributions that we've been able to make over the years and we continue to make on a daily basis, 24/7. It really makes a huge difference and I think that we're well recognized across the Community as being a vitally important element of the Intelligence Community and certainly with the 9/11 Commission Report out now and with all the Congressional interest, there're going to be an awful lot of questions asked. There're going to be, obviously the President made his announcement here just Monday of this week and all the handwriting's on the wall. There's going to be organizational change within the Intelligence Community and I think it'll, it's going to take some time to really come to a final end-game solution. The President acknowledged the fact that it would be wise to have a National Intelligence Director. That spells some amount of change in and of itself and I just pick up the paper and read about it every morning. You'll see that Congress is holding hearings, Congress is talking to various and sundry people. I must say that I'm pleased to have an opportunity to provide some input into that whole cycle, both through the Acting Director of Central Intelligence, John McLoughlin, as well as Secretary Rumsfeld's channels-- so therefore I've been obviously giving a lot of thought to this thing and I don't want to say that I've come to final conclusions and convictions, although I do have some convictions about it. I'd be open and receptive to hearing from all of you on this subject. I really would. If you'd like to send me your thoughts on e-mail I'd be happy to receive 'em. What I would really appreciate is constructive thoughts about what you think about the situation, what you think about how the Intelligence Community's organized and why, and how it should perhaps change in terms of organizational intent. I would really value the opportunity to do that. Well, today now we have an opportunity to talk about a few events other than that and in particular, if I could have that first chart.

It's a real pleasure to welcome Mary Sturtevant right here in the front row. Mary joined the NRO as Deputy Director for National Support, I believe on June 7th of this year, and she has really dug in and started to do a great job already. I'm real, real pleased to have Mary's talents at the NRO and, of course, she's an experienced hand. She joined the CIA back in 1985 as an analyst, and spent several years there. In 1989 she joined the Senate Select Committee on Intelligence's Staff and spent 8 years on the SSCI Staff and, of course, that involved broad vision of what goes on in the Intelligence Community writ large. She ended up as Budget Director over on the SSCI Staff and then, I guess it was

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what 1990, no, 1997, she went back to the CIA as Comptroller for the CIA and she spent a few more years there at the CIA, not only as Comptroller, but actually went over to the Science and Technology Directorate and was Deputy Director for Clandestine Information Technology. How about that? And then she went to the National Security Council and it was really in her role at the National Security Council as Special Assistant to the President and Senior Director for Intelligence Programs that I had the good fortune of meeting Mary and got to know her a little bit in that role after I had become Director of the NRO. I find Mary to be very high energy, a very excellent strategic thinker, someone who communicates well across a broad spectrum of agencies and that's exactly what we expect her to do here as DDNS. There's a lot of really important new interfaces coming on line with Homeland Security and relationships and bridges into the FBI and other domestic agencies, as well as across the Intelligence Community going forward. So, Mary, welcome aboard, delighted you're here and I know you'll do a spectacular job.

If I could have that next chart, please. I thought I'd talk a little bit about the Congressional Budget outcomes so far. I'll just say that the Appropriations Bill, of course, has been passed by the House and the Senate and so it's now on the President's desk awaiting signature. I think there's no doubt he'll be signing that any day now and as far as the Appropriation's outcome is concerned, I think we faired reasonably well. We did take a couple of hits in the SIGINT world in a couple of our programs and while they cause us a little bit of pain, it's not a huge degree of difficulty and we'll move ahead in our SIGINT Collection world very, very readily. On the Authorization side we have had a few hits in terms of their marks on our input of the President's '05 Budget, but the Authorization Bill's likely not to even surface until the November timeframe, if then. So, this year will be a year when certainly the Appropriation's Bill will give us the opportunity to move our programs forward in a good healthy, strong way. And so I feel reasonably good about where we stand with respect to the whole Congressional activity and it has been a very active year again as you know and will continue to be so but I think we're in pretty good shape. On the Air Force side, the appropriators hit two programs pretty hard and we're regrouping, quite honestly, to figure out how we move forward best with Space Base Radar in particular. The appropriators cut our request of (b)(1)1 4c, (b)(1 dollars down to (b)(1 and said study harder—not study harder but do risk reduction and technology maturation work for a year and come back and talk to us next year, which is exactly what we will do. But I think we need to restructure our thinking, redouble our efforts to figure out how to properly develop a CONOPS that spans both the Intelligence Community and military war fighting purposes in a single system called Space Based Radar. And make certain that we do indeed provide the capability that the Intelligence Community needs and expects and at the same time bring on-line new capability for war fighting purposes that would be a Space Based Radar system that certainly is connected and interconnected and a part of airborne assets, as well as, space borne assets and how we bridge that is another interesting question. So we're working hard on the Air Force side and within our own participation and help out of the IMINT Directorate. We're working hard to try and finalize some CONOPS that make sense and restructure the Space Based Radar Program to a little less aggressive program than we submitted last year. And be prepared to move out strongly in '06 and have some Congressional strategy in mind as we do that. The other Air Force program that took an Appropriation's hit was

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the TSAT Program, part of the Transformational Communications Architecture. This was a big disappointment in a way because TSAT is a vitally important element of our Transformational COMM Architecture and the Transformational COMM Architecture that Rand Fisher architected along with Christine Anderson out at SMC. This is a system of systems that will enable everything we're trying to do in terms of getting better network across Army, Navy, Marine Corp, Intelligence Community elements. It allows us to get information transfer in meaningful ways with great bandwidth and great access capabilities and so TSAT, being a vitally important element of that architecture, is kind of almost like the lead system for Transformational COMM. We had submitted a budget request of (b)(1)1.4c, (b)(1) which is obviously a very serious FY '05 kind of request. The appropriators cut it by (b)(1)1.4c, (b)(dollars so we're back to (b)(1)1 which is still, when you think about it, I mean (b)(1)1.4c, (b)(1)1 dollars. We surely ought to be able to make strong progress in FY 05 with that kind of money to invest. And so we're working hard to, again now, restructure the TSAT Program, minimize the amount of delay that it will cause us to have suffered this budget cut and field the system just as quickly as we possibly can. And I'll just say it's looking probably very late in calendar year twelve or early in calendar year thirteen before that first TSAT's going to get up. But we need to get on a solid course to do exactly that and of course we're trying at the same time to look at our own NRO relay capability and figure out how to properly interweave NRO capability as its part of the Transformational COMM Architecture. So those two programs have suffered some amount of harm and we will restructure accordingly and move out with high energy.

Next please. Another item I thought you might find of interest, you all will recall that a little over a year ago, I guess it was going on two years ago actually, I asked Tom Young to form a panel and Pete Aldridge kind of charted it out of the Defense Science Board and the Air Force Scientific Advisory Board to go out and look at Space Acquisition across the National Security Space Community and make recommendations. Last summer about this time they came back with their final report and their recommendations and they're a fine set of recommendations. One of the recommendations they had and which we took 'em up on was a year after the report, we asked them to go back and have another look and give us a progress status report. Tom's in the process of doing that. I've seen the viewgraph presentation, I've seen the viewgraphs and I've seen Tom's transmittal letter. I'm going to be meeting with him later on here in August and we'll get a bunch of the NRO seniors to join us in that debriefing session but we'll hear directly from them. But just looking through the viewgraphs and a little bit of casual conversation with Tom would tell me that their conclusions after looking at it after a year of activity is pretty positive. They like what we've done. They like the idea that we've tried very, very hard to push the notion of mission success as the highest priority in any acquisition of a space program. I think we have been successful in doing that. I think that's a modus operandi that the NRO has used for years, frankly and needed to be reemphasized, perhaps, but I think we've done that and we've spread it to Air Force acquisition as well. So I feel good about that and I think the Young panel kind of certifies to that. They have three strong, reinforcing recommendations--they gave us these recommendations a year ago. We've been working on them even before they gave 'em to us but all of them need continuing push. The first one is this item of Budget to the Most Probable Cost including

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realistic reserve. This is hard work. We are making some progress on this but it is real hard in this moving acquisition flow to generate additional resources to fund reserves that programs need to have. They're real strong pressure on this item and, frankly, I need to redouble my efforts to do this, I think, because it is true that these significant acquisition programs can't be properly run if the program manager doesn't have immediate access to additional resources to solve problems as they develop. And in any of these complex, sophisticated space systems that we're developing, you're going to have some problems during the development phase and you must have resources to apply against them. So at the same time every dollar that we try to program for System A will preclude some other system from coming on line. So it's a daunting challenge to get the budget right and I'll just say our track record isn't helping us there an awful lot either. We continue to suffer some problems on (b)(1)1.4c on the Air Force side and while we're making great progress on FIA on the NRO side, we've got some additional problems to be funding right now and that casts a little bit of a pall on our acquisition activities. Anyway, they're going to reinforce that item for sure.

The second recommendation that they're going to be underlining or under scoring, is to make the comment we need to establish an authority that can resolve conflicts between DOD and IC elements regarding requirements and CONOPS. This is a comment that really flows directly from our efforts last year on Space Based Radar. We worked real hard to identify requirements and to develop in the face of those requirements, develop a CONOPS that would really work effectively for Space Based Radar. And I'll just say we weren't a hundred percent successful in getting there and we need to redouble our efforts in that regard but, frankly, it is a difficult situation, 'cause how to resolve conflicts in these requirements or CONOPS, they're not exactly in an adjudicating authority right now and we'll continue to work hard on that item. It's a worthy element to mention. And then lastly, they're going to reinforce the notion that says we must continue to develop the talent that is required in order to successfully execute major space system acquisition. That applies really to SMC as well as NRO and we will continue to do exactly that. Our people are what really make all the difference in the world and we need to continue to invest in 'em and bring on-line capabilities that are world class.

Next chart, please. I want to turn now to the subject of our 2004 Climate Survey. I would start by thanking you for your participation. We had higher participation in this Climate Survey this year than we've ever had before. We had something like 61% of the NRO population that participated in the survey. And this chart is simply to say that the survey, as listed on the right hand side, had some eighteen different elements that we wanted to gain some information about as to how people felt about those eighteen elements. And all of those elements are really tied to our top National Security and NRO priorities which, of course, are to acquire, operate, maintain high value space reconnaissance systems and achieve mission success in both acquisition and operations-- and then also to develop and maintain this team of space professionals that we talk about. And so this is certainly a survey that can be useful to us as we try to put forth strategy for how the NRO proceeds into the future.

And if I could have the next chart. I'll say that the top-level view here is pretty good. You can see that the mean measure metric here is up to 4.8 which is on a scale of people

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that largely agree that the things we're doing here at the NRO are pretty good. In those eighteen categories that I showed you on the last chart, this is the mean of all of those 61%, and was the highest participation rate we've had. And I think it's, in the broadest sense, encouraging to see these results. Now what our plan is and I'll get to some specifics here in a few minutes, but our plan is to roll this out over the course of the next thirty, sixty days and then engage with the workforce to identify specific actions that we can implement going forward that'll make the NRO even a better place to work. If I may, let's go to this next chart. You can see how we scored on all eighteen of these categories and again the highest particular ranking was on physical security, but I'm real pleased to see diversity as being one that is recognized across the NRO as being a value, of course. Diversity is one of our core values but it rated 5.1 on the scale, which says that a lot of people agree that we have a strong diversity program and that we honor Equal Employment Opportunity. I think that's really important, as it relates to building a strong team of space professionals. In terms of job satisfaction, pretty darn good. Let me drop immediately to the bottom of the list and say, well, we've got some feedback here that we could work on for employee development, for government task management, for overall climate. These are items that we can take some action on and in particular what I've done is I've asked Pam Tennyson, Deputy Director for Administration, to kind of coordinate inputs from the Directorates and Offices that will give us feedback from you all and we want your feedback in a major way.

Next chart. This happens to be job satisfaction and again I'm reasonably pleased with this. I'm not trying to say that we can't do better but in a broad sense people do seem to enjoy working here at the NRO and I'm real pleased about that 'cause we need to continue to attract and retain the top talent that we have here. But then we tried to do a little comparison on the next chart, which would compare our results with other elements. You'll see in green the NRO. You'll see in red Office of Personnel Management across the government, and then in yellow for the first couple of items here we've even put in some private sector results. And again, I'm not sure what this comparison would tell us. I kinda like the middle one there where people think highly enough about the NRO that they would recommend an assignment here to a friend and that's probably a good indicator. Next chart, please. Now as I mentioned, what we, what our rollout plan for this whole thing is that I'm giving you the 40,000 foot view today, but we will be providing briefings to the D's and O's. As a matter of fact, Brian Malone and his team of people who really have worked exceptionally hard on this thing, have been out and about to the Community and have talked about it. He and his team have provided results to about 80% of the NRO population. We will complete that in the next couple weeks here. Brian's continuing on the road. Is Brian here today or he's probably... [He's on vacation from all the hard work.] Good for him. Okay, good. But anyway, all the survey results will be posted to the G-WAN here in about two weeks, so mid-August you can be looking for the results posted on the G-WAN. Pam will be absolutely involved in making certain that we collect from your feedback lessons learned and start to put together then in the next sixty to ninety days, actionable items that we can take forward and implement that'll make this an even stronger place to work.

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Okay, next chart, please. It's my pleasure now to introduce General Dave Frostman, who's going to talk a little bit about the Fiftieth Anniversary of Space and Missiles in our Air Force and before I introduce Dave I want to just say a few words about this subject. You know, it's remarkable in a way. I see Cargo Hall here and he's a historian and has been such an important player in documenting the NRO's history, but the Air Force history actually even precedes by a little bit the NRO's, probably by only a few years. But in 1954 Benny Shriever took a contingent of people out to Los Angeles and started our ICBM development and production efforts and it was a really remarkable time. I wasn't there in 1954 but I guess I was on the scene in 1959 and those times were so different than today. I just described to you young folks a little bit about that time. I'll tell you literally when Titan I and Titan II were being developed and flight-tested, this was an aggressive program and this was a program that didn't have constraints. Mission success was getting above the tower and attitude was, by golly, you build 'em, you fly 'em, you learn from those that blow up or go off course, you continue to push guidance technology, you continue to get more accurate. It's not a case of trying to aim at anything approaching 100% mission success, it's get it ready to fly, fly it, hope that it clears the tower because a lot of them didn't, and you had to rebuild the launch pad thereafter. But, you know, over the years with Titan I, Titan II, Atlas provided the backbone that allowed us to aggressively make our push into the space world. And so, anyway, it's my pleasure to introduce David Frostman, who has had a distinguished Air Force career. He graduated from the United States Air Force Academy back in 1971 and had a distinguished flying career, but then for about the last ten years has been associated with Air Force Space Command and the whole space program activity. So please help me welcome David Frostman who's going to give us a little briefing about the Fiftieth Anniversary of Space and Missiles, David.

Frostman: Good morning ladies and gentlemen. Mr. Teets, thank you for that warm introduction. I'm proud to be here today to talk to you a little bit about the Fiftieth Anniversary, fifty years of Air Force and Space and Missiles. I was talking to Admiral Fisher before we started. We could probably tell a parallel story about the Navy and he assured me he's ready to do that at any time, so would someone about the Army. In certain ways the NRO's rich history in space dovetails greatly with what we're going to talk about. I'm proud to be here to represent 14th Air Force, the Flying Tigers and those of you who are air power historians know about the Flying Tigers of World War II. We've reconstituted the Flying Tigers spirit in the application of space to war fighting at 14th Air Force at Vandenberg Air Force Base in California. And I'm also here representing Air Force Space Command, of course, and General Lance Lord sends his regards and is very much behind this celebration. So, what we're about here this year is celebrating the fifty years since 1954 of the Air Force's involvement in, and in many cases leadership of, efforts in space and missiles. And this is really a story of people. It's a story of people who persevered when they didn't get things above the tower in the first years. It's people who overcame tremendous challenges and many of the challenges we face today are similar but different. Back in those days we had to develop system engineering and system's engineering management and acquisition management and the Air Force contracted R&D. Many of those things started largely, at least in the space and missile business, with General Shriever and his work at the Western Development

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Laboratory. We then had to, once we figured out how to create an organization, we had to figure out how to make the stuff work and once we figured out how to make it work we were largely focused for the first decades of the Air Force in Space and Missiles, on the strategic nuclear deterrent. We were in the middle of the Cold War. We didn't know what was going on behind the Iron Curtain. We couldn't fly airplanes over there after Gary Powers was shot down. We needed satellites. We believed, with some great evidence, that the Soviets were rushing to develop ICBMs and so we had to counter that threat. Then we had to transition as the Cold War ended in the early 90s into supporting the war fighter on an operational and tactical level, a non-nuclear environment. Today, I think, the phrase I use is Space Enable Joint War Fighting. I do not believe that this nation will go to war again without our space capabilities. They are so embedded in how we fight. So we've made remarkable progress and what I've done is I brought some pictures. So I'm going to show you three or four slides of, kind of by decade, collages of pictures to just remind us of some of the history and some of the great things that the people who came before us have done.

So if I could have the next slide, please. 1954 was that watershed year for space and missiles. Like today there were a number of committees that met and created reports. Early in 1954 the Teapot Committee recommended that the Air Force go to an accelerated program of development of intercontinental ballistic missiles to counter the growing Soviet perceived lead and threat in that area. At about the same time, Rand Corporation published a report that recommended that the Air Force start a program for an Optical Reconnaissance Satellite. Later in the summer, as Mr. Teets mentioned, the Air Force stood up the Western Development Division in Englewood, California, in an old schoolhouse, headed by then Brigadier General Bernard Shriever, later Four-star General Shriever. And later that year another committee said, gee, it makes sense if you're going to go develop ICBMs to combine the nation's space activities and the missile activities into a single organization because we figured out that if you can make the technology to make an ICBM work, you can use that same technology to launch satellites. And so the mission areas were combined under the Western Development Division in the fall of 1954. And later that fall the Air Force issued the requirement to industry for Weapons System 117L, the first Optical Reconnaissance Satellite Program. So from the recommendation in the spring to the release of the requirements was 6 months. And it wasn't long after that that the contract was awarded. So we knew how to move fast in those days, as the boss said, things were different.

Next slide, please. From the mid 50s through the decade of the 60s we learned a bunch of things. We learned how to make rockets work. Sometimes they didn't get above the tower but we learned how to make them work and work reliably. We developed the Atlas and the Titan and then the Minute Man, ICBMs. We converted some of the early Atlas and Titans to launch vehicles. In fact as you know, all of the Heritage Launch Vehicles we use, Atlas, Titan and Delta, all trace their roots back to the early ICBMs. Brigadier General Bill King, who was a member of the Weapons System 117L Program in the late 50s, told us recently or reminded us recently that in 1960 we had 6 launches in military space, that was one every two months. And in 1961 we had 20, which is one every 18 days. And in 1962 we had 29, which is one every 12 and ½ days. And of course, he asked General Hamel recently how many we had in the Air Force last year and

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obviously we haven't had that many but we were in the flight, we were in the flight test business, as a matter of fact. We were learning how to make these things work. The decade of the 60s also saw the development of satellites, the flying of satellites. Of course, you all are very familiar with the Corona Program but in addition to that we developed Geo-synchronized Communications Satellites, the first MILSATCOM. We developed the first early warning satellite. We developed the first weather satellites. And as far back as the mid to late 60s, space supported war fighters in the conflict in Viet Nam at a tactical and operational level by providing weather information and MILSATCOM capabilities.

Next slide, please. The 70s and 80s were the transition, if you will, to more operational orientation for space and missiles. We'd figured out how to operate the ICBM for us and how to be stewards of that nuclear deterrent. We had to learn how to operationalize space. And many new programs came along, the Defense Satellite Program providing early warning, designed for strategic missile warning of threats against the United States and up in the other corner there, we upgraded the Ground Based Missile Warning Systems that we had developed in the early 60s to Phased Array Radar Systems providing the second phenomenology, if you will, to assure us if we thought we were under attack we really were. Interesting sidelight, one of those things we learned when we developed those Phased Array Radars is they looked up into the sky and they were actually pretty good observers of satellites and so they formed the basis for our early efforts in space situational awareness, a subject I'll come back to a little bit later. We developed the Defense Satellite Communications System and the Global Positioning System. The Titan IV first launched in 1989 carrying a DSP Satellite. We upgraded the Minute Man, put in place Minute Man III and made the Peacekeeper Missile System operational. Again, we were still focused on the strategic nuclear deterrent. We also stood up some organizational changes. Organizational changes are not new to the Air Force or to this Community. We continue to do them today, of course. But in 1982 the Air Force stood up Air Force Space Command in Colorado Springs to focus our operational efforts in space. And in 1985 we stood up United States Space Command, a unified command to focus on integrating space into the joint war fight. Now as you know, United Space Command was dissolved a couple years ago and folded into the new Strategic Command with somewhat the same mission in addition to a bunch of others. Next please. The decade of the 90s saw us make the transition as the Cold War ended to operational and tactical support to joint war fighting. And a number of things occurred, of course, Operation Desert Storm in 1991 dubbed the first space war. For the first time we used GPS to provide featureless terrain navigation to ground forces. We developed the capability to use GPS for aiding in precision-guided munitions. (b)(1)1 4c (b)(1)1 4g. ((b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U S C 424 We greatly expanded our MILSATCOM capability with the launch of MILSTAR and enhancements to the DSCS Constellation. In the late 90s we stood up a Space Operations Center at 14th Air Force at Vandenberg and the objective of that organization is to provide the direct interface, not only for global support for space, but a direct interface to the theater use to make sure that theater war fighters have the capabilities that they need to produce the effects they need to produce from space and to provide reach back support and the expertise necessary to allow us to successfully prosecute conflict.

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Three other comments here before I get off the stage. We're about to go declare initial defensive operations in the ballistic missile defense arena. And Air Force Space Assets can contribute to the detection and surveillance both through our Ground Based Radars and the upgraded early warning system and through the SBIRS Program, which is operational, at least in increment one in at Buckley. Finally, we recognize that the Air Force has a tremendous, the country has a tremendous asymmetric advantage in space and in order for us to maintain that asymmetric advantage we must have space superiority. This is a delicate subject for many people but the first precursor, the enabler of space superior Space Situational Awareness. So we're working very hard under Mr. Teets' leadership as the Undersecretary, under General Lord's leadership, to mature our concepts of space superiority to make sure we have the assets in place to do Space Situational Awareness that tells us what's going on. So, we have lots to do. We've done lots. And while I've shown you pictures of systems it's important to remember the heroes that actually made those systems work, whether they were government employees or contractors. The team of contractors and government employees have really made this Air Force space capability what it is today. And while I've not talked much about the NRO's capability, there's an equally rich heritage here on the NRO side of this, much of which is interwoven with that of the Air Force and we're very appreciative of that, not the least of which is the number of Air Force folks sitting in the audience here. So, I thank you very much for your attention and the opportunity to come talk to you a little bit about the history. Thank you, sir.

Mr. Teets: Here's an NRO coin, David, and I appreciate it very much.

Okay, David thank you sincerely for that. I appreciate it a lot, a proud heritage there. And of course, there's a proud heritage here at the NRO as you mentioned. Time for questions and answers, I'd be happy to take any question. Please.

Question: Sir, the Young Panel review recommendation on establishing an authority to resolve conflicts between DOD and IC requirements. Are they thinking more in terms of a more formalized Executive Steering Group or a specific individual?

You know, having not actually engaged them I can't give you a good answer. That's a question that I will certainly put to them. As I look through the viewgraphs and just read the words, what the flavor I got was that there's no way to resolve conflict between the JROCK and the MRB right now. So that's on the requirement side, namely how can we get resolution of variances that come out in requirements. I mean, we're trying to design a Space Based Radar System. We want to meet the JROCK requirements and we want to meet the MRB requirements. What if they conflict and what if they're not, you know. What if it's not possible to meet both, how do we get resolution on that? There's almost nowhere to go. As it relates to the CONOPS, I think there, too, the Young Panel found that they've identified the problem. I didn't see in the viewgraphs anyway the solution and that's left to the reader to come up with a solution. And so it will be incumbent upon us to figure that one out and frankly I do think we're up to it now. Clearly there's going to be some reorganization and we ought to find ways to make this stuff fit together better. It's so important to the country that we work as a team and find ways to get this

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Horizontal Integration that we've been trying so hard to get. It doesn't mean dissolving organizations or reorganizing people out of business. What it amounts to though is finding ways that we can operate as a single team and we certainly are all united in our desire to win this war on terrorism and it's time to be joint, not just in a military sense but joint across national security, which includes the Intelligence Community. So, that's what we're going to be trying hard to work on and I'm receptive to ideas, by the way. If you've got some ideas on how that could happen, again I really would like to have 'em.. Please.

Question: On the issue of terrorism, is there an increased terrorist threat alert and are there any known threats to the NRO, no matter where the facility is? And also how is the next launch coming along?

Mr. Teets: Okay, I'll take the easy one first which is the last item. It's scheduled for August 27 at 6:50 P.M. and we're going to make it. This is going to be the next in our (b)(1)1.4c, (b)(3) 10 satellites and it's an Atlas 2AS out of Cape Canaveral on August 27th and we're looking forward to having a successful launch event there. As it relates to your question on threats and terrorism, I'll just say I know of no absolutely specific threat against the NRO but I can tell you that all of us that are engaged in national security affairs need to recognize that Al Qaeda is in fact out there trying to figure out ways to attack us and they want to attack us in our homeland, and if they're unsuccessful there they'll try to attack us in our embassies overseas. They'll try and attack us at our (b)(1)1.4c, ((b)(1)1.4c, (b)(3) 10 U nd it's appropriate for us to all be attentive to that matter. Does that mean we have to change our lives or degrade our lives or ruin our lives in some way? No, I don't think so but I think we need to be attentive and take the threat seriously. I really know of little more than is written in the newspapers and that you see on national TV these days in terms of a specific threat that caused us to move or caused Tom Ridge to move us into a Category Orange. Clearly you've seen all the publicity on that and the write-ups on that. There's every reason, I think, that it was appropriate to take some extra precautions based on what was learned. And we're just going to have to stay on high readiness until we get ourselves into a safer world because there is no doubt that the Al Qaeda crowd and terrorists are indeed networked. And they're trying to find ways to exploit our vulnerabilities and certainly we've done enough analysis of our own vulnerabilities to know that we have some weaknesses to shore-up. We're in the process of shoring those vulnerabilities up but in the meantime we need to stay vigilant and stay attentive to the matter. Please.

Question: How are we doing with assured access to space and the EELV Program?

You bet. EELV as a program is coming along fine in terms of mission success. We've had, I believe, six EELV launches now and they've all been successful. There are a couple of hiccups and they have to do with the escalating cost of EELVs as a result of the decline in the commercial market place. EELV was a system of systems, namely Delta and Atlas, that we procured at a time when it was felt that there would be a very large, significant commercial market, a launch market that would allow reasonable production rates and amortization over a large volume that would produce low prices. The Air Force

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and the NRO and national security in general received bargain basement prices on EELV from both Atlas and Delta. Unfortunately those prices are rising now on all subsequent buys and we do recognize that there are significant price increases because failed businesses don't exactly produce quality products and we're going to need to step up and recognize that we're going to have to pay higher prices. I think we've done that as we produce our budgets going forward, but in the process people don't like higher prices and there's a lot of angst right now out there in the system, so to speak, that says go to one-- and the House Appropriations Committee wrote some pretty strong language on that subject. As a result Mike Wynn down at OSD/AT&L has really chartered a study that's going to be done by Tom Moormon. Tom is undertaking this right now, as a matter of fact. He's getting a group together to study the wisdom of going to a single provider versus staying with two providers and what does is cost us to have two. The House Appropriations Committee report argues that you actually have a reduction in reliability by staying with two, because the launch rates are so low. Well, this is a subject I have strong personal beliefs in, strong feelings--and I've been pretty public on my belief that we need to have assured access and I think the best way to get it is to maintain healthy businesses for both Atlas and Delta. And I think there's a way to do that and we're driving hard on that but it's clearly a question that's going to get studied. I hope we don't make the mistake to go to a single provider but it's possible that the economics of the situation will drive us in that direction. I hope it doesn't happen. I'll be fighting hard against it, I can tell you that. Other comments or questions, thoughts? We've got some e-mail traffic?

Question: How will SBR budget cuts affect what we do in the NRO?

That's a great question, really, because so far the NRO has not put financial resource into the Space Based Radar Program but it's been my, I'll say recommendation push, to say that what we ought to do is allocate the resources we would need to spend on (b)(1)1 4c, (b)(3) (b)(1)1.4c, (b)(3) 10 U.S.C. 4 We ought to allocate that amount of resource into the Space Based Radar Program and we ought to also allocate all the requirements that are associated with (b)(1)1.4c, (b)(3) 10 U.S.C. 424 into that same space. What we will get out of it is a higher capability at the same price, at the same price that we would have to pay for (b)(1)1 4c, (b)(3) (b)(1)1.4c, (b)(3) because we can get to a (b)(1)1.4c, (b)(3) 10 U.S.C. system that'll have (b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U.S.C capability. It'll be a much more powerful technology than (b)(1)1.4c, (b)(3) 10 U. So I've been trying to push us in that direction. So far that's an open question that's on the horizon for all of us and frankly, the fact that the appropriators did what they did to Space Based Radar, causes that to be even a more difficult issue because if we don't get resolved on Space Based Radar with a solid path forward within about a year, we're going to have to start to put some resources into a (b)(1)1 4c, (b)(3) 10 U S C 4 System. And that will create some difficulty in and of itself. All of that to say, we've got about a year to see if we can get the Military War Fighting Community and the Intelligence Community to engage in a meaningful process of requirements definition and the development of CONOPS. If we can, I'm convinced we can be successful in building a program that will be sellable in Congress and we'll have a strong Space Based Radar Program going forward.

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Question: Does Mr. Teets expect any major changes to the NRO as a result of the 9/11 Panel regarding the reorganization of Intel Community?

I would say, honestly I don't see changes in the NRO as a result of the 9/11 business. The NRO is known and honored as strong technically. I believe and I do preach this everywhere I go, that one of our real strengths is we're such a joint organization. I mean we're one of the few organizations you can name that has significant war fighting elements and significant Intelligence Community elements as integral parts of an organization. This is a wonderful joint operation that has done remarkable things in its past and has a remarkable path forward. We're doing great things here and I think it's appreciated across the entire Community, Intelligence as well as war fighting. So I think what happens here is the NRO is going to stay intact. It's going to continue to be a partnership among all Defense Services and the Intelligence Community in terms of the CIA. And it will be that joint partnership going forward. How it plugs into the rest of the structure is clearly up for debate and discussion. While I do have some thoughts on it, I think it's probably premature for me to be saying too much about what my belief is on that subject because I want to have the chance to talk to John McLaughlin and I want to have the chance to talk to Secretary Rumsfeld. I want to tell them how I feel about how the NRO should plug in and how it can continue to service the nation as well as it has up to now. So that's the way I see it anyway but, you know, Congress is having hearings and there are a lot of 9/11 Commission members that are making very, very strong statements about how this reorganization should take place. And so it's clearly going to be a moving target for a couple of months at least. At least that's the way I see it. I don't think there's going to be legislation out in August. I mean it's interesting that Congress is backing holding hearings and all but the devil is in the details here. You know, this National Intelligence Director probably is a good idea but then, you've got to take it to the next step. What's the authority that this person or this office is going to have? And if you give that person all the authority how does the Secretary of Defense plug into that? How does the Director of the CIA plug into that? These may seem like details but this is hard stuff. And so it's going to take a while to sort out, I do believe.

Question: Do we have an idea when the Congressional funding hold will be lifted for expanding/upgrading the unclassified networks that we have?

Yeah, actually there was a hold on it this year but there's not a hold in FY 05. There's been no Congressional language to create a hold so I would say October 1st we can expand our unclassified networks and we'll be able to do so. Other comments or questions. Please.

Question: Could you comment on (b)(1)1 4c please.

(b)(1)1 4c has been a work in progress and is clearly part of the Transformational COMM Program. As we have been working hard now on our '06 Budget Submission, which takes us '06 out through '11, we've been cramming as much into it as we possibly can. We've got a number of programs and, you know, the next Town Hall that we have, we ought to go over the way ahead. It'll be all settled out by then and we'll be able to

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articulate in a very meaningful way what the way ahead really looks like. I think that's a worthy thing to do but we've got a lot of program content in there. And in order to fit the budget the way we wanted to, we had to take a little less aggressive tact with ▓▓▓▓ than we had previously programmed. We're still heading toward ▓▓▓▓ We're still heading toward Transformational COMM with Laser COMM in the future but we're going to get there a little slower than we had thought last year we would get there. And I think it's clear now that we're going to need to buy some more ▓▓▓▓ and what we're really on a course to try and see if we can do is put together a program that gracefully blends ▓▓▓▓ into an ▓▓▓▓ kind of capability and do it in a way that is timely and supports the Transformational COMM effort writ large. But ▓▓▓▓ still in the future. It's a little further out in the future than it was last year but we're doing everything we can to support it. Other comments, or questions, or thoughts? Yes ▓(b)(3) 1▓

Question: Can you talk a little bit about your view about the NRO's role in helping the Intelligence Community on Horizontal Integration?

Yes ▓▓▓ thanks. Well, no I really don't say that facetiously. It gives me an opportunity to talk about an important subject, really, and it's how can the NRO assist/aid in this whole effort of Horizontal Integration. I'll just say I think the NRO has been very helpful and very involved in that Horizontal Transformation. There are NRO people who participate with Bob Kehler down at the National Security Space Office. There are leadership roles that the NRO has taken in this Space Based Radar activity. ▓(b)(3) 10 U▓ ▓(b)(3) 10 U.S▓ has been just terrific in terms of helping to try and coalesce CONOPS and a set of requirements that make sense. And so that kind of direct involvement is very, very helpful. The other thing that I'll just say that I think is helpful ▓(b)(3)▓ and it relates to your SIGINT Directorate. The best example we have in the Community of Horizontal Integration is in the SIGINT world and you know that and I know that. And more people ought to be looking at ▓▓▓▓ as a sight where you can physically see Horizontal Integration in a very, very meaningful way and it does cross Intelligence Community needs and war fighting military needs. We need to do that on a broader basis. That needs to spread into the IMINT world and it clearly is on the horizon of spreading into the COMM world with Transformational COMM. So Horizontal Integration is going to happen and the NRO's going to play in many, many important ways. I'm anxious to have our Systems Engineering organization actively engaged in this Horizontal Integration activity. I know Bob Latiff and ▓▓▓▓ ▓(b)(3) 1▓ they're anxious to engage and bring the NRO's Systems Engineering expertise to bear on how we can get better Horizontally Integrated. Scott Large is with it-- I know that from personal conversations. So I think it's involvement, engagement, it's participating in all this stuff and not stonewalling it.

Well, let me just say it's about 11 o'clock here and so we've consumed our hour but I want to thank you all very, very much. These are interesting times for all of us in this national security world and look forward to seeing you in another six, eight weeks. Thanks a lot.

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TOP SECRET//TK//RSEN,ORGON,IMCON,NOFORN//MR//25X1

(b)(1)1.4c, (b

(b)(1)1.4c, (b)(3) 10 U.S.C. 424

0511002-1

TOP SECRET//TK//RSEN,ORCON,IMCON,NOFORN//MR/25X1

Area Coverage Improvements

Average Contiguous Area/Access Per Vehicle (sqnm)

Elevation Angle :
No Weather Impacts

0511002-1

TOP SECRET//TK//RSEN,ORCON,IMCON,NOFORN//MR/25X1

IMINT

(b)(1)1.4c, (b)(1)

(b)(1)1.4c, (b)(1)1.4e, (b)(1)1.4g, (b)(3) 10 U.S.C. 424

(b)(1)

DO NOT DISSEMINATE

SECRET/TK/25X1

(b)(1)1.4c,

(b)(1)1.4c, (b)(3) 10 U.S.C. 424

0511002-5

NROL-22
INAUGURAL NRO EELV LAUNCH
SLC-6

SECRET/TK/25X1

SECRET//NOFORN//25X1 — DO NOT DISSEMINATE OUTSIDE NRO

(b)(1)1.4c, (b)(3) 10

(b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U.S.C. 424

(b)(1)1.4c, (b)(1)1.4

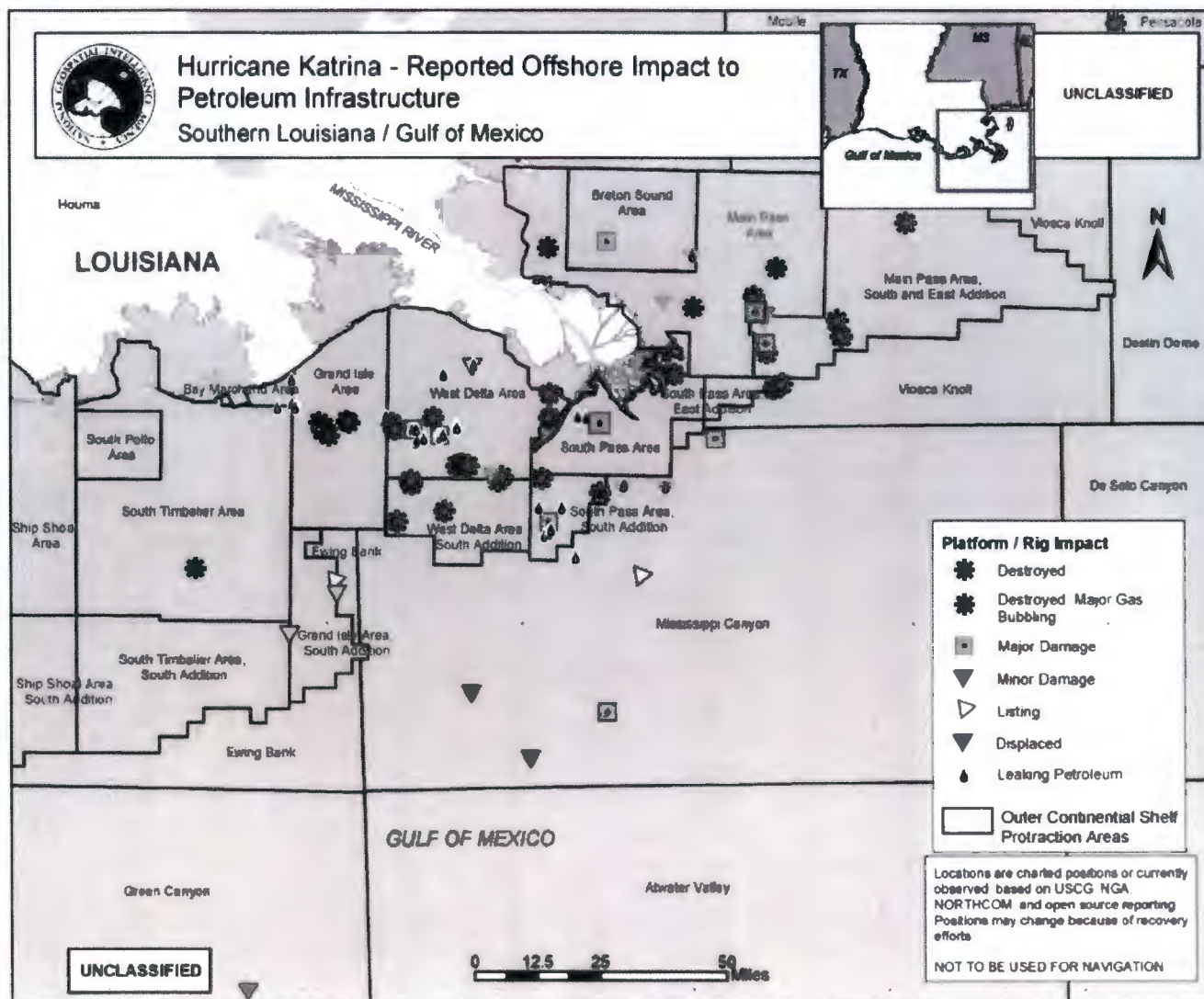U5110U2-7

SECRET//NOFORN/25X1

Homeland Security
National Systems Utilization

(b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U.S.C. 424

0511002-9

SECRET//TK25X1

(b)(1)1.4c,

(b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U.S.C. 424

0511002-10

(b)(1)1.4c, (b

Mapping

(b)(1)1.4c, (b)(1)1.4g, (b)(3) 10 U.S.C. 424

TURKMENISTAN

CHINA

Gilgit

Kashmir

Peshawar

*ISLÁMÁBÁD

AFGHANISTAN

Rawalpindi

Jalalabad

Lahore

Chob

Quetta

Multan

Bahawalpur

Nok Kundi

Indus

Sukkur

INDIA

IRAN

Hyderabad

Gwadar

Karachi

Arabian Sea

Gulf of Aden

Berbera

Hargeysa

Garoowe

ETHIOPIA

Galcaio

OGADEN

INDIAN

Baidoa

OCEAN

MOGADISHU

Merca

KENYA

0511002-11

TOWN HALL

Dr. Donald Kerr
Director, NRO

8 December 2005

JUL 1 5 2014

Reference: DF-2011-00129

This is in response to your 20 November 2008 letter to the National Reconnaissance Office (NRO) (Enclosure 1), in which you requested, under the Freedom of Information Act (FOIA), information pertaining to NRO Townhall meetings.

NRO referred four documents responsive to your request to the Office of the Director of National Intelligence (ODNI) for review and release. ODNI has reviewed the responsive documents and has withheld material pursuant to FOIA exemption (b)(5), which protects privileged interagency or Intra-Agency information.

You have the right to appeal this determination within 45 days of the date of this letter to:

> Office of the Director of National Intelligence
> Information Management Office
> Washington, DC 20511

Should you decide to do this, please explain the basis of your appeal.

In addition, redactions have been taken by the NRO, pursuant to FOIA exemptions (b)(1), (b)(3) and (b)(6). The four documents are enclosed in this package (Enclosure 2). Information is being withheld pursuant to FOIA exemptions:

- (b)(1), which protects properly classified information under Executive Order 13526, Section 1.4(c);
- (b)(3), which applies to information specifically exempt by statutes, specifically 50 U.S.C. § 3024(i), which protects intelligence sources and methods from unauthorized disclosure, and 10 U.S.C. § 424, which states: "Except as required by the President or as provided in subsection (c), no provision of law shall be construed to require the disclosure of (1) the organization of any function…(2) …number of persons employed by or assigned or detailed to any such organization or the name, official title, occupational series, grade, or salary of any such person…(b) Covered Organizations…the National Reconnaissance Office"
- (b)(5), which protects privileged interagency or Intra-Agency information; and
- (b)(6), which applies to records which, if released, would constitute a clearly unwarranted invasion of privacy.

If you would like to file an appeal of the redactions taken by NRO, please direct your appeal to that agency.

If you have any questions regarding the ODNI information, please call the Requester Service Center at (703) 874-8500.

Sincerely,

Jennifer Hudson
Director, Information Management Division

Enclosures

On Thurs., May 12, Director of National Intelligence Ambassador John Negroponte hosted a standing room only Town Hall Meeting with NRO personnel. Below is the transcript from that meeting.

(U) *Introductory remarks from Acting DNRO Dennis Fitzgerald: This afternoon we are very fortunate and honored to have with us the Director of National Intelligence, Ambassador John Negroponte to make a few remarks and answer some questions. We are also very honored to have Gen. Hayden here.*

(U) *Ambassador Negroponte was born in London, he attended Yale University and over his career with the State Department he has served in eight different posts and has been an Ambassador five different times to Honduras, the Philippines, Mexico, the United Nations and most recently, Iraq.*

(U) *The President, when he nominated Ambassador Negroponte, said his service in Iraq is something that will give him an incalculable advantage for an Intelligence Chief--an unvarnished and close up look at a deadly enemy. Ladies and gentlemen, please welcome Ambassador Negroponte.*

(U) *Director of National Intelligence, Ambassador Negroponte: I learned something this afternoon during a discussion with the senior staff here. When I was riding around in the humvees in Iraq, I kept hearing about Blue Force Tracking. Now I know there is a connection between the NRO and Blue Force Tracking.*

(U) *Thank you for coming to meet General Hayden and me today. As I indicated in my message when I was sworn in, Gen Hayden and I look forward to getting to know you and hearing your thoughts and ideas. As a leader, in supporting national decision makers, war fighters and the broader federal family involved in homeland security, I am sure NRO has plenty to tell me. In past years, NRO has continued its proud tradition. It has had three successful launches. NRO also plays an integral role in building tools and systems that are critical to the Intelligence Community successes around the world. In Iraq, I saw first hand the fruits of your labor and I commend you for it. With all of this in mind, I will limit my introductory remarks so we can move into a dialogue as quickly as possible.*

(U) *I want to make a few points at the outset. First, as I read the Intelligence Reform and Terrorism Prevention Act of 2004, the thrust of what we do together from today forward is to provide the best intelligence possible to the President,*

Enclosure 2

(1)

his cabinet, the armed forces and Congress. This has never been easy and will not be easy in the future. You already work hard, so the task at hand is a classic one of working smarter and not harder.

(U) There are many ways to do that, of course, but none so powerful as developing a community-wide spirit that encourages us to embrace change which is inevitable, in any case, and make it our ally. To my way of thinking, this is more a question of mindset than it is technique. We will explore many new techniques and ways of organizing ourselves, but none of these approaches will generate maximum yields if we are not open-minded to working together as a team. It is critical that we keep breaking down the so called stovepipes in the Intelligence Community. You have done an outstanding job in your cooperation with NGA and NSA. So, I will ask you to continue innovating and sharing your insights and experience with others. I did hear this afternoon in our meeting that you are eager to share your insights and have shared and will continue to share with the rest of the Community on such issues on matters such as recruitment of personnel.

(U) The basic function of the first DNI is straightforward: to help our people and agencies work together for maximum effect. This isn't new to you, but now the Intelligence Terrorism Reform and Prevention Act of 2004 provides a leadership structure to facilitate, refine and improve the kinds of cooperation you've been generating for decades. This will be a great challenge. As the DNI, I wouldn't be serving the President, the country or you well if I didn't look for ways to challenge the Intelligence Community as a whole. We cannot know or predict everything that might happen everywhere in the world, but the diversity and lethality of threats to U.S. national interests in the 21st century forces us in the Intelligence Community to raise the level of our collective performance. It is our job to better understand terrorism, WMD proliferation and the tensions and capabilities of hostile states and non-state actors alike. This is something we can only do by making our work transparent and accessible to each other. No single aspect of our endeavors -- foreign or domestic, military or civilian, human or technical -- should constrain our fundamental openness of mind and prevent us from getting more out of our national investment in intelligence than ever before.

(U) Again, it's a pleasure to be here. I want to thank you very much for meeting with Gen Hayden and me. Before opening the discussion to comments and questions, I want to take this opportunity once again to reiterate how proud I am of all of you and how much I admire the work that you have done for our country and for your continued dedicated service to the national security and the safety not only of people of the U.S., but people of the entire world. Thank you very much for what you are doing and keep up the good work. Thank you.

(U) Below are paraphrased questions and answers from the DNI Town Hall Meeting on May 12.

(U) Where is the DNI office located?
(U) The DNI's office is currently located at the Executive Building on 17th Street in Washington, D.C. Early this Fall, 500 to 700 DNI personnel will move to a temporary DIA facility at Bolling AFB. The DNI's permanent office will be built at a later date.

(U) What authorities does the DNI have?
(U) The DNI has the power to prepare, determine and present the budget for intelligence. He also has authority over tasking, collection and analysis, personnel, policy and information security.

(U) Will the DNI streamline the coordination process within the IC?
(U) The DNI will delegate authority where it makes sense. He will determine his precise authorities and decide which authorities will be exercised directly and those that will be delegated. In the area of intelligence policy, the DNI will focus on those areas where he can add value instead of being an additional layer of bureaucracy. Presently, the DNI is interested in 1) addressing the quality and integrity of our analytic product; 2) fostering, increasing and promoting a sense of community, and 3) making the best possible use of intelligence funding.

(U) How does the DNI propose to improve information sharing within the IC?
(U) There will be an information sharing executive, nominated by the President, to work on this issue. The DNI has given priority to this matter. He seeks to avoid the communication failures described in the 9/11 and WMD Commission Reports. He plans to get the IC to balance information sharing to get the right information to the right people on a timely basis while protecting sources, methods and compartmented information.

(U) What will be the DNI's role in influencing resource decisions across the IC?
(U) The DNI declined to state any specific decision that he has made or will make in the future but acknowledged the breath of his reprogramming and budget authority. He noted that the President was emphatic about the strong role he expected the DNI to play on budget matters.

(U) Will the DNI separate the DNRO's responsibilities as the Executive Agent for Space and USecAF?
(U) The DNI stated that the extent of his legal authority is to consult with the

heads of the various IC agencies regarding the DNRO's role but that the decision will ultimately be left with SecDef Rumsfeld.

(U) As an intelligence consumer and in light of your assignment as Ambassador in Iraq, is there anything you want to change within the IC or the NRO to bring a sooner end to the war?
(U) The DNI has been both a consumer and producer of intelligence. As a career political officer, he wrote many overt telegrams on political events around the world, much like defense attaché.

(U) He is impressed by the agility of U.S. intelligence collection capabilities. He recalled problems of getting satellite coverage in the past and noted how those problems have since been resolved. Although he couldn't identify anything in particular that could be remedied with the stroke of a pen, he stated that one of the most serious challenges in Iraq is understanding the nature of the enemy and pointed to this as an area that he would like to see the IC address.

(U) As a guardian of sources and methods, what will you do to stem government leaks to the press?
(U) As an "old timer," the DNI said he was shocked and horrified at times about the degree to which classified information so openly discussed and that we must find ways to change this although there are no "magic bullets."

DNI All HANDS at WESTFIELDS
July 6, 2006

b1 b3

Rick Oborn: Good afternoon. The multitude of you will be on VTC ███████ so if you have a question when it comes to Q&A time, please speak up so the microphones in the ceiling can catch them. Other than that, if you would please stand for the arrival of the official party: The Director of the National Reconnaissance Office and the Director of National Intelligence.

[NROL-22 launch video played]

Dr. Kerr: It's really great to see that launch again. I wanted to thank everyone here that made it possible. That was a real thrill to have it go as well as it did; so thank you all. Good afternoon everyone, it's a pleasure to welcome Ambassador Negroponte, Mary Margaret Graham, and David Shedd back to the NRO. I think it's the third visit for you. The first visit people were interested in "What is a DNI? What would a DNI look like?" You very nicely came back and helped honored our Pioneers. People soon knew you by sight. We're well into the second year of your tenure as Director of National Intelligence. We're interested of course in hearing what you'd like to tell us and I don't want to take any more of your time. People have been advised however that you will answer a question or two at the end until you run out either of time or patience. John, thank you for being here.

Amb. Negroponte: Thank you, Don. I'm delighted to be back here at the NRO again. I might just hasten to add right away in response to your kind introduction...I think that one indispensable ingredient of my job description is to have lots of patience so I better not run out of patience. That would be the loss of an indispensable qualification. But I'm delighted also to have had another opportunity to be briefed on the NRO's programs. I also welcome this chance to hear your comments and to answer any questions that you may have about intelligence in general and the pace and nature of intelligence reform. NRO is a vital member of the Intelligence Community that is becoming better integrated month by month. This is a plus for our national security, from the standpoint of mission effectiveness the integration of all our intelligence agencies is essential. And this is my paramount concern: making sure that the foreign military and domestic dimensions of the United States intelligence operate as a unified enterprise that meets the highest standards of objectivity, accuracy, and timeliness. Only with teamwork and cooperation throughout the Intelligence Community can we achieve success against our primary mission objectives, which are, and I list five of them:
1. Winning the war on terror
2. Countering the spread of weapons of mass destruction
3. Understanding the causes of political instability and bolstering the growth of democracy
4. Penetrating the hard targets
5. Guarding against strategic surprise

This is what we are funded to do through the National Intelligence Program and that is what the President, Congress, and the American people ask of us. As a consequence, we are working hard to optimize and systematically transform the whole of the Intelligence Community across the board. We're reviewing analysis, collection, information sharing, science and technology,

security, overall cost effectiveness, and several other dimensions of intelligence to maintain and extend our competitive advantage in a dangerous world. Now the NRO knows what those dangers are. President Eisenhower created the office that would become the NRO in the late 1950s to avoid another Pearl Harbor. He placed in your hands and you placed in the skies the responsibility and capability of protecting the United States from the worst of threats: strategic surprise. NRO trailblazers did not flinch. National reconnaissance in peacetime took a lot of political will after the Soviets shot down one of our U-2s. But your predecessors justified the nation's confidence and trust in them. Names like Baker, Harry, Davies, Drell, and Garwin summon up memories of innovation, imagination, and intellectual firepower that point to a future just as innovative, imaginative, and intellectually brilliant right here, right now in the ranks of NRO's leadership and workforce today. You can, and I am sure you will, adapt to the rapid evolution of threats and targets that characterize this uncertain century. The importance of overhead systems has been particularly valuable in the United States Intelligence Community's ability to monitor North Korea's activities involving the recent launch of a Taepo Dong-2 ballistic missile. Even though the idea of North Korea, of all places, would become a nuclear power, would have struck the Eisenhower administration as highly improbable. Here we are deep in the Eisenhower administration's debt for conceiving and implementing what would become the NRO of today. That is always the essence of intelligence, isn't it? Planning for the unknown and spotting it before it can hurt us. That's a difficult task but it is vital to protecting America today and making it safer tomorrow. So I want to applaud your work. I want to congratulate Dr. Kerr for his leadership in ensuring that the NRO continues to provide real-time information to the policy maker and I want to thank each and every one of you personally for your contributions to the security and safety of our country and our interests around the world. So with those few introductory comments I'd be please to try and field any questions you might have or listen to any comments or observations. Thank you very much.

QUESTION/ANSWER SESSION
b3 b6

Ambassador, my name is ███████ *and I am an adjudicator here in the adjudications branch at NRO and I just recently attended the DNI adjudication seminar in Maryland and as you know it's attended by the 15 different intelligence organizations, they all send an adjudicator to this course. There seems to be much consternation concerning reciprocity. Some clearance processes are viewed as being better than other clearance processes at present. It was my impression that some organizations value theirs much more than they value others and it seems to be a roadblock for reciprocity as far as the SCI adjudications are concerned. Do you see any time in the future there being one common adjudicative process that everyone in the Intelligence Community will have to follow and live up to?*

Amb. Negroponte: First of all, I appreciate the question and I think you can take that question, with respect to adjudications and perhaps apply it to a number of other functional areas and a number of other disciplines across the entire Intelligence Community as well. I think in the first instance, it seems to me that it is important to baseline what the practices are across the community with respect to a number of these issues, including security. Secondly, I think it is then a matter of trying to figure out what kind of improvements and rationalizations can be made

in a reasonable period of time. Then I'm sure this one's going to come up against some of the really tougher issues that are going to involve some very earnest discussions between the different agencies and the DNI in the months or years ahead. With respect to security for example, just starting with the badges, that's wonderful business...seeing people walking around with 10 or 15 badges hanging from their necks sort of like a necklace. If we could start with some of the low-hanging fruit, if you will, and then move our way along. But I don't want to avoid the tough issues either and I think that yes, in the end, integration means just that. One is going to want to work towards a more integrated system. Don't ask me to put a time limit on it but it seems to me it's important to be making progress and not just sitting there staring at those problems. I think it's true with respect to information sharing and the multiplicity of classification and information systems that we have out there. Well you have to start somewhere. For example, expanding access to sensitive but unclassified communication systems, for example, or rationalizing all the terrorism-related intelligence that we have so that it can be quickly shared across the community. These are the kinds of issues I believe the DNI office and the DNI organization was created to help address. So yes, I think in general terms, my answer to your question is, you've raised the kind of problem that should be very much near the center of our radar screen.

b3 b6

Hello sir, my name is ███████████████
. I'm a new CIA employee assigned here as a graduate student in the Center for Study of National Reconnaissance and my question relates to a project that I'm currently working on. Given your experience as our ambassador in Iraq, what intelligence gaps did the NRO fill in Iraq in general and for IEDs specifically?

Amb. Negroponte: I'm not competent to address the latter part with respect to IEDs, although I'm sure there are things that can be done and I'm sure that there are intelligent people like yourselves and others who are giving a lot of thought to that question. As far as what you can do in general terms....I don't think we can ever, given the fact that this is the highest, single national security priority that we've got, that we can hardly ever do too much with respect to knowing and understanding Iraq. One thing that has really impressed me, and this comes to the issue of integration again, is how we have integrated and making so much progress in integrating the different intelligence disciplines in both Iraq and Afghanistan. Imagery, SIGINT, HUMINT, all of those disciplines coming together, for example, to hit an insurgent target. I've seen specific examples of that...we saw it with Mr. Zarqawi the other day. I think both the integration and the depth of knowledge—now I can't with the respect to imagery give you a gap, I'm just not knowledgeable enough about imagery—but I can give you an analytic gap that we've got which is in Iraq, of which we are all very conscious. That is, we don't know enough about the nature of the insurgents—its leadership, its constituent parts, to what degree the insurgency is centralized or to what degree is it a group of diverse organizations. I know the community's current answers to those questions, but if you look behind the answer you'll know that there's just a lot of things we don't know. To the extent that imagery and the world that you work in can help us better understand the nature of the insurgency in Iraq, I think you would be making a great contribution to our national security and to our chances for defeating the insurgency in that country. So I'm glad you asked, but I think I'm going to throw the answer to the question back to you as a collective institution to be thinking about that.

b3 b6

Sir, ███████████ *MS&O Continuity of Operations Planning Officer. Sir, we just recently came out with the NRO Strategic Plan and I'm curious how the NRO Strategic Plan fits in with the ODNI Strategic Plan.*

Amb. Negroponte: Well, we just had a discussion on that and I'm not going to stand here and pretend to you that I've read every last word of the NRO Strategic Plan, although I do have a copy of it. [Is that alright, or do I get a demerit for that, Don?] But I was impressed in the briefing that we had, and actually I've been impressed everywhere I've been in the community at the efforts the agencies have made. I don't believe it's artificial. I think there's been a genuine, intellectually honest effort to try to align and try to figure out, "Well, how do we take the national intelligence strategy and the major objectives that are outlined there and align them and integrate them with what it is we are seeking to achieve. And I think that kind of exercise is extremely important indeed, I really do. So yes, I think your plan is important and how it aligns with the national plan is very important. And as ADM Redd, who is the head of the National Counterterrorism Center likes to say, "President Eisenhower, who we've already cited this afternoon, used to say, 'A plan...it's not the plan that matters but the planning is everything.'" So I think it's the *process* of constantly looking at these goals and objectives and who they relate to what it is we're trying to achieve overall in our national security policy because we, when we drafted the national intelligence strategy, we had to key it to the national security strategy of the United States...so these things are all related to each other.

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███████████ *Information Assurance Office. One of my roles here is to help protect the information that helps enable the mission that you outlaid in your statement. It pains me to see the Intelligence Community. Making the front pages of the newspapers recently in a number of different stories that seems to undermine what our mission is in the Intelligence Community in this environment, the classified environment, on the outside we are supposed to neither confirm nor deny any of these stories. I would like to hear your thoughts, 1) on these recent revelations, 2) what is it you're doing within your role to try to stem these stories from coming out both within the Intelligence Community or the Hill or the media, and 3) can you elaborate on what your role is, or what your limitations are as DNI, to be able to do anything about it.*

Amb. Negroponte: Look, I'm as pained as you are. This has really been a very exciting job. I've really enjoyed these last 14-15 months. There's something new everyday, there's a lot of challenges out there so I really relish this work. But if there's one disappointment that I would mention, and serious disappointment, it's the issue you've just raised. That the fact that there are people, and admittedly it's a small number—it's the .1 percent or .001 percent or whatever—but still it's very, very serious indeed and very disappointing that there would be fellow Americans who would take classified information and reveal it in one form or another to our media. I think among other things, where we believe a crime has been committed, an investigation has to be undertaken, and they are. Crimes reports are filed and the issues are reported to the Department of Justice, but as you know, that can be a fairly long, drawn out process and it doesn't necessarily lead to successful prosecution. One can hope there might be one or two that would then help set an example for the future. But in the meanwhile, it seems to me, starting with myself on down through the entire Intelligence Community and the leadership of all of the agencies, we simply have to keep hammering home the message to our employees that this kind of behavior is not only unacceptable. It's just down right threatening and dangerous to the

national security of our country. I just find it extremely deplorable; very often I don't think it's for any particular kind of gain other than the satisfaction, perverse satisfaction of revealing something classified to the public by way of creating some kind of sensation. Those of us who work in this business can see very often, quite soon thereafter, intelligence indicators of the way in which these kinds of revelations have prejudiced our work. So I think we have to re-double our efforts to inculcate that culture of anonymity and secrecy and do our best to improve that situation. I certainly remember when I first joined the government back in 1960, we always talked about the Intelligence Community having that passion for anonymity and I think we have to get back to that kind of mentality across the board.

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███████████ *OCC: Sir, we have a question from one of external sites ... They ask "is the IC Integrated Collection Architecture on schedule to influence the FY '08 budget and have you drawn any preliminary conclusions?"*

Amb. Negroponte: Yes, it is on track for dealing with the '08 budget but I think it would be premature for me to make any comment about the content of any conclusions that we might eventually draw.

Amb. Negroponte: Well listen, again, thanks very much for the opportunity. It's great to see you as always and please keep up the fantastic work you're doing.

DNI Answers Additional Questions from July 6, 2006 All Hands at NRO HQ
(Responses to these unanswered questions were received from ODNI on Aug. 8, 2006)

Integrated Collection Architecture

- **The Integrated Collection Architecture process is attempting to make major budget decisions based on a rapid, top-level assessment of current collection capabilities. Since overhead systems not only require a long time to develop and field but also perform for a long time, there is a big risk that short-term budget decisions could have major adverse impacts 20+ years from now. How do you see the ICA process balancing near-term needs and long-term opportunities?**

  The DNI and SECDEF program decisions for FY08-13 will be informed by both the submissions from the program managers and the integrated analysis from the ICA. The ICA process was designed to complement and integrate, not replace, the agency processes for analyzing alternative investments. The ICA is assessing current, programmed, and proposed capabilities from an integrated perspective across the entire collection enterprise. As part of the assessment process, the ICA is also looking at 2008-2020 to ensure the planning cycle for overhead systems is factored into the investment decisions. We need to balance near-term needs and long-term opportunities across the entire collection enterprise. The ICA process will inform the investment tradeoffs between overhead, airborne, terrestrial, maritime, cyber, and enabling systems.

- **Is the IC Integrated Collection Architecture (ICA) on schedule to influence the FY08 budget and have you drawn any preliminary conclusions?**

  The ICA is on schedule to influence the FY08 budget, but it is too early to draw any preliminary conclusions.

Requirements, resources, assets

- **Sir, we currently have both a DoD and a civilian process for vetting requirements for our development activities. As the intelligence community converges in addressing our nation's hard problems, do you foresee groups such as the JROC and the MRB merging to provide one voice on requirements?**

  The MRB Staff works closely with the Joint Staff to coordinate requirements decisions and maintain a strong MRB/JROC relationship. We are currently working with the JROC to define roles and responsibilities regarding capability requirements validation of common Joint Military Operational and National Intelligence requirements documents. The goal is not to abridge any existing authorities, nor to replace any established processes within any department or agency, but rather to facilitate the validation, approval and documentation of common intelligence requirements.

- **How do you plan to leverage the assets of the NRO to fight the war on terror given that we are fighting a diverse, dispersed, and faceless enemy?**

  We will always depend heavily on the NRO for collection and time-sensitive products. Overhead assets have repeatedly demonstrated their relevance and unique value in Afghanistan and Iraq – some of the most remote and inaccessible parts of the world – and we are leveraging NRO assets in every other part of the globe to fight terrorism. The NRO's capabilities remain critical for the current and future success of intelligence.

- **What is the DNI office doing to ensure an integrated system for intelligence tasking, collection, processing, exploitation, and dissemination exists? In particular, how are**

resources being allocated to create a robust and interoperable "system-of-systems" to address the nation's intelligence needs?

The first step in this process has been to continually examine the Tasking, Processing, Exploitation and Dissemination (TPED) implications along with the sensor investment decisions to ensure that programs work end-to-end. The next step has been the creation of an integrated Collection Architecture process that includes TPED and other collection-related considerations so we can strike the proper balance among collections systems, TPED capabilities, and enablers. In addition, we have placed a greater emphasis on mission management for collection and analysis. The systems and their associated concepts of operations comprise the system-of-systems for the intelligence business.

IC badges/clearances

- **The move to a common IC badge was a step in the right direction to improve efficiency and communications between agencies. However, some agencies (CIA - NSA) have chosen not to accept community IC badges issued to NRO onsite contractors at their locations without the sending of visit requests in advance. Other than a new badge, this is no different than the system we had before. Many of us contractors have routine and sometimes daily requirements to travel from the NRO to other agencies. Will the "one-badge" policy ever include contractors that are part of the IC?**

The Intelligence Community Badge Interoperability Program (ICBIP), often referred to as the "one badge", most definitely includes contractors. All participating agencies (currently CIA, DIA, NGA, NRO and NSA) have agreed to accept ICBIP badges without the requirement for a visit request preceding the visit. While re-badging has been underway for several months within the participating agencies, the ICBIP system is not yet operational. Currently the system is being tested to assure that participating agencies can share badge data over the secure network. Testing should be completed in August and the ICBIP system will be operational in September.

- **Are there any plans to streamline the cross-over of clearances between elements of the IC? Will SSBI investigations from one agency be recognized by another agency through a DNI mandate?**

In December 2005, the Office of Management and Budget (OMB) issued a memorandum delineating when agencies must cross-over a security clearance. Based on that memorandum, an agency must reciprocally recognize a clearance granted by another agency unless one of the following apply:

- o   Existing clearance was granted on an interim or temporary basis
- c   Existing clearance was granted with an exception (condition, deviation, waiver)
- o   Investigation upon which the clearance is based is more than seven years old
- u   Gaining agency is already in possession of information indicating the subject may not meet the standards of Executive Order 12968
- o   If applicable, subject has not satisfied a polygraph requirement for the new program
- o   If applicable, subject does not satisfy a requirement at the gaining agency for all immediate family to be U.S. citizens
- o   If applicable, subject does not satisfy an additional investigative or adjudication requirement beyond that set forth in Executive Order 12968. Such additional requirements must be approved by OMB

The Intelligence Community follows this guidance. The DNI Special Security Center meets periodically with representatives of IC agencies and collects metrics from these agencies to monitor compliance with the OMB memorandum and performance goals associated with the Intelligence Reform and Terrorism Prevention Act of 2004.

Information sharing

- **There is an urgent need to share IC data among different government branches. What type of tools do you envision the DNI using to integrate all of the components that fall within the DNI realm? Are they ERP tools like SAP or Agency tools like Lawson or some sort of hybrid solution? Do you envision integrating everyone into "one system" or a consolidated system that merges different IC data into one database? How can we help in sharing our experiences and offer suggestions as to the best practices for building a Knowledge Sharing Information System?**

Effective integration of Intelligence Community components does not require use of the same tools or applications, but does require the adoption and enforcement of common technical and data standards so that COTS, GOTS or hybrid tools can be used more efficiently. DNI will not select or mandate the use of specific tools but we are pressing for more substantive adoption of COTS products rather than extending or developing new GOTS solutions to "standard" business needs. In this sense "more substantive adoption of COTS" means integration and maintenance of COTS products in as close to an "out of the box" form as possible consistent with security concerns and the overall protection profiles of our classified and unclassified networks. Objective evaluation of the risks imposed by increased use of COTS products, and identification of appropriate risk management and remediation measures, is an ongoing process and requires interaction with Industry. The Certification and Accreditation (C&A) revitalization effort being pursued by the DNI CIO is focused on improving the C&A process itself and the resulting integration and interoperability of information management tools across the IC.

We have no plans to impose a single data structure or data model on the entire Intelligence Community. Given the scope and complexity of Community data holdings, a virtual data environment seems the only viable approach. This environment must allow for improved discovery, access and use of data regardless of physical location or who holds stewardship responsibility for its maintenance and availability.

Like all members of the Intelligence Community, NRO is both a customer and a valued mission partner in defining the new intelligence operating environment. You are encouraged to participate in discussions and debates regarding the way ahead and to offer your lessons learned and insights as we move forward in definition, design and deployment of new tools and capabilities. For topics related to the Information Sharing Environment, IC Enterprise Architecture, and systems or capabilities development, please contact the office of the DNI CIO.

- **Question about information sharing in the intelligence community: Where have we made the most progress in information sharing? What are the issues you are most concerned about regarding our progress in sharing?**

I think at the federal level amongst the intelligence agencies, substantial progress has already been achieved. The National Counterterrorism Center has 28 different databases with representatives from all the key intelligence agencies located at that center. It has developed various products that get out to the community as a whole. Compared to the situation that existed on or before 9/11, we have come a long way in terms of moving information from right to left across the horizon of the intelligence community. The more traditional view of the intelligence community as a group of stovepipes each corralling their own information and keeping it to themselves, is really becoming an image of the past.

We also have a chief information officer whose job is to look at the architecture of the entire intelligence community with respect to information-sharing and other chief information-sharing type offices' functions.

Finally, we have situated at the Office of the ODNI, the program manager for Information-Sharing, who deals with the issue of sharing terrorist information--not necessarily just intelligence--across the government as a whole with state, local and tribal entities.

So there's a lot of work going on in this area. I think it's much more agile than it used to be, and I'm satisfied that, for example, if we obtain a critical piece of intelligence in Waziristan on the Afghanistan-Pakistan border that relates to some threat that might be developing somewhere in the United States or in Western Europe, you can be assured that that information is getting to the people who need to know it right away.

However, we want to see more progress being made horizontally across the community **and** down to state and local and tribal levels—with those levels also able to send information back up.

Budget

- **Are there any realistic expectations for receiving over-guidance funding in FY-06? What is the prognosis for FY-07, in your estimation?**

  I do not anticipate additional funding for the intelligence budget. The Administration is committed to debt reduction and the Congress has signaled its intention to reduce the national security budget to fund domestic and entitlement programs. I expect we will need to internally realign funding within the National Intelligence Program for critical requirements.

Miscellaneous

- **Who or what do you believe will be the greatest threat to national security in 20 years, and what are we doing to prepare for that threat now?**

  I don't know that I want to venture a guess as to specifically the greatest threat 20 years from now, but it's likely to be affected by the accelerating change and transnational interplay that are hallmarks of 21st century globalization. As a direct result, collecting, analyzing, and acting on solid intelligence have become increasingly difficult. To meet these new and reconfigured challenges we need to work hand-in-hand with other responsible nations. We must transform our intelligence capabilities and cultures by fully integrating them from local law enforcement through national authorities in Washington to combatant commanders overseas. The more thoroughly we do that, the more clearly we will be able to see the threats lurking in the shadow of the future and ward them off.

- **Question regarding recent news reporting on sensitive intelligence operations: How are you and your office trying to build better relationships with the press so that you have a greater opportunity to obtain a "heads-up" about potential reporting of sensitive information and can hopefully convince the press not to reveal damaging information?**

  My staff and I deal with the key reporters who cover the intelligence community on a regular basis and try to establish good working relationships with them. We are frequently alerted when potential stories are going to appear and intercede, when appropriate, to try to prevent reporting of sensitive information. I have personally engaged with publishers from major news organizations to explain the potential damage to our national security that will occur if they publish certain information. Unfortunately, we are not always as successful as we would like to be in preventing disclosures, but that is one of the trade-offs of living in a society with a free press.

- **Question regarding Iraq: Has the gov't established some measurable criteria to gauge when conditions are suitable for us to meaningfully reduce our forces from Iraq? If not, how will we determine when this drawdown should occur?**

  The Department of Defense—our commanders on the ground in conjunction with senior government leaders—make the decisions about troop levels and deployment of troops. My focus is to ensure that these leaders, from the tactical level to the policy level, have the best possible intelligence so they can make the right decisions.

DNI Mike McConnell
All-Hands
March 23, 2007

(U)DNRO Dr. Kerr: Well, it's Friday and I know you didn't all come to hear me. Without wasting any really valuable time, I'd like to introduce the second Director of National Intelligence. It's important that I mention that it's also a pleasure to note he is a career intelligence officer. And while he's spent almost eleven years in the private sector since his service as the Director of NSA, which of course followed his service as the J2, he hasn't forgotten this community because he touched it in many ways during his period out in industry. So, it's a particular pleasure to have Mike McConnell here today to tell us a bit about what he's thinking about for the intelligence community; and particularly, of course, we're interested in the parts that affect us. So, Mike welcome.
(Applause)

(U)DNI Mike McConnell: Thank you all; thank you all very much. Am I projecting, can you hear me alright? That's a very kind introduction, and I appreciate it very much. Just to, sort of, show you how life changes, the last time I was here, I couldn't get in. (Laughter) And when they finally made me go through that machine I'd set off an alarm and I was spread eagle on the floor, so life changes. (Laughter) This time nobody even checked. (Laughter)

(U) I had a couple of opportunities to be considered for employment back with the government. It didn't work out for me early, so, when I got a phone call on the twenty-third of December from the Vice President, it was a little bit of a surprise. My secretary came in and said, "Mike, the Vice President wants to talk to you." And, I said, "The vice president of what?" (Laughter) She said, "The United States." "Oh, that Vice President." And I thought it was a joke, because he said, "Mike, this is Dick, how are you, sir?" I said, "Yes." (Laughter) The deal was "come back, we need to move Ambassador Negroponte over to State…they need a Deputy over there, and it's a big need. We looked around, and we would like to ask you to come do this. And one of the things we want to do is attract somebody from the profession, somebody who has long term in the community."

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(U) And, my thought was "My wife's going to kill me." (Laughter) So I said, "Mr. Vice President, can I take Christmas, this is the twenty-third, can I answer you the day after Christmas?" He said, "That will be fine." Now, I knew the wife was going to be hard, but what I really wanted to do was to talk to Secretary Gates. Secretary Gates had been very public about his comments about this community and the position of DNI and so on, there's an old adage about how you stand depends on where you sit. I wanted to check on that to see are you aware, and are we okay, and can we work together to get these issues resolved? He was in Iraq, so it made the phone call a little bit difficult, but, we connected, and he said, "Yes, I'm delighted to have you as a potential to be nominated and come back." He was a DCI when I was at NSA and we had worked together during the Desert Shield and Desert Storm days. When I was in the Pentagon, he was the Assistant National Security Advisor; so that's how I got to know him and we had dialog and a relationship and so on. But he was very forthcoming about what we needed to do, so quite frankly now, my mind is made up. It was the wife that was the hard part. That took us the better part of a week. (Laughter) She still not convinced. Her one question was "Tell me the percentage reduction in your pay." (Laughter) Now, don't tell her, but I lied. (Laughter) But, now, after we kind of got her to agree, and the funny part was my family, my two daughters, were probably the most excited, and then that got a little enthusiasm, and so, before long the family's behind it and we're going. Now I think "oh, my God, what am I going to do!"

(U) So, I've shared with the senior leadership team folks that I'm meeting with a game plan, way to think about it, and so on. What I'm going to share with you today is sort of a philosophical point of view about what I would like to try to do, ask your engagement, involvement, pushback or participation. I want to make it an open dialogue. I learned, actually, on active duty as a youngster, but throughout my career, particularly in industry and the consulting business, that diversity, dialogue, engagement is the way you get to a better place. So, that's the way I'm going to try to do this.

(U) Let me use the bumper sticker. If Mike McConnell comes and goes and they say "who was that guy and what did he do", the one word I would like to leave and would be on people's minds is collaboration. Because, what I've learned is that when you do collaborate, the collective good of the whole enterprise is lifted in a significant way. I actually learned that on active duty, J-2, and NSA. It wasn't until I went to industry that I learned how powerful it is and that it is a learned behavior.

(U) A little company I was in, a private company, no public stock, we wanted to transform, change ourselves, and the watchwords were continually learning, adaptive, and collaborative with an emphasis on collaborative. So we had a game plan how to get there. It took us three years, and we fired one third of the partners, because they wouldn't change and didn't want to change. They didn't like this new game, "I want to own my piece; I don't want to be a collaborative person." I see a few friendly faces in the audience who know exactly what I'm talking about. It was hard. We had to devise a scheme to make it work, and the first thing I learned is first it's a little easier in industry than it is in government, and I'll explain why I mean that in just a second, but we came up with an idea of core values, things you would normally consider, teamwork, diversity, integrity, honesty, those sorts of things. And then we held people accountable for the core values, but now here was the interesting part, and this is something I'm going to try to do in this community. I'm going to get a lot of pushback, but think of it as goal water nickels to the intelligence community. Don't know if I'll get there, but that's where I'm going to try to go.

(U) The other thing we did was develop competencies for performance. Now, there's no doubt that everybody in the community's smart. You wouldn't be in the community if you weren't smart. But being smart and being competent are two different things. And that's what I had to learn in industry. I'd say, a Navy guy, you're kind of a generalist, whatever the problem is you sit down and figure it out. That's kind of the Navy mentality. Now, there are specialties, of course, and so on, but it was sort of the all around person. But, still, being smart does not necessarily make you competent. Let me use an example. I struggled a long time in industry, with just the financial mechanics. One, it was a little esoteric for my company and two, it just wasn't something that I was particularly interested in. So I had to demonstrate that competency to be accepted in.

(U) Another thing we did with this appraisal system is we took it outside the chain of command. If you were in the chain of command, you had a vested interest, you had a relationship, a lot of personal connections. So, if you take it to a third party, you know, uninterested, not attached or emotionally engaged with the outcome, you tend to get a more honest, realistic output. So the process then would be, a person would have an assignment for an appraisal and conduct the appraisal through interviews. Seniors and peers, which peers turned out, interestingly enough, to be the most important, so,

seniors, peers, subordinates, and clients. And, the context was developmental; the whole purpose was not reward or punishment, it was developmental. And the thing that I will always remember is having been in the Navy, and having our fitness reports designed such that you had to be absolutely all the way to the right or you would fail select and I'm seeing some heads nod, so I'm sure that you all know exactly what I'm talking about. Well, my first fitness report or appraisal in my company was not all the way to the right and it said I've got these five or six things to work on; and I said, I didn't make it. I flunked. And, I was kind of shocked. And then I learned that all the way up to, and including, the CEO of the firm, everybody has development objectives.

(U) Now, here's the secret sauce. If you've got development objectives, you may disagree with them, and that's okay, but you're perceived that way so you have something to fix, whether it's real behavior, or whether it's the perception of those around you. But, there's an issue there. If you embrace that issue, and work it, then those around you are going to appreciate you for it, reward you for it, and life's good. If you totally reject it, guess what happens after a year or two? Remember, I said a third of the partners in my firm were gone in three years. That's how. Because you've got something, in writing, documented, worked with them, so there's a lot of give and take in this process. Can we achieve that in this community? I don't know. I've got one guy who is saying, yes, we should do it. His name is Gates. So, I think I've got a person on my side.

(U)   (b)(5)

(U) So, this is a picture of the person you probably haven't been exposed to, or may not have been exposed to before. But we brief him six days a week,

seven if there is anything going on. So that means my day starts about four in the morning. The deal early on was, "Now sir, I'm not signing on to be the briefer; been there, done that; I did that with your dad...so check that ego block." (Laughter) He said, "Yeah, but I'm the President." I said, "I guess that means I'm coming to the briefings." He said, "Yeah. Now, you don't have to be the answer guy, I wouldn't expect you to know all the stuff, but you got to know what I need and how I interact and what my interests are and you got to cause this community to rally to help me do what I need to do." He said, "I think it's the obligation of the President of the United States to start every day with an understanding of what's going on in the world." Now, he takes a little bit of pot shots at those that have passed through there before. So, now every day, at the minimum six, sometimes seven; and if you go in the Oval, coat and tie. Even on Saturdays so it's a little bit different now.

(U) I met him in Crawford at Christmas, when we had eight tornadoes? Well, I drove from Dallas to Crawford, dodging the first four and it was raining so hard the windshield wipers stopped. When I got there, the clouds parted and the sun came out and I said "oh, my goodness!" (Laughter) " There's something going on here it's really true" They actually took him out of a bunker once the tornado passed through; so, he comes up and we have our meeting. I talked with him for an hour. So, I got in the car and to go back to Dallas to catch an airplane. There were four more tornadoes and the windshield wipers stopped. Well, I didn't really talk to him about anything else except substantive intelligence from that time until he came out to do the swearing in.

(U) So, he did the swearing in. It was a great event for me and my family was there. He went around and talked to everybody. And now, it's all over, and we're walking out like in the movies where they always take them out the back gate. Well, we're going out the back gate and to the loading dock and he says, "Okay, now, when you going to get on with it?" I said, "Excuse me, sir?" He said, "When you going to get on with it? I said, "What is that?" He said, "The 360 appraisals, the set of core values, and building collaborations." He played back to me everything I had told him in Crawford and I was stunned. How can somebody retain all that stuff? It was my territory and I knew what I was saying, and he's playing it all back. At that time it was almost two months later and we hadn't talked about it at all since then and no one else had had that discussion with him. He is a pretty phenomenal human being.

(U) But, he now is going to hold me accountable for this vision, and collaboration is where I want to try to go. Information sharing is another way to say it. I want to change the way we, as a community, think about information and I've got a little bit of a dilemma. I would like for us be an analyst driven community, with the analyst in the center. Folks out here, say, "Wait a minute, we're building things, we're important, too." You are. I don't mean you're not important, but think about us as a community. An analyst's first responsibility is to know the customer, the client, the user, President of the United States, military commander, Secretary of State, national security policy member, whoever it is. Who is the user, what's the need, what's the rhythm, what's the pace, how do they get information, how do they accept information, how do they best digest it, in what format, and what about timeliness. You've got to know all that and you've got to know it well. That is the first requirement for the analyst.

(U) The second requirement is to know sources and methods. Now, here is the shock for Mike McConnell, coming back after a few years. "Mr. Director, we got thus and thus and such and such." "Really, very interesting, how do we know that?" "SIGINT." "Oh, really," I said, "What is it?" "NSA." "Okay, it's NSA and it's SIGINT. What is it?" "Sir, it is SIGINT." I said, "We have a failure to communicate here." (Laughter) I said, "Is this line of sight, is it satellite, or is it encrypted?" "Why would you ask me that? And, my response to that is "How can you do your job if you don't know?" So, if the analyst is in the middle, and you know your customer, and you know your sources and methods and how you get the information, don't you become a very valuable asset to cause collection to be focused in the right place to get information to the user and you have a higher level of service. Think of it as relevancy on one side, I'm relevant to my user, and I'm knowledgeable in what the art of the possible is.

(U) So, I'm trying to figure out how do you do that, and how do you cause true collaboration, and how do you cause information sharing and a truth in lending. Famous senior in my community, Admiral Bobby Ray Inman, in the seventies, whipped out his trusty pistol and shot HUMINT in the head. He said, "The Navy doesn't do HUMINT, we're not interested in HUMINT. We will never do HUMINT, it doesn't serve our interest." So, now, a whole generation grew up following in Bobby Inman's footsteps. I was one of them. "Yeah, HUMINT, I don't know what that is, it's kind of over there. You know, we got all this stuff and our world was the Soviet Union, which

is 14 time zones and denied territory. You have to be timely, know about ships, airplanes and rockets and so on. HUMINT, it'll catch up someday, but we gotta know what minutes as my whole framework."

(U) I just went to Iraq, Afghanistan,and Pakistan. I would say a huge portion, I don't know if its majority, I don't know if it's a third, but I would say a huge portion of what's happening is all HUMINT enabled. And what I've learned so much about it is even the SIGINT portions are HUMINT enabled. So, now here's my dilemma. While I'm there, people are dying because we're compromising information on sources. So, it's easy to sit on the Hill, or to be SIGINT, or to sit as an industry guy, and say, we've got to share. It's easy to say, we don't need to be first to need to know, we need to have first responsibility to provide. That's easy; those are easy slogans, but, how do you now balance the need to protect sources and methods for this sharing. That's a dilemma. Now, if we do this as a collaboration thing and it works, what I'm hoping to do is find a way to work that issue so that we can share it better, and we can know each other, and we can not be afraid to pick up the telephone, and then we can still protect sources in an appropriate way. I'm using HUMINT as an example, I certainly roll that over to the very sensitive space based programs, and so on. So, that's kind of the horizon for me right now.

(U) Let me go to something that might be in your more personal interest in your day to day. When I came back in the community, I consulted with lots of folks and here's a point of view that you may agree with or you may disagree with, but from what I can see so far, it's reasonably factual. When the Wall collapsed in November 1989 and then the Soviet Union collapsed in August of 1990, the term 'peace dividend' worked its way into our vernacular. The peace dividend became the watchword for, "give us the money back." We had a bipartisan level of consensus for a commitment to a community that was robustly funded for almost 50 years that worked, and worked darn well. And I had the benefit of that, because as a young Navy guy trying to find Russian submarines I had this wonderful system that could see, take pictures, listen and do just incredible things. We did absolute magic in my time in the Pacific. My customer, a four star admiral, says" I want to know about these bad submarines and I want to be able to constructfully kill them or hold them at risk." So it was pretty simple for me to turn to the system and get imagery, get a coherent receiver or look for special communications and we were pretty good at it.

(U) When the peace dividend started, they wanted their money back. First it was no longer bipartisan and the community, both military and intelligence, over a ten year period, and this goes to both parties, declined forty percent. Well, what happened about 1994? Remember the www that enabled the web and then all of a sudden we all became real users of the internet? Well, a set of skills in this community, cause the budget was going this way (indicates down), and opportunity was going that way (up); my view of the whole generation left (indicates middle). So, I'm taking it as a task. We can't do this on my watch and in the two years I'll be here, the best I can do is try to get it started. I've consulted with Dr. Kerr, and other members, and remind me if I don't talk about Excom, because I need to mention that to you, too.

(U) So, I'm now searching for a Deputy Director, at the DNI level, that can put energy into rebuilding and re-establishing this community. I have several goals. One is, let's re-create, re-galvanize, and re-energize the community of professional program managers that are absolutely expert. That's not to say that the ones we have are not. It's to say we need more of them. Secondly, let's get a level of stability in our funding. Let's work a deal with the Hill, where we say we got to build this, we got to have robust funding, and it's got to be dependable. And, let's have some control over the requirements that it will at least allow us to have some stability. We need money for advanced things. I'm not taking that off the table. At least the things that we build with professional program managers and with an industry base that we have stable funding and therefore industry will go to it. I think that would put us in a better place. So, if I can find the right set of folks, and we can start down that path, and get it locked in, we have a chance of re-building it, maybe in a few years.

(U) Excom. When I looked around the community, everybody gets a shot at giving the DNI, or in the old days DCI, advice, and they get a lot of it, I had a shot at four. I decided to always make my advice one thing. The reason I felt so strongly about it is none of the DCIs I ever knew or served did this one thing. And the one thing was, "hey look boss, we want to do the right thing. We want to go in the right direction. Pull the senior players into an inner circle, the ones that spend billions of dollars, and get us on the same sheet of music, and tell us what you want, and let us make inputs, let us argue. But, for goodness sakes, get us to a decision, so we can pull collectively in a direction."

(U) None of the DCIs took my advice, so guess what? We're not on a path
to create an Excom. The Excom membership, at a minimum, will be
Director of NRO, NSA, NGA, DIA, and there'll be some other players and
we'll have some customers in there, the major customers. We're going to
try to keep it to the Under Secretary level. General Clapper and I have
already worked out an arrangement as to how he would be a member. He
has a job that involves having direction, control, and authority, the most
important words in the U.S. Government. He has direction, control, and
authority over four agencies. So the question he asks is "now, wait a minute,
how do I come participate, and we got people I've got direction, control, and
authority over." I said, "Well we have to work that out." And, to his credit,
he went off and figured out a way to do it. He's come back to say, "Well,
how's this sound?" We've gotten Secretary Gates to agree, so when his
confirmation's over he will have the title, of Director Military Intelligence.
As Director of Military Intelligence he'll have two hats: one is to the
Secretary of Defense and other to the DNI. His DNI hat will be a
subordinate role of the DNI, as a member of the Excom. And so, hopefully,
we're going to have a group of eight, that would be my preference, or ten,
that's my upper limit. It will probably be twelve. (Laughter) But that group
is going to come together, and we're going to argue about periodicity. I
made it hard to start and I said once a week. That just about kills a senior
schedules, that's too hard. So, will we adjust? Yes, I'll hold on for a while,
let's sit down and talk about the community's issues, and let's agree or even
if we disagree, let's get the issues on the table and have a framework for
closure if we can't get consensus. I would say we'll have consensus ninety
plus percent of the time. At least that's been my experience. When people
of good interest, good faith, and trying to do the right thing, get together, I'd
say ninety, maybe ninety five percent of the time, you'll generally get to the
same place, you'll argue, you'll debate it, but you'll get there. It's a give
and take. The rules are for that five percent, that I get to decide when there's
no consensus, and I get to be the person making the decision.

(U) Now, that doesn't mean it's done. That means that now I can go
negotiate with the Secretary of Defense, or the White House, or whatever it
is I have to do, but at least it will get us to pull together as a community. So,
those are some of the major things. The list that came out had a bunch of
other things in it, and we'll put emphasis on those, but if we can get the
collaboration, if we can get a sense of community and we can govern it with
the right kind of appraisal process that holds us accountable, and if we can
run this Excom, I think we'll make some progress.

(U) The last thing I will tell you is we just did a survey across our community, and for the most part we rate at the top of government. There are two areas where we are down at the bottom. We don't reward superior talent and we don't punish non-performers. So, think about that. If we can do the 360 and it works, two things are going to happen. The best performers are gonna get elevated, and the bottom performers are going to get pushed out. Easy to say, but hard to do. Secretary Gates has agreed in principle. The lawyers are fighting it out even as we speak, and we'll see how it comes out.

(U) So, I think what I'll do is, am I out of time, or how are we doing? I thought I'd take a couple of questions if there's time for it; or, if I've worn you out, I'll just dance off. We could say this differently, unless I get some good questions we could stay here all Friday. (Laughter) Here's a guy who wants Friday off.

(U) **Question:** Thank you sir, ████████████████ SIGINT. You said that you expect the analyst to have more knowledge of sources and methods. Is that primarily a knowledge pulled by the analyst or pushed by the collectors in the intelligence community?

(U) **DNI Mike McConnell:** Could be both. What I would say with regards to this, let's go to training for awhile. I'd like to have bricks and mortar, something like National Defense University. How'd you like to have half of that campus down there? Wouldn't that be kind of nice? So, when you come in, regardless of who you are, NSA, CIA, DIA, NRO, whatever, you go spend, I don't know what the number is six weeks or eight weeks, to learn about the community, sets of issues, sources and methods and guess what, you get to shake hands across the table, and maybe go out for a beer or if you don't drink beer, a coke or play golf. You get to know people. That's the first step. I would like to repeat that at mid career, and then I would like to have a PHD level. I would like to make it a requirement for the analyst to be professional and to be advanced. Therefore, it's incumbent upon the analyst to learn. Now, I know when I came up, I learned for myself that if I was going to be relevant, I couldn't be relevant without knowing, so I had to go find out. And, I found in the community sometimes sensor managers were very reluctant to tell me what I needed to know. So, you just keep working it until you find somebody who would talk to you, and then you got a pretty good picture. Now, you start to speak to that sensor and you don't

get it quite right, the sensor says "wait a minute, wait a minute, if your going to talk about it, at least you need to know this." So, you know there's a way. I think it's a little of both. If we can get sensor managers understanding that they owe it to the analysts to educate them, and we get analysts owning the responsibility to know, I think we'll be at a better place. I think effectively we'd be a better community serving the people we serve.

(U) **Question:** We have a question from Westfields Live. To what extent do you plan to get personally involved in decisions involving large NRO acquisitions?

(U) **DNI Mike McConnell:** Oooooo! (Laughter) Well, can I ask a question before I answer the question? If I was personally involved, is that good or bad? (Laughter)

(U) **DNRO Dr. Kerr:** Sir, I can help you with that.

(U) **DNI Mike McConnell:** We have a volunteer. (Laughter) Probably, the most sacred thing in the government other than the org chart, who do I work for and who works for me, is what I would call decision rights. I mean, that's who we are. So, when I said the Excom and DNI get their folks together and talk about the issues, that's what I mean. There's going to have to be a little give and take on decision rights, and, I'm finessing a bit, I would say if and when required. And it would be major focus as opposed to individual decision. So, that's the way I'm thinking about it.

(U) **Question:** Sir ▮▮▮▮▮▮ IMINT. In the discussion regarding the Excom, has there been talk about the process on how the Excom decisions and directions would flow out to the intelligence community?

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(U) **DNI Mike McConnell:** Yes, good question. The devil's in the details, right? So, we got an agreement that we're going to have one, and, so as soon as we started, those who were against it said, "Well, wait a minute, what's the concept of operations, what are the terms of reference and how are you going to make a decision? So, we're doing that part now and this will be very transparent. We have terms of reference and a concept of operations drafted. What I'll do is put it on the table for the Excom on Monday and we all get to beat it up. What I want to do is hold everybody responsible for being involved. We make a decision and everybody's responsible for abiding by the rules. That's kind of the way we're going. So

to answer your specific question, we'll figure it out. I don't know. If we make a decision that impacts the community, it will get disseminated pretty quickly.

(U) **Question**: You mentioned the importance of budget stability. What do you see as the 08 part for the IC?

(U) **DNI Mike McConnell**: I'm worried. They are voting on the Hill about causing us to pull out of Iraq. I think they are shooting for September 08, as the target date. That's draped around a hundred billion dollar supplemental. So, let's face reality here, politics are changing. Both chambers of Congress, have now, the majority has switched from one party to another. There's a wide disparity of views, and when you're no longer bipartisan, budgets tend to shrink. So, I would say that we are in for some rough going. The task for the Excom is how convincing can we be, in the Administration, and on the Hill, that, for goodness sakes, let's not repeat the mistake we made starting in 1990 because we took away the eyes and ears of a nation. So, while we figure out whatever our national policy is going to be, at a minimum, let's agree that we have got to preserve the ability of this community to serve the Nation in terms of collecting information, looking into places that people don't want us to see, and having a comprehensive view and understanding of the world situation. So, it is hard, but I feel more confident we'll have stability with that approach than if we just remain passive observers. Thank you all, very much. (Applause)