



Department of Homeland Security Office of Inspector General

Information Sharing at the National Operations Center

(Redacted)





Homeland
Security

November 10, 2009

Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report addresses the strengths and weaknesses of the Office of Operations Coordination and Planning's National Operations Center. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in cursive script that reads "Richard L. Skinner".

Richard L. Skinner
Inspector General

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Abbreviations

ASWO	Assistant Senior Watch Officer
CBP	U.S. Customs and Border Protection
DHS	Department of Homeland Security
FBI	Federal Bureau of Investigation
HSIN	Homeland Security Information Network
I&A	Office of Intelligence and Analysis
IT	information technology
MOA	Memorandum of Agreement
NOC	National Operations Center
NICC	National Infrastructure Coordinating Center
NRCC	National Response Coordination Center
NTC	National Targeting Center
OIG	Office of Inspector General
OPS	Office of Operations Coordination and Planning
SWO	Senior Watch Officer
TS	Top Secret
TSOC	Transportation Security Operations Center
TS/SCI	Top Secret/Sensitive Compartmented Information

OIG

Department of Homeland Security
Office of Inspector General
Executive Summary

At the request of U.S. Representative Bennie G. Thompson, Chairman of the House Committee on Homeland Security, we reviewed information sharing processes at the Department of Homeland Security's National Operations Center. We focused on the functional and organizational changes the department has made to the National Operations Center, since Hurricane Katrina, to manage the flow of information better. Specifically, we assessed whether: (1) procedures instituted ensure that incoming reports are appropriately directed within the center; (2) information is reviewed and disseminated timely to key department officials; and (3) information is coordinated efficiently and effectively with other federal, state, and local governmental partners that have a role in response operations.

Within the department, the Office of Operations Coordination and Planning oversees the National Operations Center and has made numerous improvements to the center's information sharing capabilities since Hurricane Katrina. These improvements include the development and implementation of the operational phase and notification systems, and increased involvement in working groups and coordination meetings.

Despite these improvements, a number of barriers hinder the flow of information. Organizational, administrative, infrastructure, information technology, and staffing obstacles continue to affect information sharing at the National Operations Center adversely.

Our report addresses information sharing and collaboration changes at the National Operations Center from Hurricane Katrina's August 2005 landfall to completion of our fieldwork in April 2009. We are making 17 recommendations to assist the Office of Operations Coordination and Planning in improving the information sharing capabilities of the National Operations Center. In response to our report, the Office of Operations Coordination and Planning has proposed plans and taken action that, once fully implemented, will enhance the follow of information. The department concurred with all 17 recommendations.

Background

The federal government received widespread criticism for a slow and ineffective response to Hurricane Katrina. In February 2006, after an extensive evaluation of the federal government's response, the White House released its report, *The Federal Response to Hurricane Katrina: Lessons Learned*. The report, the product of a review by the President's Homeland Security Advisor, outlined numerous failings in emergency preparedness and response and made 125 recommendations to the President.

The report concluded that the Department of Homeland Security (DHS) needed both the requisite headquarters management institutions and sufficient field capabilities to organize a successful federal response effort. According to the report, it was essential to strengthen DHS' headquarters elements to direct the federal response, while also providing appropriate resources to DHS field elements for more effective ground response efforts.

Recommendations of the White House Report

To achieve these goals, one recommendation in the report called for DHS to create a new organizational structure, or National Operations Center (NOC), to coordinate and integrate the national response and provide a Common Operating Picture for the entire federal government.¹ Another recommendation was that the NOC should combine, co-locate, and replace the situational awareness mission of DHS' Homeland Security Operations Center, the operational mission of its National Response Coordination Center (NRCC), and the role of the Interagency Incident Management Group. Also, the NOC should be staffed with full-time detailed employees assigned to a planning cell from relevant federal, state, and local departments and agencies.

Prior to Hurricane Katrina, DHS' Homeland Security Operations Center served as the Nation's nerve center for information sharing and domestic incident management, increasing coordination between federal, state, territorial, tribal and local governments, and the private sector. The NRCC handled overall federal response coordination for incidents of national significance and implemented emergency management programs. The Interagency Incident Management Group was responsible for strategic

¹ Common Operating Picture is a shared display of relevant and operational information (e.g., the position of resources and status of important infrastructure such as bridges, roads, etc.) that facilitates collaborative planning and assists all in achieving situational awareness of an event.

interagency-level coordination and worked to resolve resource conflicts unresolved by the NRCC.

The White House report included three additional recommendations intended to improve information sharing and enhance the information reporting system.

- Recommendation 16 called for a national information and knowledge management system for all departments and agencies working with the NOC to provide a Common Operating Picture that allows for the processing and timely provisioning of interagency information sources.
- Recommendation 17 required the creation of a single or national reporting system by departments and agencies working with the NOC in order to establish uniform information flow to senior decision makers.
- Recommendation 18 described the establishment of national information requirements and a national reporting chain to ensure both that accurate information is reported in a timely manner and that there is standard information flow through all levels of the incident command structure.

We used a number of recommendations in the White House report as a baseline to determine DHS' progress in making functional and organizational changes to the NOC since Hurricane Katrina.

Office of Operations Coordination and Planning and the Creation of the National Operations Center

DHS' Office of Operations Coordination and Planning (OPS) is responsible for monitoring the daily security of the United States. It does so by coordinating activities within DHS, with state governors, Homeland Security Advisors, law enforcement partners, and with critical infrastructure operators in all 50 states. Among its duties, OPS is responsible for overseeing the NOC, conducting joint operations across all organizational elements, coordinating activities related to incident management, and employing all DHS resources to translate intelligence and policy into action.

The NOC was officially established on May 25, 2006. Its mission is to facilitate information sharing and operational coordination with other federal, state, local, tribal, non-governmental, and

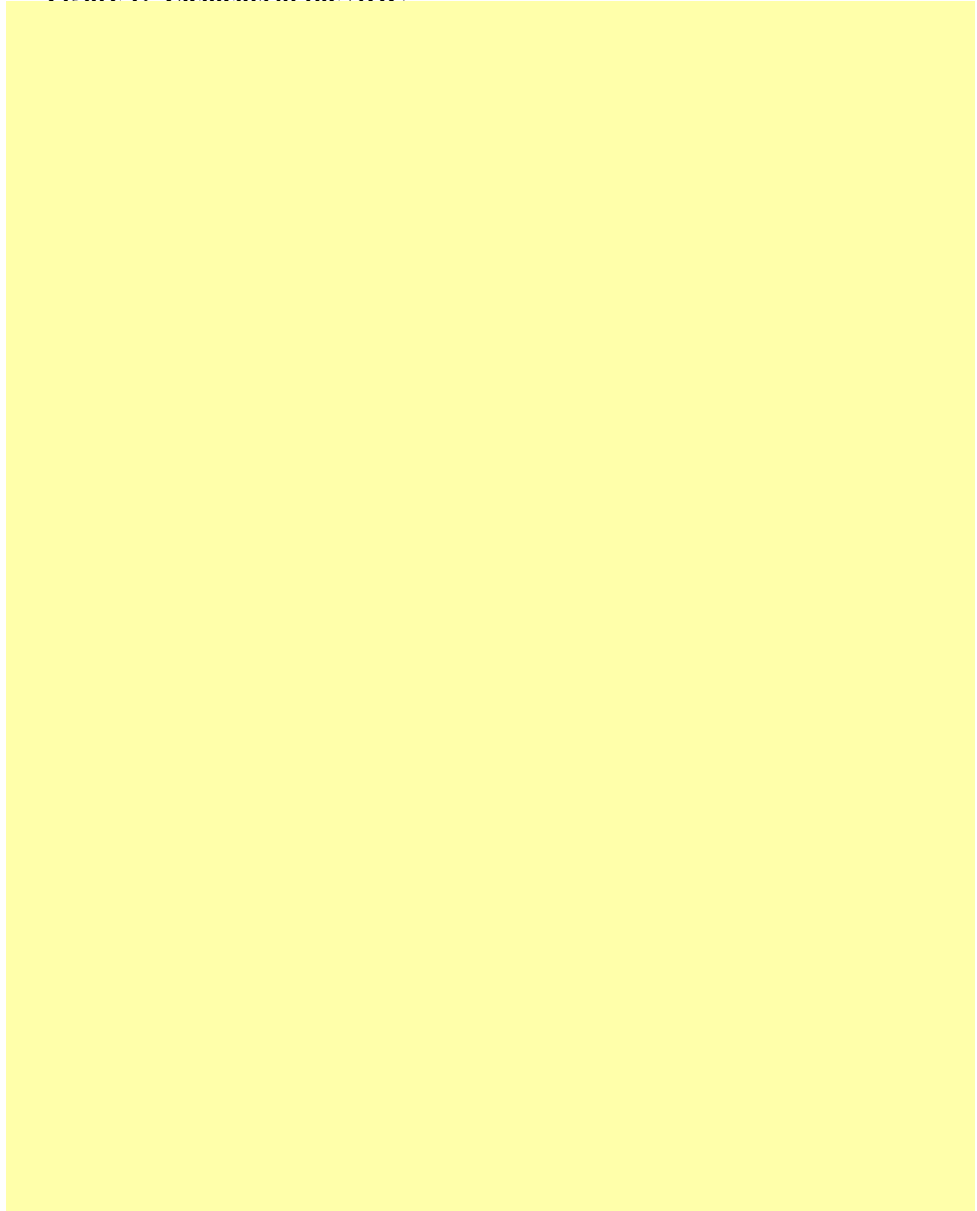
private sector agencies, as well as to provide situation awareness to senior DHS and White House leadership. The NOC accomplishes its mission through a network of coordination elements that provide domestic situational awareness, a Common Operating Picture, information fusion, information sharing, communications, and coordination pertaining to domestic incident management and the prevention of terrorism.²

The National Operation Center and Its Elements

The NOC operates 24 hours a day, 7 days a week, 365 days a year, and it collects and fuses information from more than 35 federal, state, local, tribal, non-governmental, and private sector agencies. The NOC is composed of five elements—Watch, Intelligence Watch and Warning, NRCC, the National Infrastructure Coordinating Center (NICC), and the Planning Element, as shown in Figure 1.

² Information fusion is the process of managing the flow of information and intelligence across all levels and sectors of government and private industry, and through analysis, creating meaningful intelligence products.

Figure 1: Elements of the NOC



Although the NRCC, NICC, and Intelligence Watch and Warning are elements of the NOC, they remain independent entities under the tactical, operational, and program management control of their DHS components, the Federal Emergency Management Agency, the National Protection and Programs Directorate, and the Office of Intelligence and Analysis (I&A), respectively.

National Operations Center Watch Officers' Duties and Responsibilities

The NOC Watch is the center of operations, and [redacted] information is communicated through it to the other elements. The NOC Watch is staffed [redacted] on weekdays and [redacted] on weekends. Relieving personnel report to duty [redacted] before their shift to establish situational awareness [redacted]

The NOC Watch is manned by watch officers including the Senior Watch Officer (SWO), Assistant Senior Watch Officer (ASWO), Communications Watch Officer, Knowledge Management Officer, Incident Management Officer, Tracker, and other agency desk officers. Appendix C lists NOC Watch participants.

The SWOs supervise the activities of the NOC. [redacted]

[redacted] The SWOs brief the NOC Director, DHS' Secretary, Deputy Secretary, and Chiefs of Staff on potential or actual incidents, both domestic and international, that may affect national security.

The ASWOs serve as the SWOs' executive watch officers. They keep a log of [redacted] events, assist the SWOs in their duties, and act on the SWOs' behalf when the SWOs are absent from the NOC. The Communications Watch Officer applies technical expertise and facilitates communications [redacted]

[redacted] The Knowledge Management Officer prepares visual display schemes and posts relevant information [redacted] The Incident Management Officer finds vetted sources and distills information [redacted] The Tracker monitors intelligence threats or incidents [redacted]

A number of desk officers are detailed to the NOC from DHS components and other federal agencies. Desk officers provide subject matter expertise and liaise with agency officials and other watch centers to collect valuable information.

In fall 2008, the NOC underwent reorganization. Several SWO and ASWO positions are now staffed by DHS component detailees serving 2-year assignments, and the NOC reimburses their salaries. Before the reorganization, the SWO and ASWO positions were staffed entirely by full-time government employees hired on a

permanent basis; individuals formerly serving in these positions have found new positions within DHS or have left the department.

Operations and Intelligence Sides of the National Operations Center

The NOC is divided into two sections, the Operations Side and the Intelligence Side. These sections function in tandem, [REDACTED] and share information. Both sections are on the same floor; however, a wall separates the sections;

The Operations Side tracks emergency management and law enforcement activities across the country that may affect national security. [REDACTED]

[REDACTED] The SWO is located on the Operations Side, along with the DHS component desks and state and local law enforcement officers.

The Intelligence Side focuses on classified intelligence and uses that information in support of emergency management and law enforcement activities. [REDACTED]

[REDACTED] The Intelligence Side consists of the Senior Intelligence Analysts, Intelligence Analysts, the Intelligence Watch and Warning branch of the NOC, and the U.S. Secret Service desk officers. [REDACTED]

Information Sharing Platforms at the National Operations Center

The NOC maintains situational awareness through shared programs such as the Homeland Security Information Network (HSIN). HSIN is a comprehensive web-based platform that facilitates real-time Sensitive But Unclassified information sharing and collaboration with federal, state, local, tribal, private sector, and international partners. HSIN also hosts the Common Operating Picture and provides situational awareness and analysis of emerging events to state and local officials, and across the federal government.

As part of the Common Operating Picture, NOC officials can post valuable information, such as situation reports and technical data regarding unfolding events or recovery efforts. NOC products such as NOC Notes and Situation Reports provide detailed real-time information to NOC partners. By using these products, interested parties can access reports and other detailed information such as statistics and interactive maps.

Results of Review

OPS has made numerous improvements to information sharing capabilities at the NOC since Hurricane Katrina. However, a number of barriers hinder the effective and efficient flow of information. Organizational, administrative, infrastructure, information technology (IT), and staffing obstacles continue to affect information sharing and collaboration at the NOC adversely. Although NOC officials and managers acknowledge most of these barriers, they have made limited progress in correcting the challenges. However, NOC officials are committed to mitigating or eliminating obstacles that limit the NOC's effectiveness, or ability to fulfill its mission.

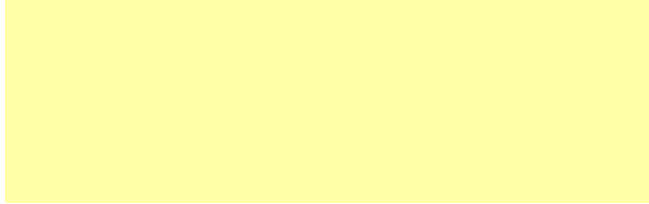
The National Operations Center Has Improved Its Information Sharing Capabilities Since Hurricane Katrina

The NOC has made numerous improvements to its information sharing capabilities since Hurricane Katrina. Improvements include the operational phase and notification systems, and an increased involvement of NOC management in working groups and coordination meetings. As a result of these improvements, NOC managers are able to process information and distribute it to key decision makers better.

The National Operations Center Now Operates Under an Operational Phase System

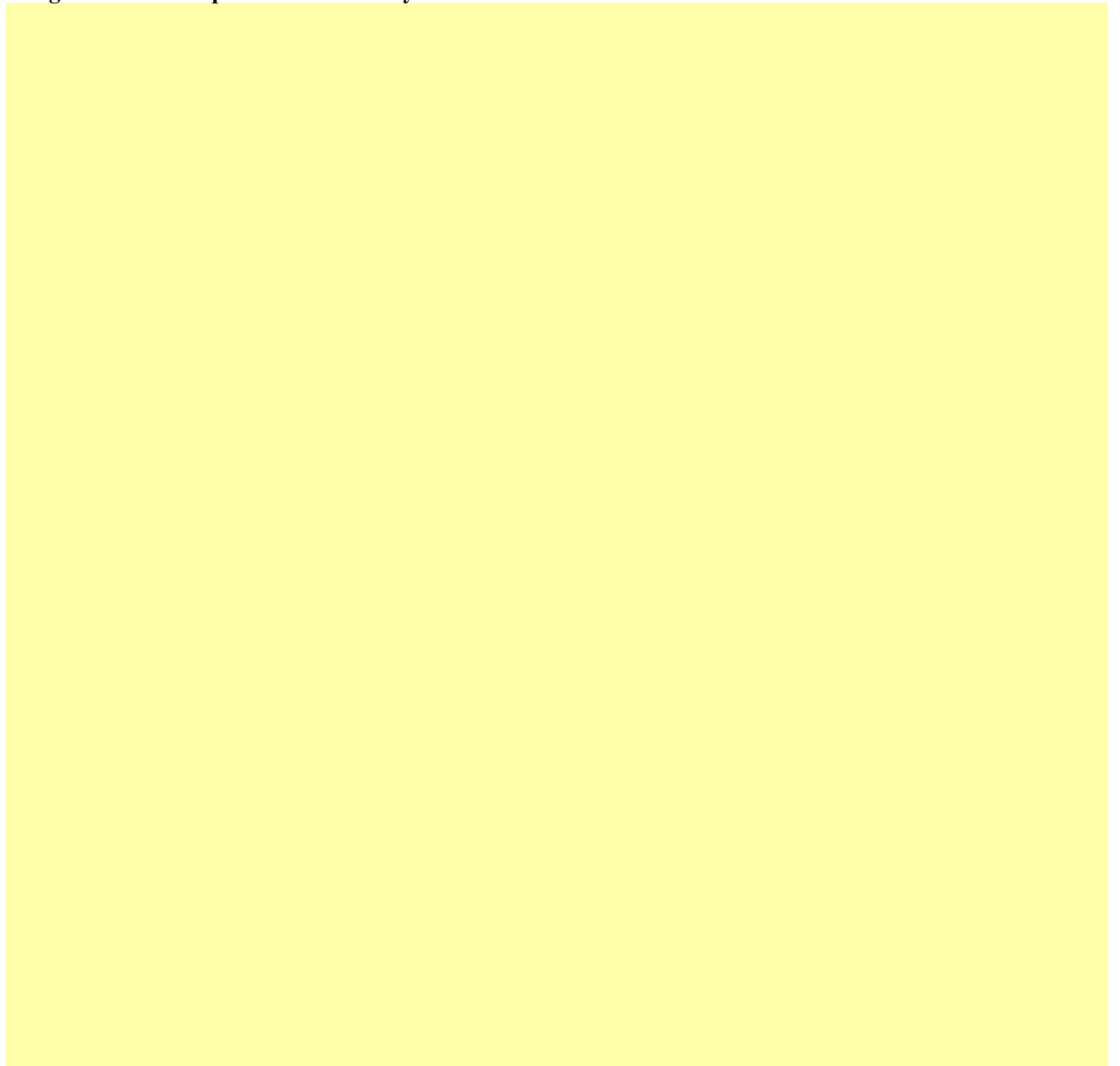
During Hurricane Katrina, the NOC’s operational phase system did not exist. As of February 2007, the NOC [redacted] respond to time-sensitive incidents in a decisive manner depending on severity. Before the operational phase system was implemented, a NOC official said that when events occurred, there was no level of severity associated with an incident. Now there are “key actions” that must be performed once a certain threshold of severity is reached. This official added that NOC management developed the [redacted] system, [redacted]

Figure 2: NOC Operational Phases



These phases correspond to the NOC Director’s Criteria, which represent a list of increasingly severe events that are thresholds for the NOC to transition to increased operational postures. The Director’s Criteria range from routine national and international events that may be of interest to DHS officials, to events so severe or catastrophic that the federal government must assume the highest operational level. During each operational phase, the NOC performs a set of key actions and develops deliverables collectively aimed at target audiences. [redacted]

Figure 3: NOC Operational Phase System



The National Operations Center’s Notification System Has Been Enhanced

To ensure DHS leadership’s awareness of emerging events and domestic threats, the NOC has updated its notification system

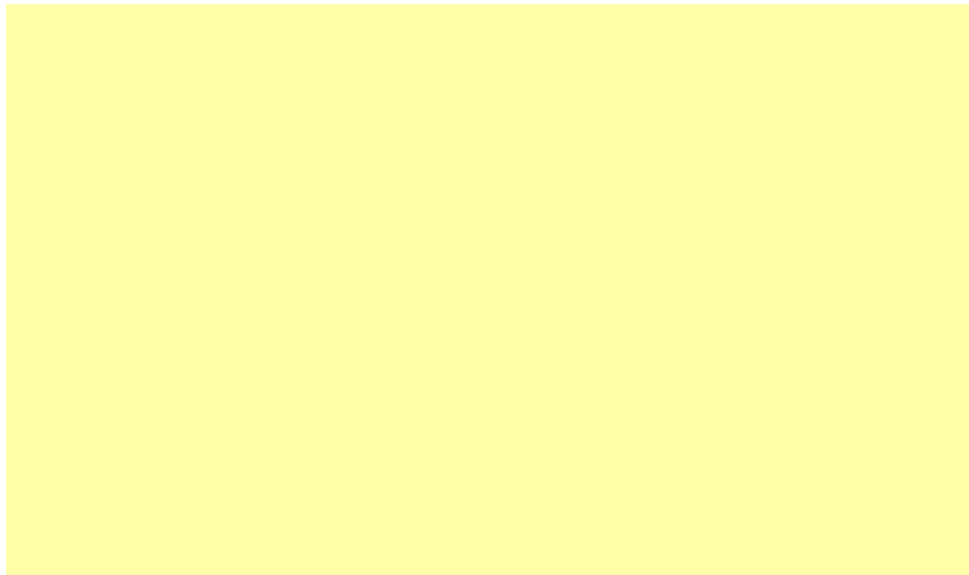
[Redacted]

[Redacted]

The SWO, along with NOC leadership, uses the information obtained [Redacted] to determine the appropriate NOC phase.

[Redacted]

Figure 4: NOC Notification Sequence of Key Actions



To determine whether NOC officials disseminated relevant, useful, and timely information to key department officials, we reviewed six past events reported to the NOC. The events, which occurred from August 2006 to February 2008, represent the type and variety of incidents faced by an all-hazards operations center such as the NOC. These events involved information sharing and operational coordination with multiple DHS components and external agencies, and had implications for a broad spectrum of national security concerns. The events also involved emergency management efforts and an incident involving the biological warfare agent ricin.⁵

Event One: Threat to Commercial Aircraft

In August 2006, a terrorist plot was uncovered in which several individuals planned to detonate liquid explosives carried onboard several commercial aircraft traveling from the United Kingdom to the United States and Canada. Efforts to disrupt this plot involved valuable intelligence gathering, surveillance, and the eventual arrests of multiple conspirators by British law enforcement.

³ T = Time when incident was reported to the NOC. T+ indicates the number of minutes from the initial report to the time a key action should be completed.

⁴ The Crisis Action Team is activated to take on the responsibilities of the NOC Watch during a phase 2 or phase 3 event or threat. The Crisis Action Team prepares executive summaries, situation reports, and other briefing products, responds to requests for information, and frames the courses of action and policy decisions to facilitate the DHS Secretary's informed interaction with DHS principals and interagency peers.

⁵ Ricin is a toxin created from the waste of processed castor beans that can be weaponized as a powder, spray, or pellet. It is highly poisonous; a dose the size of a pinhead (approximately 0.5 milligrams) can kill an adult.

Event Two: Drug-Resistant Strain of Tuberculosis

In May 2007, a U.S. Customs and Border Protection (CBP) Inspector allowed an individual infected with a drug-resistant strain of tuberculosis to cross the border into the United States from Canada. [REDACTED]

Event Three: Threat to Petroleum Pipelines at John F. Kennedy International Airport

In June 2007, a joint investigation by the New York City Police Department, the Federal Bureau of Investigation (FBI), and the New York City Port Authority resulted in the arrests of four individuals plotting to attack John F. Kennedy International Airport by planting explosives on the airport's jet fuel supply tanks and pipelines.

Event Four: Wildfires in Southern California

In October 2007, state and federal emergency responders battled a series of wildfires in Southern California that affected seven counties and resulted in extensive damage and mass evacuations. Drought, hot weather, and strong Santa Ana winds fueled these fires.⁶

Event Five: Power Outage in Miami, Florida

In February 2008, a failed switch and fire at an electrical substation resulted in widespread blackouts throughout much of South Florida, including all of Miami, and reached as far as Tampa and Orlando.

Event Six: Ricin Incident in Las Vegas, Nevada

In February 2008, law enforcement and emergency responders were called to a Las Vegas hotel, where a guest had contacted authorities to report he was suffering from respiratory distress. Upon entering the hotel room, emergency personnel discovered a substance that was later determined to be ricin.

⁶ Santa Ana winds are dry and warm, often hot winds in the Southern California area that blow in from the desert.

Figure 5 lists the selected events, corresponding date, highest NOC phase determination, and the number of minutes required to post the initial phase notification to HSIN.

Figure 5: NOC Selected Events for Review



The threat to commercial aircraft from London to the United States and the aircraft passenger with tuberculosis occurred before the NOC's use of the phased notification system. Figure 6 shows that, with the exception of the John F. Kennedy pipeline incident, NOC personnel did not meet their established notification requirements, but our analysis revealed that information did get to key decision makers in a timely manner for all six events. For example, during the Southern California wildfires, DHS' Secretary requested that information regarding the event be included in the Secretary's Morning Brief before making the phase notice determination.⁷

⁷ The DHS Secretary's Morning Brief is a daily compilation of material, including articles, operational reports, and intelligence briefings from component agencies and collaborative agencies such as the FBI and the Central Intelligence Agency. These materials and the related briefing are intended to allow the Secretary to maintain full situational awareness of events affecting national security.

Working Groups and Coordination Meetings Have Enhanced Information Sharing

NOC management has increased involvement in working groups and coordination meetings. One NOC staff member said daily communication between NOC leadership and entities such as the NRCC, the NICC, and other component command centers such as the Transportation Security Administration's Transportation Security Operations Center (TSOC), and CBP's National Targeting Center (NTC) has increased professional relationships and fostered information sharing. Although not part of the NOC, the TSOC and the NTC work closely with NOC officials. The TSOC is the primary coordination point for multiple agencies that deal with transportation security. The NTC is the primary coordination point for tactical targeting and analytical research in support of CBP's anti-terrorism efforts.

In addition, NOC leadership initiated the Department of Homeland Security Operations Centers Working Group to provide a departmental information sharing forum. The group was chartered in February 2008, and its membership includes directors and operations officers from 14 DHS operations centers. Appendix G lists the participating DHS operations centers.

The goals of the Operations Centers Working Group are to:

- Enhance relationships by creating a forum with established agency and department representation;
- Improve information flow, mission coordination, and national reporting between federal operations centers in the areas of incident management, planning, training, and exercises;
- Facilitate information sharing, situational awareness, and decision making; and
- Aid issue resolution and leverage capabilities.

The working group meets every other month, and the NOC Director is its Chairperson. The Operations Centers Working Group can establish standing committees to achieve its objectives and governance. Standing committees are required to report to the NOC Director.

Organizational Obstacles Continue to Challenge the National Operations Center

Although NOC management has made improvements following Hurricane Katrina, a number of issues still hinder the effective and efficient flow of information. Most significantly, the NOC is negatively affected by organizational issues such as not having requisite authority, ambiguities in its mission, and an unclear chain of command. The overall focus of the NOC shifts between emergency management, terrorism prevention, and law enforcement. However, following Hurricane Katrina, the NOC began to dedicate most of its resources to emergency management rather than terrorism prevention. Many NOC staff contends that this shift in focus is detrimental to NOC intelligence and law enforcement functions.

The National Operations Center Does Not Possess Requisite Authority and Needs More Executive-Level Support to Accomplish Its Mission

Federal laws such as the *Homeland Security Act of 2002* and the *Post Katrina Emergency Management Reform Act of 2006*, require the NOC to ensure that critical information is disseminated to key DHS and other government decision makers. However, no statutory authorities require components to forward information to the NOC. For example, DHS components routinely provide information to DHS' Secretary without first informing the NOC. These actions prevent the NOC from fully satisfying its information sharing obligations and could affect its ability to maintain situational awareness or a Common Operating Picture during a natural or manmade disaster or act of terrorism.

Responsibilities Are Defined in Law

In the *Homeland Security Act of 2002*, Congress emphasized that federal, state, and local entities should share information to the maximum extent practicable.⁸ The act further stated that federal, state, and local governments and intelligence, law enforcement, and other emergency preparation and response agencies must act in partnership to maximize the benefits of information gathering and analysis to prevent and respond to terrorist attacks. To comply with the information sharing provisions of this act, in 2003 DHS created the Homeland Security Operations Center. Following Hurricane Katrina and the *Post Katrina Emergency Management Reform Act of 2006*, the Homeland Security Operations Center gained additional situational awareness responsibilities and was renamed the NOC.⁹

According to the *Post Katrina Emergency Management Reform Act of 2006*, the NOC is the principal DHS operations center and provides situational awareness for the federal government and for state, local, and tribal governments as appropriate, during a natural or manmade disaster or act of terrorism. The *Post Katrina Emergency Management Reform Act of 2006* also requires the NOC to ensure that critical terrorism and disaster-related information reaches government decision makers. In accordance with the National Response Framework, the NOC serves as the national fusion center, collecting and synthesizing all-source information, including information from state fusion centers, across all threats and all hazards.¹⁰

The National Operations Center Has No Stated Authority to Direct DHS Component Participation

Although the NOC combines the subject matter expertise of the law enforcement, emergency management, and intelligence communities, it was not designed to possess operational capabilities. One NOC official said the center is operational only in name, and does not have the capabilities or authority to direct DHS component resources or personnel. He added that the NOC is

⁸ 6 U.S.C. § 481.

⁹ 6 U.S.C. § 321d.

¹⁰ Approved in January 2008, the National Response Framework is a guide that presents the key response principles, participants, roles, and structures that guide the Nation's response operations. It describes specific authorities and best practices for managing incidents that range from the serious but purely local, to large-scale terrorist attacks or catastrophic natural disasters requiring federal assistance. It was written for the use of government executives, private sector and nongovernmental organization leaders, and emergency management practitioners.

responsible for coordination and must politely request information from DHS components. Another NOC official stated that other DHS operation centers such as the NRCC, the TSOC, and the NTC are “charting their own course” and rely very little on the NOC because they possess operational capabilities. Another NOC official said that government officials rely more heavily on entities external to DHS, such as the Office of the Director of National Intelligence’s National Counterterrorism Center and the FBI’s National Joint Terrorism Task Force, for information and intelligence, because they are operational in nature. The National Counterterrorism Center is the primary organization for integrating and analyzing all intelligence pertaining to terrorism possessed or acquired by the U.S. government. The National Joint Terrorism Task Force is a command center representing nearly 30 agencies that collects terrorism information and intelligence from local or regional task forces and coordinates interagency efforts at combating terrorism.

Resources Were Focused on Emergency Management Following Hurricane Katrina

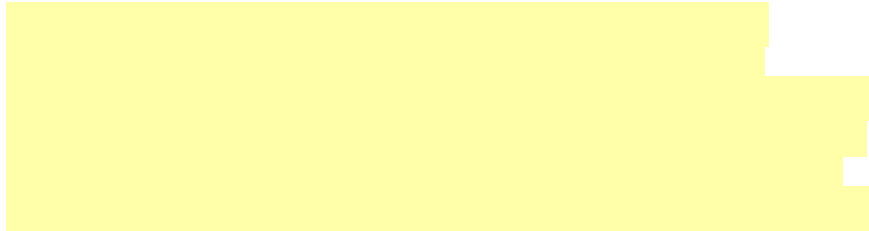
Following Hurricane Katrina, the NOC’s main mission focus shifted to emergency management, although personnel are tasked with maintaining all-hazards response readiness. NOC managers assert that the center is doing an excellent job focusing on “all threats.” However, the focus on emergency management and disaster assistance has resulted in a greater separation between the Intelligence and Operations sides of the NOC. One NOC desk officer told us that after Hurricane Katrina, everything turned to disaster assistance and recovery, and described this change as a “pendulum swing effect.”

Some NOC desk officers said the focus on emergency management has negatively affected the NOC’s ability to respond to multiple concurrent events. Originally, the NOC’s predecessor, the Homeland Security Operations Center, was designed to respond to three simultaneous events. After Hurricane Katrina, some NOC personnel said the center has “become an arm of the Federal Emergency Management Agency,” and they contend that the change has diminished the ability of all NOC personnel to respond to terrorist threats. Multiple NOC desk officers expressed concern regarding the NOC’s ability to respond to a scenario involving both a natural disaster and a terrorist incident. Although these desk officers told us the NOC would likely be able to respond to both

events, they are concerned that NOC resources would be strained and that information sharing abilities would be affected.

Additional Review Levels May Slow Information Flow

The restructuring of OPS and the NOC, which began in 2008, created additional levels of review and reporting that may slow the flow of information to senior leadership. According to internal documents, NOC personnel must vet information through multiple levels of management before sharing it with the DHS Secretary or other key officials. Desk officers reported that new vetting requirements are more cumbersome than the old process in which SWOs spoke directly with the Secretary regarding emerging events. An internal document titled Standing Order #4, dated May 20, 2008, describes the current reporting requirements. SWO and ASWO detailees receive this document as part of their orientation. Standing Order #4 provides a comprehensive list of tasks that should be considered when a threat, hazard, incident, or event is reported to the NOC. After making a phase determination, the SWO must notify as many as four levels of management before notifying the Secretary.



Before the restructuring, the SWO had greater authority to report information directly to the DHS Secretary, and some view the current notification and reporting practices as more cumbersome. One SWO said he spoke directly to the Secretary on a regular basis before the restructuring. Additional levels of review and reporting tend to act as a “stick and rudder” steering operations at the NOC. Another SWO remarked, “The delay in getting timely information to the Secretary would likely be double what it was during Katrina.”

Situational Awareness Efforts Are Influenced by Media Coverage

An overwhelming concern expressed by most of the NOC personnel we spoke with is the effect of the media on day-to-day operations. They call this the “CNN Effect.” NOC management expects its personnel to provide vetted, accurate information

concerning emerging threats, hazards, incidents, or events. However, information requests from some senior department officials are frequently driven by major media news sources. These information requests are problematic because initial reports by media sources are often not as accurate as needed for the NOC's vetting and reporting requirements. Unlike the media, NOC desk officers cannot amend their reports easily, and getting accurate firsthand accounts from first responders is often difficult given the emergent and high-pressure nature of emergency response duties and activities. The CNN Effect causes a great deal of frustration for NOC desk officers and senior managers.

Recommendations

We recommend that the DHS Deputy Secretary:

Recommendation #1: Engage senior Department of Homeland Security headquarters and component officials to explore options for improving the timeliness of component and operation center reporting to the National Operations Center.

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #2: Ensure that the National Operations Center's mission focus, as the National Fusion Center, emphasizes all-hazard response readiness, and that its mandate to provide situational awareness for the federal government and for state, local, and tribal governments as appropriate, during a natural or manmade disaster or act of terrorism, is clearly articulated.

Recommendation #3: Convene a multiple-component working group, with Senior Watch Officer participation, to evaluate whether the current review and reporting flow of information is the most efficient and effective way of delivering potential threats to senior department leadership.

Management Comments and OIG Analysis

We evaluated OPS' written comments and have made changes to the report where we deemed appropriate. A summary of OPS' written response to the report's recommendations and our analysis of the response follows each recommendation. A copy of OPS' response, in its entirety, is included as Appendix B.

OPS Response: OPS concurred with Recommendation 1. In its response, OPS management said the NOC serves as the National Fusion Center, and federal departments and agencies "should report information regarding actual or potential incidents requiring a coordinated Federal response to the NOC." For events falling outside of the National Response Framework, DHS Directive 252-06 and DHS Instruction 252-06-001 establish DHS' operational reporting requirements. OPS management stated that the directive and instruction do not apply to all components; however, the instruction includes time and frequency of reporting requirements. OPS management recently conducted an initial assessment of component reporting, and will soon brief the Component Operations Deputies on the results of the assessment. OPS management plans to revise the reporting instruction and will work to address component and operation center directives that conflict with DHS reporting instructions.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending our receipt of the revised reporting instruction.

OPS Response: OPS concurred with recommendation 2. In its response OPS management said federal law has already established the NOC's mission as described in the recommendation. As stated in the *Homeland Security Act of 2002*, the "NOC is the principal operations center for DHS, and it shall provide situational awareness and a common operating picture for the entire Federal government, and for State, local, and tribal governments as appropriate, in the event of a natural disaster, act of terrorism, or other man-made disaster." The National Response Framework identifies the NOC as the National Fusion Center, and in this capacity the NOC fulfills its mission by fusing information from state fusion centers and law enforcement, intelligence, emergency response, open source, and private sectors. The NOC disseminates this information to its homeland security partners.

With respect to meeting the needs of these homeland security partners, the NOC also fulfills its mission in the following ways: providing broad, 24/7 all-threats, all-hazards situational awareness; remaining vigilant in its monitoring and tracking of activities that may threaten the homeland; and focusing on emerging and ongoing events to prevent, protect, respond to, and recover from "a natural disaster, act of terrorism, or other manmade disaster." For example, during hurricane and wildfire seasons the NOC maintains

a heightened awareness posture regarding these potential disasters, while still monitoring events across the country and abroad. OPS agrees that the NOC's current mission focus should emphasize all-threats and all-hazards response readiness, and OPS will continue to staff the NOC with federal, state, and local partners who concentrate on prevention, protection, response, and recovery.

OIG Analysis: We consider OPS' proposed actions unresponsive to the recommendation, which is unresolved and open. OPS did not address the change in mission focus as outlined in our report. Mission focus is a distinct concept from the formal legislated mission as established through the *Homeland Security Act of 2002*. Although federal law establishes the NOC's mission, there has been a noticeable shift in mission focus [REDACTED]. Multiple desk officers said this shift [REDACTED] has [REDACTED] affected the NOC's ability to respond [REDACTED]. Although maintaining heightened awareness [REDACTED] is significant, it does not demonstrate the NOC's ability [REDACTED]. Rather, this demonstrates a heightened awareness [REDACTED]. To be responsive and to resolve this recommendation, OPS needs to provide internal policy and planning documents demonstrating that the NOC is prepared for concurrent events [REDACTED].

OPS Response: OPS concurred with Recommendation 3. In its response, OPS management said multiple-component operations center working groups currently exist, and one function of these groups is to review information reporting flows. The Director of the Operations Coordination Division chartered and hosts a bi-monthly National Capital Region Interagency Operations Center Working Group meeting and a DHS Component Operations Center Working Group meeting. Started in 2008 and 2007 respectively, these working groups discuss and vet operational issues, to include information reporting processes. Directors of the various operations centers attend these meetings on behalf of their respective centers, and OPS will encourage NOC Senior Watch Officers (SWOs) to attend. For any known events, such as National Special Security Events, terrorist threat exercises, hurricanes, wildfires, etc..., the working groups spend a great deal of time evaluating and tailoring the flow of information prior to the events.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This

recommendation will remain open pending our receipt of documentation related to working group meetings in which information sharing is the focus. These meetings should also include Senior Watch Officer participation.

Information Sharing Is Hindered by Administrative Challenges

Although some progress and improvements have been made, NOC information sharing is hindered by a number of administrative concerns. For example, difficulty obtaining higher-level security clearances complicates interaction between the NOC's Operations Side and Intelligence Side personnel. This complication is more evident for law enforcement detailees assigned to the NOC. The NOC does not require formal agreements with DHS component detailees. Executing these agreements, improving desk officer training, and creating formalized standard operating procedures would help define detailee roles and responsibilities better, while also improving information sharing. The realism of daily training exercises for NOC personnel should be enhanced to provide more meaningful opportunities for the exchange of information and to practice roles and responsibilities.

Relationships Between the Operations and Intelligence Sides Are Strained

Despite the need for Operations Side and Intelligence Side personnel to work in tandem to achieve all-hazards NOC readiness, a disconnect exists because of an unclear chain of command and the inability of the Operations Side to obtain higher-level security clearances. At times, we observed tense relationships between the two sides, which negatively affect information sharing. NOC managers need to enhance efforts to assimilate both sides into one cohesive and effective unit, with a common goal to provide situational awareness in the event of a disaster or act of terrorism.

There is also a need for more clarity regarding the chain of command when sharing information at the NOC. The Intelligence Side and the Operations Side have separate chains of command. Intelligence Side personnel report to the Under Secretary for I&A, while Operations Side personnel report to the Director of OPS.

[REDACTED]

An I&A employee on the Intelligence Side said that he is not 100% sure of the SWO and ASWO roles and responsibilities. [REDACTED]

Another desk officer remarked, “The SWOs can get better information from CNN

As stated earlier, the SWOs manage and supervise the activities of the NOC and are responsible for maintaining awareness of all intelligence and operations being managed by DHS and NOC components. The SWOs are also responsible for briefing DHS senior leadership regarding potential or actual incidents, both domestic and international that may affect national security.

We determined that some SWOs were not receiving the necessary information to brief DHS senior leadership on emerging issues. One desk officer stated that I&A has taken over control of the Intelligence Side of the NOC. Not everything the SWOs need to receive is being passed through the correct channels. A desk officer added that the working relationship with the Operations Side has further diminished in recent months. Another desk officer said the Intelligence and Operations sides play in different worlds, and 90% of what I&A knows, the SWOs do not know.

Inability to Obtain Higher-Level Security Clearances Also Divides the National Operations Center

Another factor that affects information sharing is the difference in security clearance levels between the NOC’s Intelligence Side and Operations Side personnel. NOC management acknowledges past inefficiencies and has taken positive actions to address some problems related to clearance levels. Despite these improvements, issues regarding security clearance level still exist. Getting all NOC personnel cleared to a higher level would enable greater interaction with I&A personnel.

Personnel on the Intelligence Side have [redacted] while many personnel on the Operations Side have only the [redacted]. This creates classification and physical barriers. For example, the Intelligence Side operates independently and is separate from the rest of the facility, and most Operations Side personnel are not permitted to enter the Intelligence Side. Although progress has been made in obtaining the highest practical security clearance level for NOC personnel, NOC leadership should further emphasize sharing sanitized intelligence information in an unclassified format to

benefit law enforcement and emergency management and response efforts.

Divisions Also Exist Between Intelligence and Law Enforcement

The relationship between law enforcement and intelligence desk officers is also somewhat divided. Intelligence Side personnel voiced concern that law enforcement officers are not familiar with the proper procedures for handling classified information. Law enforcement officers need training to understand what is required of them and what information they can release. Law enforcement and intelligence desk officers indicated that they would benefit from training in the other's area of expertise. Both stated that, at a minimum, an overview of each side's missions, duties, and responsibilities would enable them to leverage their strengths better.

If Intelligence Side personnel and law enforcement desk officers interacted more frequently, intelligence analysts would understand what information is beneficial to local law enforcement on the Operations Side. Although tear line reporting is useful, better professional and personal relationships and collaboration between the two sides could elevate the quality and usefulness of the information they share.¹¹ Cross training would enable personnel to see the differences in duties and responsibilities, gain a better working knowledge of the others' capabilities, and help foster professional and personal relationships, which are integral to information sharing.

Some NOC personnel describe state and local law enforcement participation as "a coalition of the willing." Officers are detailed to the NOC and can return to their original organization with little notice, as resources within individual law enforcement agencies determine NOC staffing levels. NOC officials said that they are hesitant to expend funds to obtain higher-level security clearances for desk officers who are detailed for an indeterminate period. The NOC needs longer commitments from individual departments and their detailees before investing the resources to obtain higher-level security clearances. With a commitment from law enforcement desk officers for extended service periods, NOC officials would be more likely [REDACTED]

¹¹ A "tear line" is a demarcation on an intelligence report below which the unclassified version of a more highly classified and controlled report begins. This permits dissemination of essential information to wider audiences as it no longer contains sensitive sources and methods.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #4: Clearly define the chain of command for all personnel at the National Operations Center and clarify that personnel working in the National Operations Center report through the Senior Watch Officer on all issues affecting Department of Homeland Security operations and the Secretary's situational awareness.

Recommendation #5: Establish procedures and develop guidance to share classified information with the Operations Side in an unclassified format, including revised documents and tear lines when necessary.

Recommendation #6: Clear [redacted] personnel [redacted] to facilitate information sharing between Intelligence and Operations Side personnel.

Recommendation #7: Cross train law enforcement officers and intelligence desk officers assigned to the National Operations Center on one another's duties and responsibilities to gain a better understanding of each area of expertise.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 4. In its response, OPS management said the current NOC policy is that desk officers provide operationally relevant information to the SWO. Desk officers may also provide this information to their parent organization(s). The current NOC chain is articulated in the NOC Desk Officer Guide. OPS management said they will review the chain of command with all NOC officers and provide the us with a copy of the NOC Desk Officer Guide.

In addition to the information provided in the guide, each NOC watch shift performs an internal drill in which desk officers practice the steps they take when responding to real-world incidents. Successful completion of these drills requires execution of the chain of command. OPS management said that in 2008, the NOC conducted drills for [redacted] scenarios and has conducted [redacted] drills for scenarios in 2009. OPS management added that they will provide copies of the scenarios to us.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending our receipt of the NOC Desk Officer Guide, which articulates the current NOC chain of command and documentation of the watch shift drills in which desk officers practice the steps taken when responding to real-world incidents.

OPS Response: OPS concurred with Recommendation 5. In its response, OPS management said the NOC's Intelligence, Watch, and Warning element has standing procedures for sanitizing and sharing information at all classification levels. Requests for tear lines are processed routinely through Intelligence Community partners, unclassified information is disseminated via email, appropriately cleared information is posted to DHS portals, and classified briefings are open to all appropriately-cleared NOC personnel. Intelligence, Watch, and Warning personnel also work closely with DHS representatives at state and local fusion centers and with NOC desk officers to facilitate the sharing of intelligence information with federal, state, local, and tribal governments and private sector partners.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending our receipt of Intelligence, Watch, and Warning procedures for sanitizing and sharing information at all classification levels and tear line documentation. The tear line documentation should include copies and the number of tear lines shared with the Operations Side of the NOC for FY 2009.

OPS Response: OPS concurred with Recommendation 6. In its response, OPS management said all U.S. government full-time employees assigned to the NOC are required to possess a

The NOC prefers that all detailees possess

Many of the detailees are assigned to the NOC on rotations of six months or less.

OPS management said that the recently-created OPS Detailee Affairs Program is drafting MOUs with component and

interagency partners to establish standard operating procedures. The MOUs will stipulate longer time commitments from interagency partners. With respect to personnel detailed from the federal interagency community, home agencies must sponsor [REDACTED]. OPS will require that federal agencies sponsor their employees for [REDACTED], per DHS policy.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of MOUs with the component and interagency partners. These MOUs should require longer commitments from interagency partners and that federal agencies sponsor their employees for [REDACTED].

OPS Response: OPS concurred with Recommendation 7. In its response, OPS management said the NOC provides training to operations desk officers so they better understand how to request and use intelligence products. The NOC also provides training to intelligence analysts so they better understand the level of support needed by various operations desk officers. NOC management stated they have co-located full-time NOC personnel with law enforcement backgrounds with intelligence personnel to expedite the learning process.

OIG Analysis: We consider OPS's proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open until our receipt of materials used to train operations desk officers on how to request and use intelligence products, and intelligence analysts training materials on the level of support various operations desk officers need.

Formal Agreements With Participating Components and Agencies Are Needed

Formal agreements are needed with all agencies that detail personnel to the NOC. Formal commitments ensure that detailed personnel clearly understand their roles and responsibilities, and they are less likely to return to their original organization with little prior notice. Currently, only one Memorandum of Agreement (MOA) exists, with the Department of Defense for the National Geospatial-Intelligence Agency desk officer. The NOC needs to institute formal MOAs with all participating DHS components and external agencies.

The MOAs should define, at a minimum, the duration and commitment of the detail, the duties and responsibilities, and the professional or subject matter expertise of the detailees. DHS headquarters should initiate these formal agreements and have each agency participating in NOC operations or detailing personnel to the NOC sign an agency-specific agreement. Executing MOAs will ensure that expectations are fully met and adequately communicated to component organizations. The agreements will also provide NOC officials with the necessary level of commitment to expend resources to obtain higher-level security clearances.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #8: Establish formal Memoranda of Agreement with Department of Homeland Security components and organizations providing desk officers to the National Operations Center. The agreements should define, at a minimum, the duration of the detail, required clearance level, duties and responsibilities, and the required area and level of expertise.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 8. In its response, OPS management said they recently created a Detailee Affairs Program that will establish and coordinate MOAs with components and organizations. These MOAs will define the duration of the details, the required clearance levels, generic duties, and management responsibilities.

OIG Analysis: We consider OPS's proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending our receipt of the Detailee Affairs Program position descriptions, evidence that the positions have been filled, and copies of MOAs.

Desk Officer Training Needs Improvement

NOC managers said they had implemented an effective training program for the NOC SWO and ASWO reorganization. SWO and ASWO detailees received training that included classroom instruction, shadowing existing SWOs and ASWOs, and written

and oral examinations. They also received comprehensive study materials and an informative training handbook. However, these materials were not available to desk officers previously detailed to the NOC. Many desk officers interviewed said that an effective training program would help them understand their responsibilities and optimize their ability to achieve desired goals.

NOC managers contend that training opportunities provided to new employees are adequate, although they acknowledge that there is room for improvement. In direct contrast to statements of NOC management, several desk officers reported that they received no formal training when they began their NOC detail. These officers told us there was no guidance describing day-to-day responsibilities, and all training occurred on the job. One detailed desk officer said there was a general orientation to DHS headquarters and the Nebraska Avenue Complex. However, this did little to prepare him for duty at the NOC. The training focused on proximity to eating establishments, parking, and facility layout. This desk officer described his indoctrination to the NOC as a “trial by fire.”

NOC desk officers said that new desk officers relied heavily on other NOC personnel to train them. Some desk officers obtained individually created handbooks left by their predecessors that explained duties and responsibilities. Standard instructions would help ensure that new desk officers are aware of all aspects of their jobs.

The reliance on other NOC personnel and predecessors is problematic because detailees may be unwilling to ask questions when they need assistance or information. Desk officers need to be trained not only on their own duties and responsibilities, but also on the duties and responsibilities of all other NOC personnel. One desk officer said the NOC would benefit greatly by instituting an intensive training course on duties and responsibilities. He said that the NOC should also train detailees in the duties and responsibilities of other desks. Cross training would allow individual desk officers to understand the duties and responsibilities of their counterparts from other components better.

In addition to developing and implementing training for desk officers, NOC officials need to create an employee handbook that provides useful information to incoming detailees. An employee handbook would provide a quick reference tool to help inexperienced desk officers gain information on multiple subjects.

This handbook should familiarize desk officers with general operations, desk officer duties and responsibilities, computer systems, accessibility of programs, and proper classification procedures.

Some Desk Officers Are Not Prepared to Handle National Operations Center Duties



Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #9: Develop an orientation and training program for new desk officers on the duties and responsibilities of all National Operations Center desks. This program should include the development and distribution of a handbook that familiarizes personnel with general operations, desk officer duties and responsibilities, computer systems, accessibility of programs, and proper classification procedures.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 9. In its response, OPS management said the NOC staff has published a NOC Desk Officer Guide that includes information on general NOC operations, computer systems, available programs, and classification procedures. The NOC Desk Officer Guide continues to be updated. The staff is currently documenting the duties and responsibilities of each desk officer and will add the results to the NOC Desk Officer Guide. Additionally, the NOC has hired a training officer to focus on individual and collective training needs and issues.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending evidence that the training officer position has been filled, our receipt of detailed training plans for new desk officers, and a copy of the updated NOC Desk Officer Guide.

National Operations Center Standard Operating Procedures Are Needed

Although some NOC desk officers have developed standard operating procedures on an *ad hoc* basis, OPS has not established comprehensive operating procedures or guidance to define NOC roles and responsibilities. NOC management has noted the need for operating instructions and standing orders to help maintain consistency and accountability. However, NOC management was unable to produce formalized standard operating procedures when requested. Instead, during our fieldwork we collected operating procedures from individual desk officers, many of which were outdated or drafted by individual detailees.

NOC managers said they have not been able to establish formal standard operating procedures for each desk because the mission constantly changes. Not having standard procedures is most problematic for law enforcement desks because the frequent turnover of assigned personnel creates a need for continuity. Although law enforcement officers have created informal procedures, all desk officers told us that headquarters-driven standard operating procedures would benefit overall NOC operations. Standard procedures would provide continuity for incoming detailees.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #10: Create comprehensive standard operating procedures that define the duties and responsibilities of each desk at the National Operations Center and guide personnel on proper actions and procedures.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 10. In its response, OPS management said the NOC has a series of standard operating procedures and operating instructions in place, and the duties and responsibilities of the various desk officers are currently being added to the NOC Desk Officer Guide.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. This recommendation will remain open pending our receipt of the updated NOC Desk Officer Guide, which includes the duties and responsibilities specific to each desk assigned to the NOC.

Daily Exercises Need to Be More Realistic

NOC personnel participate in daily exercises with scenarios that address a variety of events involving multiple DHS components. While these exercises can be helpful in maintaining readiness and can facilitate information sharing, most NOC personnel told us the training scenarios are fairly basic and repetitive. Some stated that the exercises were at times factually inaccurate or unrealistic, which can be partially attributed to little input by components and scenario development by non-subject matter experts. A desk officer said, "Exercises repeat themselves and frequency is trumping quality and active, full participation." Other desk officers said the training scenarios, although helpful to new personnel, do little to challenge more experienced detailees.

To add value, the frequency and effect of exercises should be balanced, involve more participants, and include realistic and factually based scenarios to simulate real-world threats, hazards, incidents, and events. Additionally, collaboration with components would provide opportunities for the exchange of information. NOC training personnel should use component detailees to create more involved and factually accurate scenarios to equip desk officers better to handle real-world scenarios. Additionally, the NOC should enhance communication and leverage the expertise of other component watch centers to create more focused, events-driven training while practicing respective roles and responsibilities. For instance, the NOC could leverage training scenarios created by the TSOC, CBP's Commissioner's Situation Room, and the NRCC to further train NOC personnel.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #11: Enhance communication with components and leverage subject matter expertise to create exercise scenarios that include realistic and factually based scenarios [REDACTED]

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 11. In its response, OPS management said the NOC has improved coordination with components and interagency partners prior to and during training events, and the NOC continues to create more integrated training scenarios. NOC management reiterated that each NOC watch shift conducts drills. SWOs and ASWOs draft these drills, [REDACTED]

[REDACTED] They also added that they will further improve exercise scenarios and drills by involving component subject matter experts in the creation of more [REDACTED] NOC management said they recently hired a NOC training officer to focus on training needs and issues.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of documentation that demonstrates component subject matter experts' involvement in exercise scenario and drill development.

Infrastructure and Information Technology Issues Affect Collaboration

[REDACTED]

improvements are necessary to enable the NOC to realize its full potential as DHS' principal operations center for providing situational awareness for federal, state, local, and tribal governments in the event of a natural or manmade disaster or act of terrorism.

Personnel Would Benefit From an Upgraded Facility or Build-out

Most NOC personnel we spoke with said the current facility is inadequate to support the NOC's unique demands. The building housing the NOC cannot accommodate the number of personnel required to operate a watch operation of its size. NOC personnel said the need to update the facility is self-evident, and we agree.

NOC management is aware that the facility is inadequate and has made efforts to relocate. On June 29, 2007, DHS' Undersecretary for Management submitted a letter to Congress requesting a reallocation of approximately \$25 million to fund construction of a new NOC facility at the department's TSOC in Herndon, Virginia. Although congressional officials recognized the "significant limitations of the existing facility," Congress did not approve the reallocation of funds. The response to the request is in Appendix H.



All NOC personnel we spoke with expressed the need for a significant build-out of current facilities or a complete relocation to a new or better equipped facility. Additionally, many personnel suggested that the NOC would benefit from being co-located with the TSOC or the NICC to enhance professional relationships. They said the existing building and infrastructure could not be improved sufficiently to support operations, and thought that having a structure near another watch center would improve synergy and situational awareness.

Deficiencies Exist in Equipment and Information Technology Support

We observed [redacted] equipment and IT deficiencies at the NOC; management did not provide us with statistics on equipment outages and IT support requests. [redacted]

Despite assurances by managers that the situation has improved, most NOC personnel we spoke with indicate that issues [redacted]

[REDACTED]

NOC Intelligence Side desk officers use multiple systems and monitors at each workstation to access classified and unclassified information. When one of the monitors or hard drives fails to operate, personnel use unclassified systems at one workstation to access unclassified systems and augment their usage with classified systems at another workstation. This “leapfrogging” between workstations has lasted for as long as three days. On a few occasions, analysts have gutted some computers to use parts for others, rather than wait for IT support.

Many equipment issues stem from the wear and tear [REDACTED]

[REDACTED] Dust and fluctuations in temperature affect hard drives and other equipment such as servers and copiers. Deficiencies are not limited to hardware, but also extend to software.

[REDACTED]

[REDACTED]

[REDACTED] I&A personnel said that system malfunctions sometimes complicate the sharing of necessary information with senior leadership during [REDACTED] briefings.

Although equipment issues and response times are major factors affecting NOC operations, a detailed analysis of related data could not be conducted because appropriate tracking mechanisms are not in place. OPS were unable to provide relevant data related to the frequency of equipment failures and IT support requests. Tracking and cataloging such data would enable NOC personnel to analyze problem areas, identify trends, and determine possible solutions to equipment issues better.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #12: Provide onsite 24/7 technical support for [redacted] Information and communications systems in the National Operations Center, and ensure the capability [redacted] exists, so that management can address problem areas related to equipment failures and deficiencies in information technology support.

Recommendation #13: Invest in [redacted] computer technology to address [redacted] deficiencies and [redacted] issues at the National Operations Center.

Recommendation #14: Communicate to all personnel their ability to access the Homeland Security Information Network on their individual workstations, and formally train all personnel on its situational awareness and information sharing capabilities.

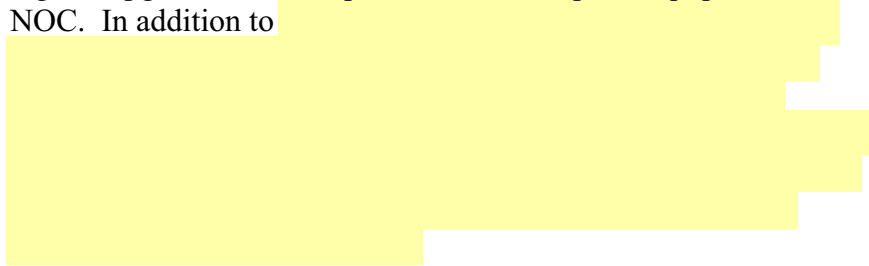
Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 12. In its response, OPS management said a process and application to [redacted] in use by the NOC. OPS management added that they do not have the resources required for onsite 24/7 technical support. [redacted]

A [redacted] report summarizing identified problems and associated corrective actions is provided to the Office of the Chief Information Officer and OPS' Chief Information Officer.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of OPS' requests for onsite 24/7 technical support to the NOC, and copies of the weekly reports used to summarize identified problems and associated corrective actions for FY 2009.

OPS Response: OPS concurred with Recommendation 13. In its response, OPS management said it contributes to a Working Capital Fund for the specific purpose of providing funding to the DHS Office of the Chief Information Officer, which is responsible for refreshing/replacing OPS IT equipment. Currently, the only NOC computers being replaced are those that stop functioning. The OPS Chief Information Officer is working with the DHS Office of the Chief Information Officer to finalize a plan for regular upgrades to and replacement of computer equipment in the NOC. In addition to



OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The response to the recommendation will remain open pending our receipt of the final plan that specifies the timeline for equipment replacement.

OPS Response: OPS concurred with Recommendation 14. In its response, OPS management said all operations, intelligence, emergency management, and law enforcement personnel in the NOC are trained on and have access to HSIN. Individuals are provided the requisite password, granted access to various communities of interest, and receive training on how to log on to and navigate HSIN.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open until OPS provides us with documentation of a formal training plan that includes training requirements for HSIN.

Staffing Inefficiencies Need to Be Addressed

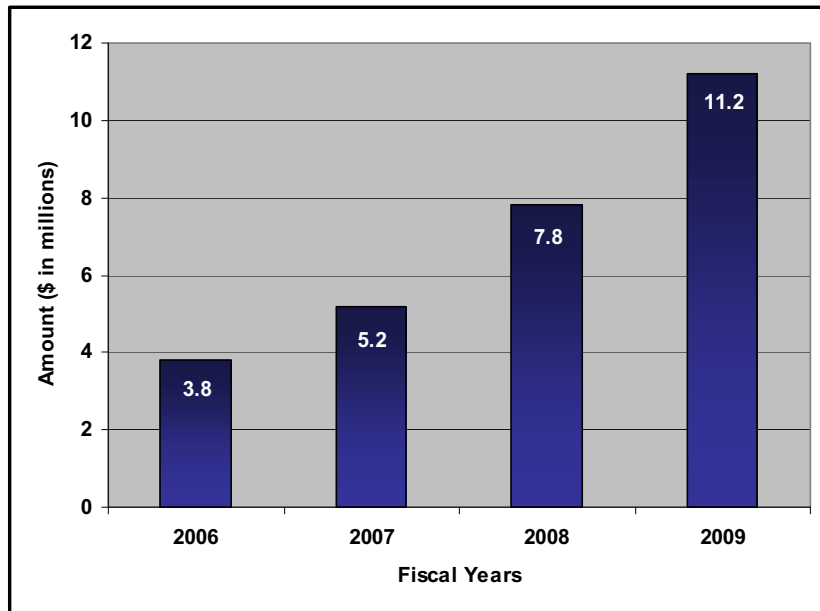
Although NOC officials have made some progress concerning staffing, inefficiencies that could affect information sharing remain. For example, some key NOC operations are dependent on contract support personnel. Should current contractor support be removed, the continuity of NOC operations and information sharing could be disrupted, as contractors have taken on increased duties and responsibilities.

Some contractors may be performing inherently governmental functions. For example, one contractor has program manager responsibilities and oversees seven NOC functions: the fusion desk, the Tracker, the Knowledge Management Officer, the [redacted] representative, the Secretary's Briefing Staff, the chemical/biological/radiological/nuclear desk, the explosive incidents desk, and the state and local law enforcement desks. The contractor is also performing all fusion desk duties. While a review to determine whether NOC contractors are performing inherently governmental functions is outside the scope of this review, we believe the issue warrants further attention by our office.

National Operations Center Reliance on Contract Support Has Increased

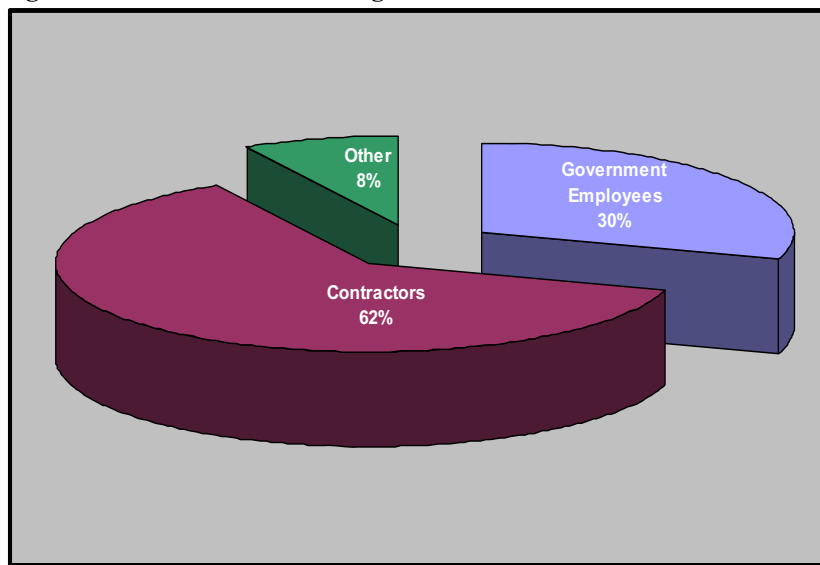
The NOC relies heavily on contractor staff to perform its mission functions. Since FY 2006, the NOC's use of contractors has increased 195%. Sixty-two percent of the NOC's FY 2009 budget is designated for contract support. NOC management plans to spend \$11.2 million for contract support in FY 2009. By comparison, NOC management spent \$3.8 million on contractors in FY 2003 (see Figures 6 and 7).

Figure 6: NOC Contract Funding for FY 2006 to 2009



Source: OIG Analysis of NOC contracting funding data

Figure 7: NOC FY 2009 Funding Allocation



Source: OIG Analysis of NOC contracting funding data

A SWO said contractors were needed in the first three years, but that they should have been subsequently replaced with full-time federal employees. The SWO also said that contractors' technical expertise is not as important as stated by management, and some contractors' jobs could be performed by a federal government General Schedule grade 9 or 11. Another desk officer said that only a few NOC employees are federal employees and that most are contractors, which may indicate that some contractors are performing inherently governmental functions.

The NOC contracts for the Communications Watch Officer, Knowledge Management Officer, Fusion Desk Officer, Tracker, HSIN Desk Officer, Incident Management Desk Officer, and media monitoring desk officer positions, and for a NOC senior advisor. The Communications Watch Officer initiates the NOC conference calls, takes roll call of call participants, takes notes during such calls, monitors the calls for clarity, and conducts tests of each call list. The Incident Management Officer takes notes during NOC conference calls and prepares the related NOC Call Summary Report.

NOC management said the reliance on contractors is due to the need for more experienced staff and the inability to hire staff for shift work. According to NOC management, there is an effort to replace some of the contract support with full-time government employees. However, no developmental plan is in place for federal employees. A NOC manager told us the center will

gradually stop using contract support once the NOC can fill the full-time government positions, resulting in significant overall cost reductions.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #15: Continue efforts to replace contractors with full-time federal employees.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 15. In its response, OPS management said that in line with the Secretary's desire to reduce reliance on contractors, OPS developed a 4-year plan, subject to funding, to hire full-time federal employees to perform inherently governmental functions.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of the 4-year plan to hire full-time federal employees to perform inherently governmental functions.

The National Operations Center's Reorganization Planning and Execution Was Deficient

NOC management described the 2008 reorganization of the SWO and ASWO positions as an attempt to provide more variety in leadership and to help personnel deal with the high pressures and rigorous schedule associated with watch operation positions. The reorganization was also an effort to bring in the additional expertise of component watch officers. However, the reorganization has had an adverse effect on information sharing. Intelligence Side personnel are more reluctant to share information with the NOC Watch because they do not have professional relationships with personnel detailed to the NOC. In addition, one SWO could not gain access to the Intelligence Side because he did not have [REDACTED]. Instead, information had to be directed to his attending ASWO, resulting in additional delays in decision making. The reorganization's transition did not have formal plans, and managers did not explain the changes clearly to NOC personnel. NOC managers should have placed more emphasis on

developing formal plans for the transition and on communicating those plans to NOC personnel.

Reorganization Had No Formal Plans

No formal plans or training programs were in place to facilitate the NOC reorganization. Although managers assured us that such documents and training programs were in place, our interviews, data requests, and analysis do not indicate that such documents or training programs existed. The only document supplied regarding the NOC reorganization was a three-page memorandum titled “Converting the National Operations Center Senior Watch Officers and Assistant Senior Watch Officer Positions to Reimbursable Detailee Positions.” A copy of this document is in Appendix I.

The memorandum, which was signed by DHS’ Deputy Secretary, described how the reorganization “will allow component expertise to be represented at the senior level and will bring the experience Component personnel gained at the NOC back to their parent organizations.” The memorandum provides a general outline of proposed changes, but is not a detailed, formal plan.

Although NOC desk officers acknowledge the need to make assignments more sustainable, personnel stress that SWO and ASWO detailees need a vetted, established training program before taking over operations. The memorandum does not discuss training, and does not address who will pay the salaries of former SWOs and ASWOs, although it does mention that component detailees will be reimbursable. Other than the statement “a selection panel will make final selections for the position,” the memorandum includes few details relating to the application process.

There are broader implications to not having a formal plan for the reorganization. Detailees were assigned to the NOC without formal MOAs between DHS headquarters and component organizations. This is problematic in that detailed SWOs and ASWOs could be pulled back to component organizations with little prior notice. In addition, the memorandum dictates that the following components are required to nominate at least two people for the SWO and ASWO positions, respectively, by September 7, 2008:

- CBP
- Federal Emergency Management Agency

-
- U.S. Immigrations and Customs Enforcement
 - Transportation Security Administration
 - U.S. Citizenship and Immigration Services
 - U.S. Coast Guard
 - U.S. Secret Service

These components provided fewer applicants than expected, and the deadline was extended. However, the reorganization had already been announced to NOC personnel, and a number of SWOs and ASWOs left for new positions. This situation could have created a significant leadership vacuum at the SWO and ASWO level. Formal planning documents for the reorganization would have provided viable contingency plans to assist NOC management in addressing such unforeseen staffing issues.

Managers Were Not Transparent Regarding Proposed Changes and Were Unreceptive to Suggestions

Despite efforts to communicate the reorganization to components, NOC managers' communications with NOC personnel were not transparent regarding the proposed changes to the SWO and ASWO positions. Although the reorganization was announced to NOC employees in May 2008, affected personnel were not provided formal guidance regarding staffing changes. A NOC employee told us "it was as if the hammer had dropped, and the floor was numb." Another SWO reported that the SWOs and ASWOs were told they needed to find other employment by October 1, 2008. Since their positions were not being eliminated and staff did not fall under reduction in force provisions, employees were not considered displaced within the department and were not eligible for unemployment assistance.

The uncertainty regarding changes to the NOC resulted in anxiety and morale issues for all NOC employees. Although the department's Office of the Chief Human Capital Officer offered assistance to affected personnel, this assistance was slow to materialize. Many SWOs and ASWOs applied for jobs outside DHS to ensure continued employment.

Reorganization plans should have provided a vehicle for input and suggestions from displaced SWOs and ASWOs. However, NOC management largely dismissed employee suggestions regarding changes. Such suggestions were often valid and would have resulted in a more effective reorganization. A number of NOC employees felt the new SWOs should be staffed from current NOC

desk officers. Such staffing would shorten the learning curve of detailed personnel and ensure that individuals possessed operational knowledge. SWOs and ASWOs also suggested keeping on some seasoned personnel to develop standard operating procedures and operating instructions. Finally, NOC personnel cautioned management about the amount of time it takes to clear personnel to the [REDACTED]. As a result of delays in the [REDACTED] process, one of the component SWOs has been excluded from the NOC's Intelligence Side. Similar delays in the [REDACTED] process could result in negative effects on future information sharing between the Intelligence and Operations sides.

Reorganization Timing Was Problematic

The reorganization's timing was problematic. The replacement of SWOs and ASWOs was scheduled during a series of important national events. NOC personnel felt the impending elections, ongoing hurricane season, planning for the presidential inauguration, and the resulting change of administration created a high-stress period and was not the appropriate time to reconstitute NOC leadership. These operational concerns likely resulted in the decision by NOC management to delay the transition past the original date of October 1, 2008. Nevertheless, some component detailees assumed responsibility for NOC operations in January 2009, one week before the inauguration.

Had a significant event occurred, NOC desk officers expressed uncertainty as to whether component detailees possessed the knowledge, expertise, and experience to initiate an appropriate response. A desk officer expressed concern because the elections and resulting change in administrations presented a prime opportunity for terrorists to strike. Another NOC employee said that even without the elections, the new SWOs and ASWOs would face a steep learning curve. Regardless of the possible effects of the reorganization, NOC personnel will experience another period of transition in two years, when all recently detailed staff complete their rotation and return to their parent organizations.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #16: Develop formal planning documents and internal guidance for all future staffing changes or organizational

realignments, to enhance effective, timely, and accurate information sharing and continuity of operations.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 16. In its response, OPS management said that during the last two years, staffing changes and organizational realignments have reflected the implementation of the Mission Blueprint study conducted for OPS by Booz Allen Hamilton and delivered to OPS in March 2007. Further changes based on new requirements and additional mission taskings continually need to be reconciled with the organizational structure and capabilities that were previously outlined in the Mission Blueprint. OPS management added that they will develop a formal plan, which will establish procedures to ensure continued operations regardless of staffing changes.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of the formal plan that ensures continued operation when faced with staffing changes.

Intelligence Side Would Benefit From Component Detailees

The NOC's Intelligence Side would benefit from increased involvement of component intelligence officers in day-to-day operations. NOC management said the center's reorganization was intended to increase component involvement and leverage the expertise of subject matter experts to improve information sharing. However, DHS component detailees are largely limited to the Operations Side. Although the Intelligence Side is staffed with multiple desk officers, there is only one component detailee from the U.S. Secret Service. Additional Intelligence Side detailees could enhance component relationships, while also providing for a more effective exchange of information.

Detailed intelligence officers would enable the NOC to leverage specific areas of expertise to fulfill its mission better. In addition, individual DHS components would benefit from increased information sharing as detailees gain valuable insight into watch and warning functions. At the conclusion of their detail, NOC desk officers will have developed key skills and abilities that contribute to the overall mission of their component. As a result, detailed intelligence officers would gain institutional knowledge

and professional contacts necessary to link departmental information gathering efforts in the field with efforts at DHS headquarters.

Recommendations

We recommend that the Director of the Office of Operations Coordination and Planning:

Recommendation #17: Augment the Intelligence Side of the National Operations Center with intelligence officer detailees from DHS components to enhance relationships and facilitate information sharing.

Management Comments and OIG Analysis

OPS Response: OPS concurred with Recommendation 17. In its response, OPS management said that while this recommendation is fully supported by OPS, it is problematic for components due to the limited number of component intelligence analysts. To further diversify the NOC's human capital resources, the OPS Director will formally request intelligence analysts and officers from the components via the DHS Under Secretary for Intelligence and Analysis.

OIG Analysis: We consider OPS' proposed actions responsive to the recommendation, which is resolved and open. The recommendation will remain open pending our receipt of documentation that OPS has solicited the DHS Under Secretary for Intelligence and Analysis regarding detailing intelligence analysts to the NOC and the disposition of those requests.

Conclusion

Although OPS has made significant progress at the NOC, a number of areas require improvement. Organizational, administrative, infrastructure, IT, and staffing obstacles continue to hinder NOC information sharing and collaboration. Federal laws such as the *Homeland Security Act of 2002* and the *Post Katrina Emergency Management Reform Act of 2006* require the NOC to serve as the principal DHS operations center and provide situational awareness for the federal government and for state, local, and tribal governments as appropriate. However, because the NOC does not possess the operational capacity or authority to require DHS components

and other watch centers to channel information through the NOC Watch to key decision makers, it is unable to meet these requirements.

NOC information sharing is further hindered by administrative concerns, including disparities in security clearance levels among personnel, a need for formal MOAs, and an absence of official standard operating procedures. NOC management acknowledges inadequacies related to infrastructure, but has been unable to gain funding and approval for a sufficient build-out of the current facility or construction of a new facility. Furthermore, NOC officials need to address significant staffing inefficiencies to improve overall operations and effectiveness. OPS is overly reliant on contract support personnel to fill NOC positions, and recent staffing changes have been deficient in both planning and execution.

To complete its mission successfully, the NOC needs support from key executive department officials and stakeholders. To this end, DHS leadership needs to emphasize the NOC's importance in enhancing information sharing efforts throughout DHS, the federal government, and with state and local entities and regional fusion centers. Specifically, components and component watch centers should be required to direct all relevant information to the NOC to ensure that critical terrorism, law enforcement, and disaster-related information reaches government decision makers timely and accurately.

As DHS leadership emphasizes the NOC's importance and key department officials provide the requisite support to its operations, the NOC will be positioned better to realize its full potential as intended by Congress—as DHS' principal operations center, providing situational awareness for the federal government and for state, local, and tribal governments, as appropriate, in the event of a natural or manmade disaster or act of terrorism.

Appendix A

Purpose, Scope, and Methodology

We assessed information sharing at the NOC in response to a request from U.S. Representative Bennie G. Thompson, Chairman of the House Committee on Homeland Security. Our review focused on the functional and organizational changes DHS made to the NOC after Hurricane Katrina to manage the flow of information better. Our objectives were to determine whether:

- New procedures instituted ensure that incoming reports are appropriately directed within the center;
- Information is reviewed and disseminated timely to key department officials; and
- Information is coordinated efficiently and effectively with other federal, state, and local government partners that have a role in response operations.

To accomplish our objectives, we reviewed the NOC's current and former processes for managing the flow of information to ensure that incoming reports are appropriately directed within the center. This included reviewing all relevant NOC and OPS regulations, policies, and procedures, as well as interviewing NOC employees.

We analyzed six past events during which information had been reviewed and disseminated to key department officials to determine whether the information reported was relevant, useful, and timely.

To assess whether information was coordinated efficiently and effectively with other federal, state, and local partners, we examined current NOC staff composition, situational awareness tools used by personnel, relevant working groups, relationships between the NOC and mission partners, participation in training and joint exercises, and processes used to communicate real-time information to DHS leadership.

Although our review focused on DHS headquarters personnel, we interviewed more than 100 NOC staff, as well as others from DHS components and mission partners. For comparative purposes, we also visited coordination and operations centers in the Washington, DC, metropolitan area. We visited the department's NRCC, Mount Weather Facility, NICC, TSOC, U.S. Coast Guard Command Center, CBP's Commissioner's Situation Room, NTC-Passenger, and NTC-Cargo. In addition, we visited other federal department operation centers, such as the Office of the Director of National Intelligence's National Counter Terrorism Center and the

Appendix A
Purpose, Scope, and Methodology

Department of Defense's National Joint Operations Intelligence Center.

Our fieldwork began in June 2008 and concluded in April 2009. We initiated this review under the authority of the *Inspector General Act of 1978*, as amended, and according to the "Quality Standards for Inspections," issued by the President's Council of Integrity and Efficiency.

Appendix B Management Comments to the Draft Report

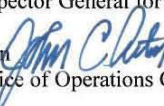
Office of Operations Coordination
and Planning
U.S. Department of Homeland Security
Washington, DC 20393



Homeland
Security

October 26, 2009

MEMORANDUM FOR: Carlton I. Mann
Assistant Inspector General for Inspections

FROM: John C. Acton 
Director, Office of Operations Coordination and Planning

SUBJECT: Response to the Office of Inspector General (OIG) Report on
"Information Sharing at the National Operations Center"

The Office of Operations Coordination and Planning (OPS) appreciates the opportunity to comment on the DHS OIG Report on "Information Sharing at the National Operations Center." The National Operations Center (NOC) continues to make improvements in providing situational awareness for all threats/hazards in order to prevent, protect, respond to, and recover from a natural or man-made disaster or act of terrorism. The NOC also continues to be at the forefront of information sharing across the Department and across Federal, State, tribal, and local government sectors.

The report highlights many legitimate issues regarding information sharing -- some we are currently addressing, along with several substantial issues that still require attention. Based on our internal review, I offer the following updates regarding our work-in-progress for ongoing NOC initiatives that address the OIG Report's recommendations.

Recommendation #1. Engage senior Department of Homeland Security headquarters and Component officials to explore options for improving the timeliness of Component and operation center reporting to the National Operations Center.

OPS concurs with this recommendation and is continuing to work to institutionalize the reporting process. As stated in the National Response Framework, the NOC serves as the National Fusion Center, and Federal departments and agencies "should report information regarding actual or potential incidents requiring a coordinated Federal response to the NOC." For events falling outside of the National Response Framework, DHS Directive # 252-06 and DHS Instruction # 252-06-001 establish the DHS operational reporting requirements. The directive and instruction apply to U.S. Citizenship and Immigration Services (USCIS), U.S. Coast Guard (USCG), U.S. Customs and Border Protection (CBP), Domestic Nuclear Detection Office (DNDO),

Appendix B

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U.S. Immigration and Customs Enforcement (ICE), U.S. Secret Service (USSS), Transportation Security Administration (TSA), and U.S. Visitor and Immigrant Status Indicator Technology Program Office (US-VISIT); the instruction includes time and frequency of reporting requirements. OPS recently conducted an initial assessment of Component reporting, and will soon brief the Component Operations Deputies on the results of the assessment. OPS intends to revise the reporting instruction within the next three months and will work to address Component and operation center directives that conflict with DHS reporting instructions.

Recommendation #2. *Ensure that the National Operations Center's mission focus, as the National Fusion Center, emphasizes all-hazard response readiness, and that its mandate to provide situational awareness for the Federal government and for State, local, and tribal governments as appropriate, during a natural or manmade disaster or act of terrorism, is clearly articulated.*

OPS concurs with this recommendation. Federal law has established the NOC's mission as described in the recommendation. As stated in the Homeland Security Act of 2002, the "NOC is the principal operations center for DHS, and it shall provide situational awareness and a common operating picture for the entire Federal government, and for State, local, and tribal governments as appropriate, in the event of a natural disaster, act of terrorism, or other man-made disaster." The National Response Framework identifies the NOC as the National Fusion Center, and in this capacity, the NOC fulfills its mission by fusing information from State fusion centers and law enforcement, intelligence, emergency response, open source, and private sectors. The NOC disseminates this information to its Homeland Security partners.

With respect to meeting the needs of these Homeland Security partners, the NOC also fulfills its legislated mission in the following ways: providing broad, 24/7 all-threats, all-hazards situational awareness; remaining vigilant in its monitoring and tracking of activities that may threaten the Homeland; and focusing on emerging and ongoing events to prevent, protect, respond to, and recover from "a natural disaster, act of terrorism, or other man-made disaster." For example, during hurricane and wildfire seasons, the NOC maintains a heightened awareness posture regarding these potential disasters while still monitoring events across the country and abroad. OPS agrees that the NOC's current mission focus should emphasize all-threats and all-hazards response readiness, and OPS will continue to staff the NOC with Federal, State, and local partners who concentrate on prevention, protection, response, and recovery.

Recommendation #3. *Convene a multiple-Component working group, with senior watch officer participation, to evaluate whether the current review and reporting flow of information is the most efficient and effective way of delivering potential threats to senior Department leadership.*

OPS concurs with this recommendation. Multiple-Component operations center working groups currently exist, and one function of these groups is to review information reporting flows. The Director of the Operations Coordination Division chartered and hosts a bi-monthly National Capital Region Interagency Operations Center Working Group meeting and a DHS Component Operations Center Working Group meeting. Started in 2008 and 2007, respectively, these working groups discuss and vet operational

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issues, to include information reporting processes. Directors of the various operations centers attend these meetings on behalf of their respective centers, and we will encourage NOC Senior Watch Officers (SWOs) to attend. For any known events—National Security Special Events, terrorist threat exercises, hurricanes, wildfires, etc.—the working groups spend a great deal of time evaluating and tailoring the flow of information prior to the events.

Recommendation #4. *Clearly define the chain of command for all personnel at the National Operations Center and clarify that personnel working in the NOC report through the Senior Watch Officer (SWO) on all issues affecting DHS operations and the Secretary's situational awareness.*

OPS concurs with this recommendation. The current NOC policy is that desk officers provide operationally relevant information to the Senior Watch Officer (SWO). Desk officers may also provide this information to their parent organization(s). The current NOC chain is articulated in the NOC Desk Officer Guide though the chain is not always followed by all desk officers. OPS will review the chain of command with all NOC officers and will provide the NOC Officer Desk Guide to the Office of the Inspector General.

In addition to the information provided in the Guide, each NOC watch shift performs an internal drill in which desk officers practice the steps they take when responding to real-world incidents. Successful completion of the drills requires execution of the chain of command.

OPS will provide copies of these scenarios to the Office of the Inspector General.

Recommendation #5. *Establish procedures and develop guidance to share classified information with the Operations Side in an unclassified format, including revised documents and tear lines when necessary.*

These procedures are already in place in NOC, and therefore, OPS concurs with this recommendation. The NOC's Intelligence, Watch, and Warning (IWW) element has standing procedures for sanitizing and sharing information at all classification levels. Requests for tearlines are processed routinely through Intelligence Community partners, unclassified information is disseminated via email, appropriately cleared information is posted to DHS portals, and classified briefings are open to all appropriately-cleared NOC personnel. IWW personnel also work closely with DHS representatives at State and local fusion centers and with NOC desk officers to facilitate the sharing of intelligence information with Federal, State, local, and tribal governments and private sector partners.

Recommendation #6. *Clear personnel to the [redacted] to facilitate the sharing of intelligence information between intelligence and operations personnel.*

[redacted]

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Recommendation #7. *Cross train law enforcement officers and intelligence desk officers assigned to the National Operations Center on one another's duties and responsibilities to gain a better understanding of each area of expertise.*

Training intended to facilitate information sharing between NOC desk officers is already in place at the NOC, and therefore, OPS concurs with this recommendation. Currently, the NOC provides training to operations desk officers so they better understand how to request and use intelligence products. The NOC also provides training to intelligence analysts so they better understand the level of support needed by various operations desk officers. To expedite the learning process, we have co-located full-time NOC personnel with law enforcement backgrounds with intelligence personnel. This allows law enforcement and intelligence experts to share knowledge and facilitates immediate information sharing between the two communities.

Recommendation #8. *Establish formal Memoranda of Agreement with Department of Homeland Security Components and organizations providing desk officers to the National Operations Center. The agreements should define, at a minimum, the duration of the detail, required clearance level, duties and responsibilities, and the level of expertise.*

OPS concurs with this recommendation and has recently created a Detailee Affairs Program that will establish and coordinate Memorandums of Agreement (MOAs) with Components and organizations. These MOAs will define duration of the detail, required clearance level, generic duties, and management responsibilities.

Recommendation #9. *Develop an orientation and training program for new desk officers on the duties and responsibilities of all National Operations Center desks. This program should include the development and distribution of a handbook that familiarizes personnel with general operations, desk officer duties and responsibilities, computer systems, accessibility of programs, and proper classification procedures.*

OPS concurs with this recommendation. In support of the NOC Concept of Operation and Standard Operating Procedures, the NOC staff published a NOC Desk Officer Guide that includes information on general NOC operations, computer systems, available programs, and classification procedures. The NOC Desk Officer Guide continues to be updated. The staff is currently documenting the duties and responsibilities of each desk

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officer and will add the results to the NOC Desk Officer Guide. Additionally, the NOC has hired a training officer to focus on individual and collective training needs and issues.

Recommendation #10. *Create comprehensive standard operating procedures that define the duties and responsibilities of each desk at the National Operations Center and guide personnel on proper actions and procedures.*

OPS concurs with this recommendation. As stated in the response to Recommendation #9, the NOC has a series of standard operating procedures and operating instructions in place, and the duties and responsibilities of the various desk officers are currently being added to the NOC Desk Officer Guide.

Recommendation #11. *Enhance communication with Components and leverage subject matter expertise to create exercise scenarios that include realistic and factually based scenarios*

OPS concurs with this recommendation. The NOC has improved coordination with Components and interagency partners prior to and during training events, and the NOC continues to create more integrated training scenarios. As mentioned in the response to recommendation #4, each NOC watch shift conducts drills. Senior Watch Officers (SWOs) and Assistant Senior Watch Officers (ASWOs) draft these drills

As described in the response to recommendation #9, the NOC recently hired a NOC training officer to focus on training needs and issues; this training officer will facilitate Component involvement in exercise scenarios and drills.

Recommendation #12. *Provide onsite, 24/7 technical support for [redacted] and communication systems in National Operations Center, and ensure the capability [redacted] exists, so that management can address problem areas related to equipment failures and deficiencies in information technology support.*

OPS concurs with this recommendation. Although a process (and application) [redacted] in use by the NOC, the NOC does not have the resources required to provide onsite 24/7 technical support. The DHS Office of the Chief Information Officer (OCIO) provides the application currently in use, which has been in use by the DHS Help Desk for several years. Under the current process, an individual needing assistance will call the Help Desk, and a help desk officer will create a service ticket which then will be tracked through to completion. A weekly report summarizing identified problems and associated corrective actions is provided to the DHS OCIO and the OPS CIO.

Recommendation # 13. *Invest in [redacted] computer technology to address [redacted] and [redacted] deficiencies and [redacted] issues at the National Operations Center.*

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OPS concurs with this recommendation. OPS contributes to a Working Capital Fund for the specific purpose of providing funding to the DHS OCIO, which is responsible for refreshing/replacing OPS IT equipment. Currently, the only NOC computers being replaced are those that stop functioning. The OPS CIO is working with the DHS OCIO to finalize a plan for regular upgrades to and replacement of computer equipment in the NOC.

In addition to these upgrades, OPS is pursuing the development of an executive communications capability at the request of the DHS Secretary and Deputy Secretary. This requirement for executive communications includes 24/7 reliable global communications support across all security classification levels.

Recommendation #14. *Communicate to all personnel their ability to access the Homeland Security Information Network on their individual workstations, and formally train all personnel on its situational awareness and information sharing capabilities.*

All operations, intelligence, emergency management, and law enforcement personnel in the NOC are trained on and have access to the Homeland Security Information Network (HSIN). Individuals are provided the requisite password, granted access to various communities of interest, and receive training on how to log on to and navigate HSIN. OPS therefore concurs with this recommendation.

Recommendation #15. *Continue efforts to replace contractors with full-time Federal employees.*

OPS concurs with this recommendation. In line with the Secretary's desire to reduce reliance on contractors, OPS developed a 4-year plan, subject to funding, to hire full-time Federal employees to perform inherently governmental functions.

Recommendation #16. *Develop formal planning documents and internal guidance for all future staffing changes or organizational realignments, to enhance effective, timely, and accurate information sharing and continuity of operations.*

OPS concurs with this recommendation. During the last two years, staffing changes and organizational realignments have reflected the implementation of the Mission Blueprint study conducted for OPS by Booz Allen Hamilton and delivered to OPS in March 2007. Further changes based on new requirements and additional mission taskings need to continually be reconciled with the organization and capabilities that were previously outlined in the Mission Blueprint. OPS will develop a formal plan within 90 days of submitting this response, which will establish procedures to ensure continued operations in the face of staffing changes.

Appendix B

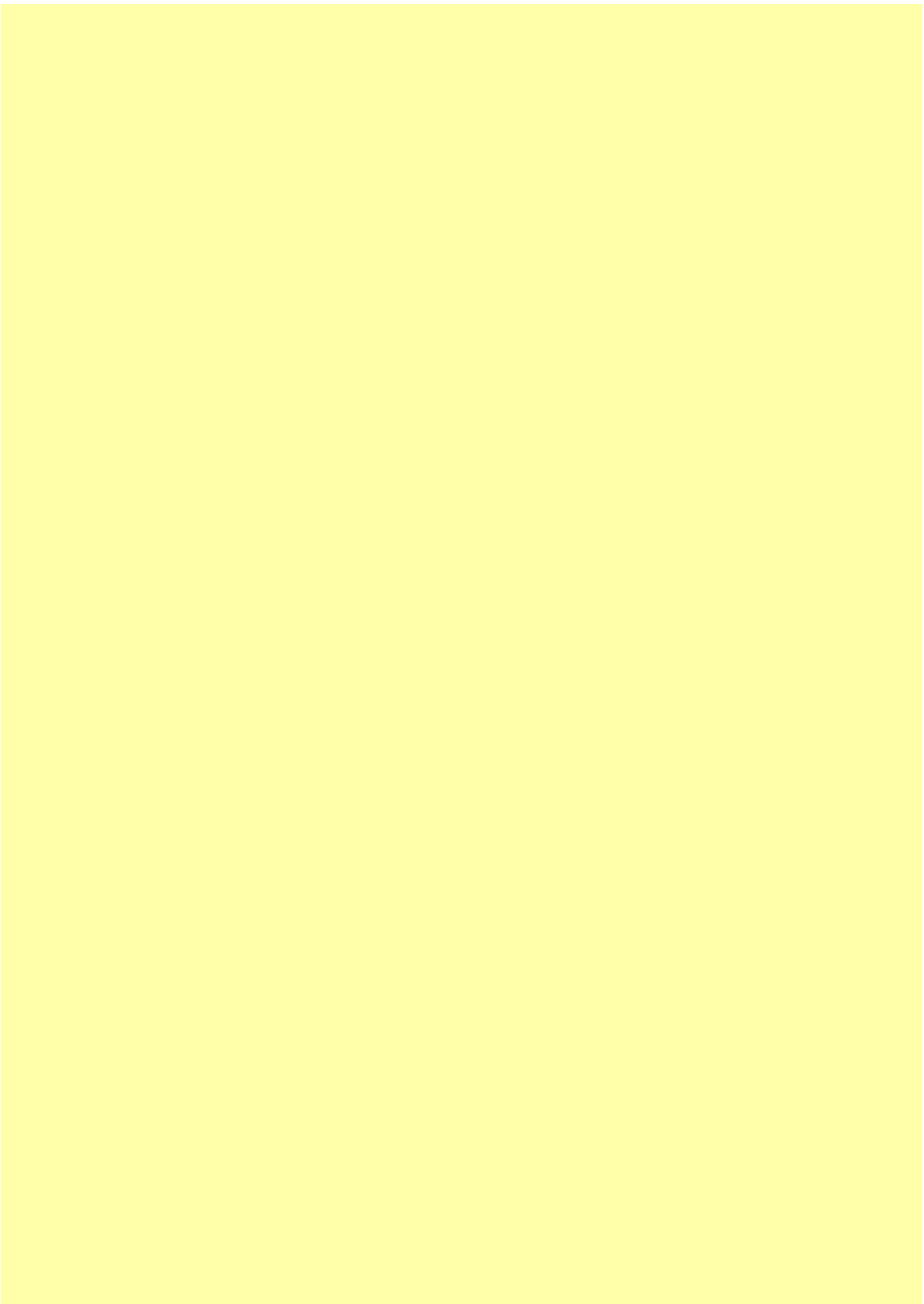
Management Comments to the Draft Report

Recommendation #17. Augment the Intelligence Side of the National Operations Center with intelligence officer detailees from DHS Components to enhance relationships and facilitate information sharing.

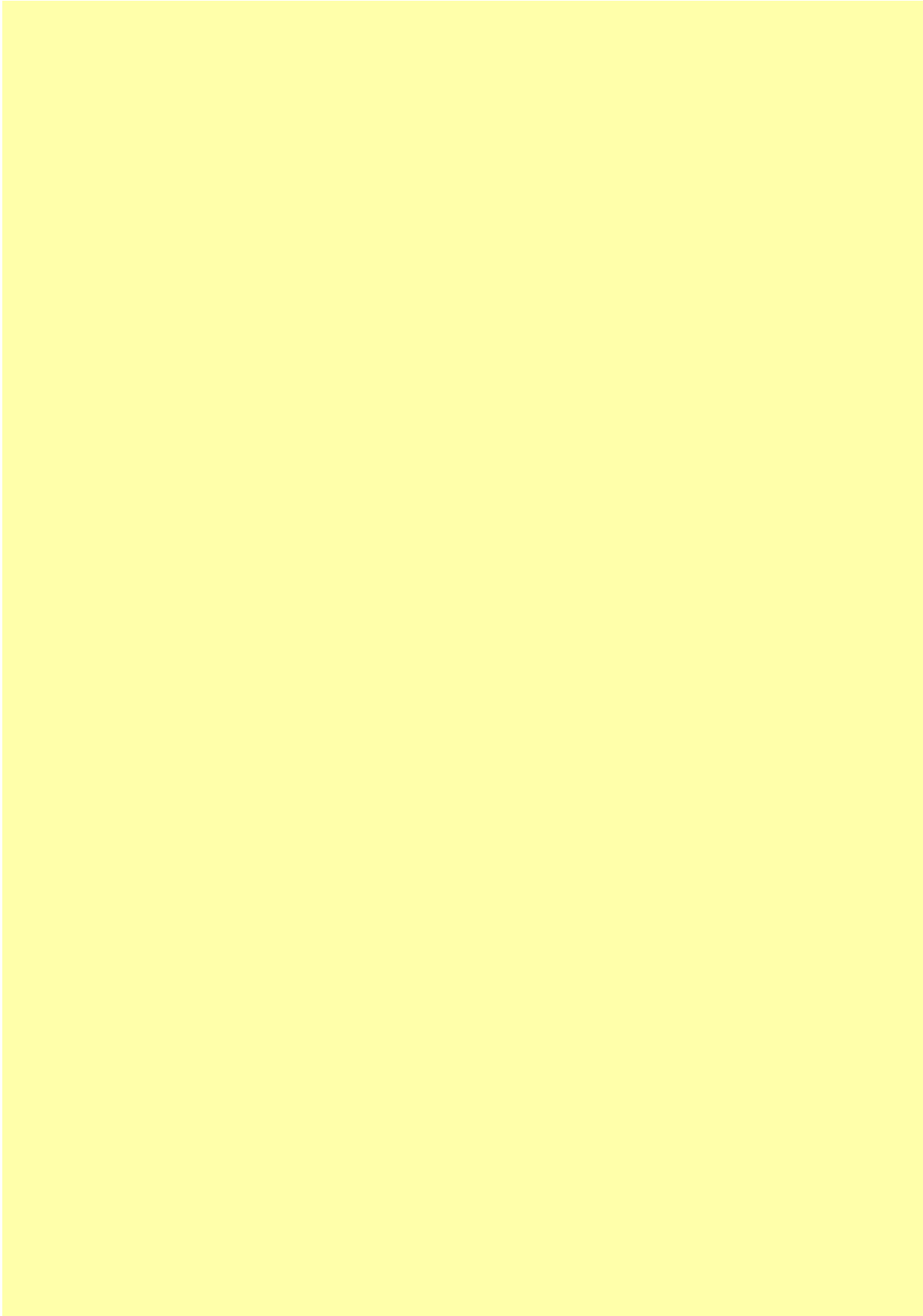
This initiative, while fully supported by OPS, is problematic for Components due to the limited number of Component intelligence analysts. In an effort to further diversify the NOC's human capital resources, the OPS Director will formally request intelligence analysts and officers from the Components via the DHS Under Secretary for Intelligence and Analysis. This request will be sent within 30 days of submitting this response.

We are listing information from the report that should be excluded from public release under separate cover.

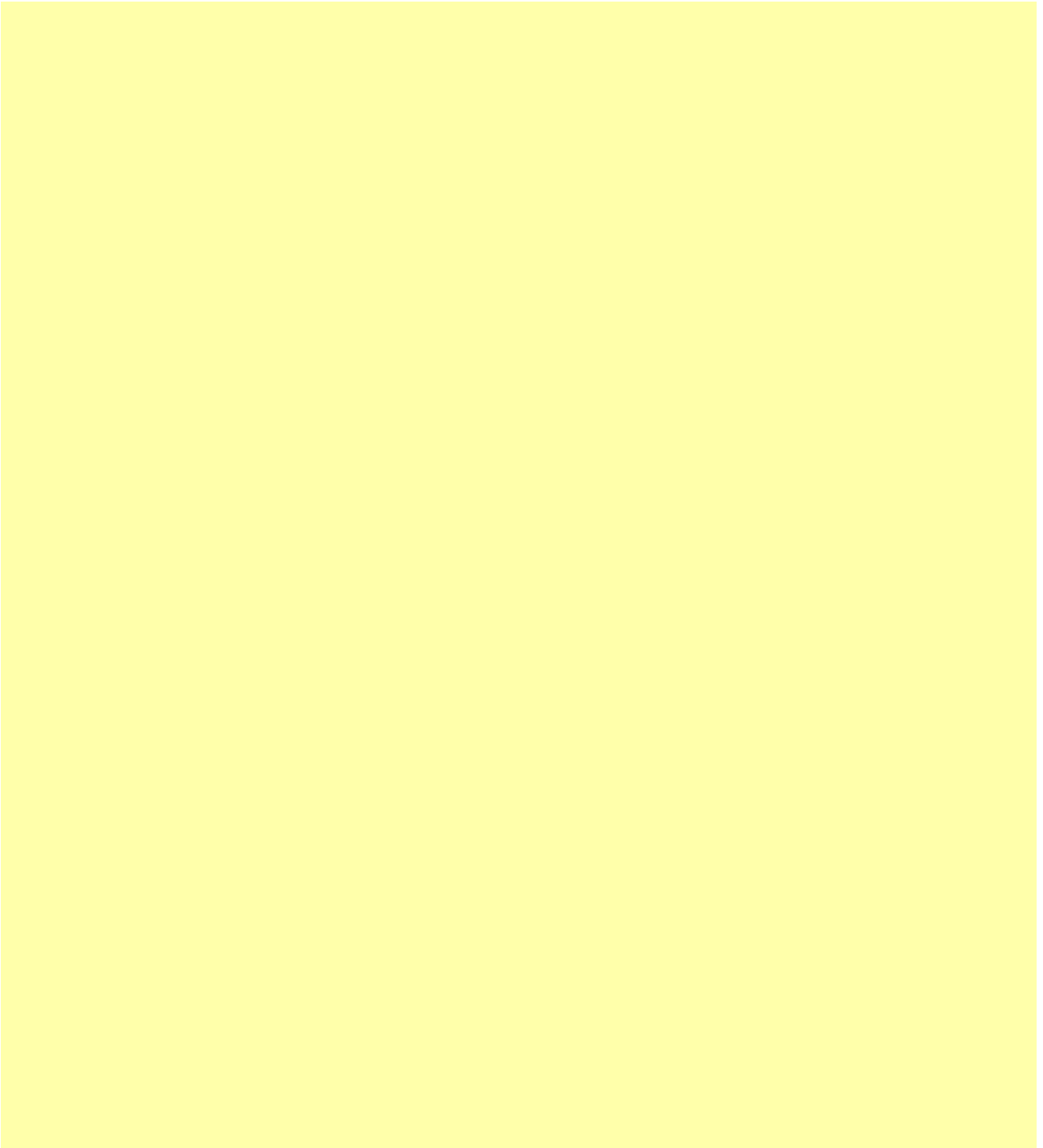
Appendix C
National Operation Center Watch Participants



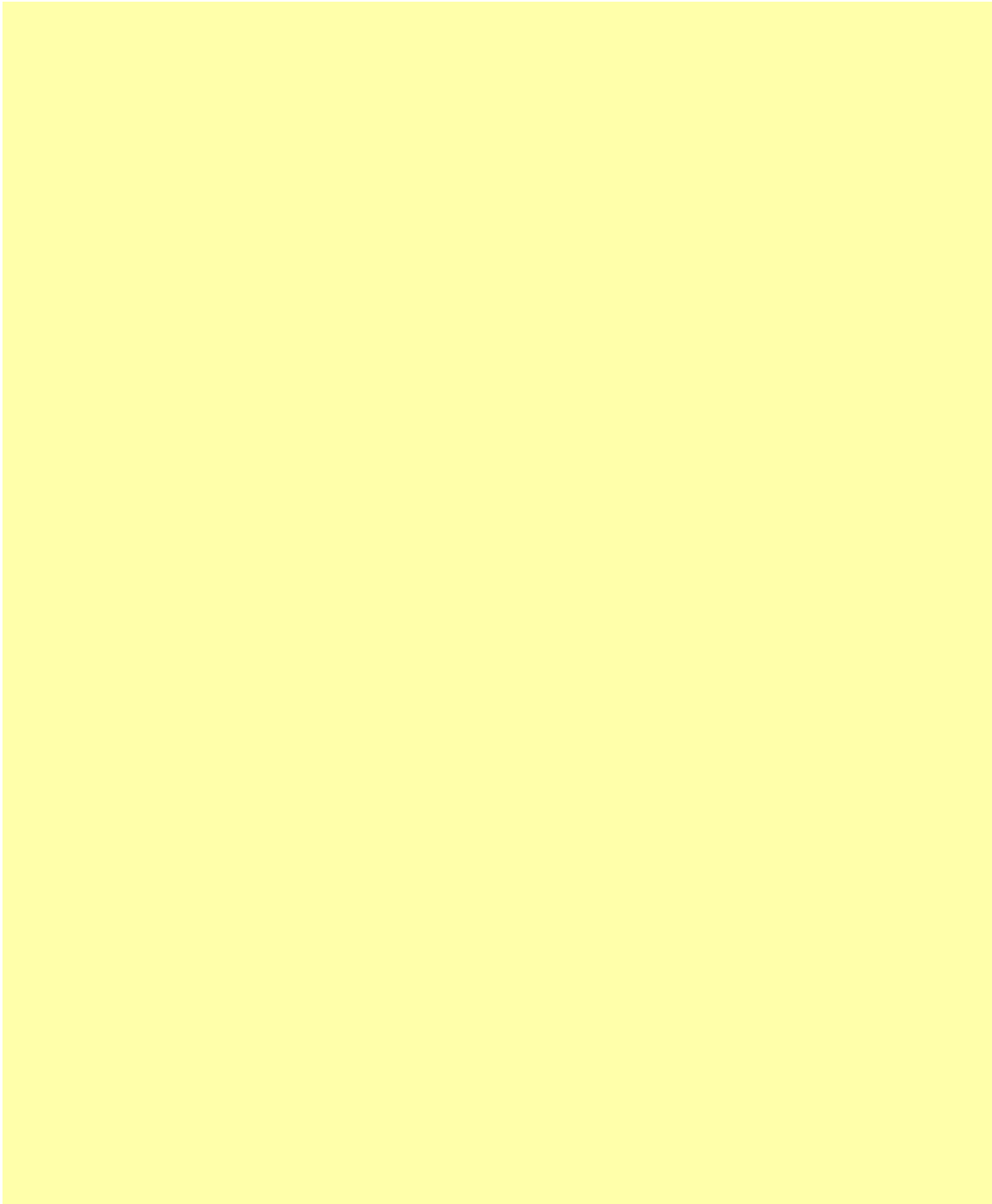
Appendix D
National Operation Center Operations and Intelligence Participants



Appendix E
National Operations Center Operational Phases and Director's Criteria



Appendix F
Key Actions, Deliverables, and Target Audience



Appendix G
DHS Operations Center Working Group Participants

U.S. Citizenship and Immigration Services Command Center

U.S. Coast Guard Command Center

U.S. Computer Emergency Readiness Team Operations Center

U.S. Customs and Border Protection Commissioner's Situation Room

Domestic Nuclear Detection Office Joint Analysis Center

Federal Air Marshal Service Mission Operations Center

Federal Emergency Management Agency Operations Center

U.S. Immigration and Customs Enforcement Operations Center

Incident Management Cell, Contingency Planning & Incident Management Division – Office of Infrastructure Protection, National Protection and Programs Directorate

National Coordination Center – National Communications System, National Protection and Programs Directorate

National Operations Center

Office of Health Affairs – National Bio-surveillance Integration Center

Transportation Security Operations Center

U.S. Secret Service Intelligence Division Duty Desk

Source: DHS Operations Centers Working Group Charter

Appendix H

Congressional Denial to Move the National Operations Center

DAVID R. OBEY, WISCONSIN, CHAIRMAN
JOHN P. MURTHA, PENNSYLVANIA
NORMAN D. DICKS, WASHINGTON
ALAN B. MULLOHAN, WEST VIRGINIA
MARCY KAPTUR, OHIO
PETER J. VISLOSKY, INDIANA
NITA M. LOWMY, NEW YORK
JOSE E. SERRANO, NEW YORK
ROSA L. DELAUNO, CONNECTICUT
JAMES P. MORAN, VIRGINIA
JOHN W. OLVER, MASSACHUSETTS
ED PASTOR, ARIZONA
DAVID E. PRICE, NORTH CAROLINA
CHET EDWARDS, TEXAS
ROBERT E. "BUD" CRAMER, JR., ALABAMA
PATRICK J. KENNEDY, RHODE ISLAND
MAURICE D. HINCHY, NEW YORK
LUCILLE ROYBAL-ALLARD, CALIFORNIA
SAM FARR, CALIFORNIA
JESSE L. JACKSON, JR., ILLINOIS
CAROLYN C. RUPATRICK, MICHIGAN
ALLEN BROYD, FLORIDA
CHAKA FATTAH, PENNSYLVANIA
STEVEN R. ROTHMAN, NEW JERSEY
SANFORD D. BISHOP, JR., GEORGIA
MARION BERRY, ARKANSAS
BARBARA LEE, CALIFORNIA
TOM UDALL, NEW MEXICO
ADAM SCHIFF, CALIFORNIA
MICHAEL HONDA, CALIFORNIA
BETTY MCCOLLUM, MINNESOTA
STEVE ISRAEL, NEW YORK
TIM RYAN, OHIO
C.A. "DUTCH" RUPPERSBERGER, MARYLAND
BEN CHANDLER, KENTUCKY
DEBBIE WASSERMAN SCHULTZ, FLORIDA
CIRO RODRIGUEZ, TEXAS

Congress of the United States

House of Representatives

Committee on Appropriations

Washington, DC 20515-6015

August 3, 2007

JERRY LEWIS, CALIFORNIA
C. W. BILL YOUNG, FLORIDA
RALPH REGULA, OHIO
HAROLD ROGERS, KENTUCKY
FRANK R. WOLF, VIRGINIA
JAMES T. WALSH, NEW YORK
DAVID L. HOBSON, OHIO
JOE KNOLLENBERG, MICHIGAN
JACK KINGSTON, GEORGIA
RODNEY F. FREUNDLISER, NEW JERSEY
ROGER F. WICKER, MISSISSIPPI
TODD TIAHRT, KANSAS
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JOHN R. CARTER, TEXAS
RODNEY ALEXANDER, LOUISIANA

CLERK AND STAFF DIRECTOR
ROB RABORS
TELEPHONE:
(202) 226-2771

The Honorable Michael Chertoff
Secretary
Department of Homeland Security
Washington, D.C. 20528

Dear Mr. Secretary:

This letter is in response to the Department's June 29, 2007, submission of fiscal year 2007 reprogramming requests for the Operations Directorate.

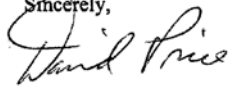
As discussed in the letter from Undersecretary Schneider, DHS has proposed reallocating \$25.01 million from a variety of agencies to the DHS Chief Administrative Officer in order to fund construction of a new National Operations Center (NOC) facility at the Transportation Security Operations Center (TSOC) building in Herndon, Virginia. While I recognize the significant limitations of the existing NOC facility, I do not approve the reallocation and expenditure of these funds at this time for the following reasons:

1. I am concerned that full cost estimates for this project have not been submitted to the Committees. For example, my staff only recently learned that the Secretary's situation room project, which will be located in the current NOC space, is estimated to cost over \$6,000,000, and funding has not been specifically appropriated or requested for this purpose.
2. No alternative funding sources have been identified in lieu of the proposed \$8.7 million reallocation from Coast Guard maintenance.
3. The Department has not yet accounted for the expenditure of \$30 million provided by Congress in fiscal years 2004 and 2005 for construction of the current NOC. I understand that the Department is now attempting to fully account for this funding, and I look forward to receiving this analysis in the near future.
4. The Department has indicated that it is contractually bound to use the construction services of the TSOC building owner to make any modifications to the facility. Because the original construction of the TSOC included several questionable activities, I believe it is critical for the Department to negotiate an amendment to the TSOC contract to permit an open competition for new TSOC construction activities.

Appendix H
Congressional Denial to Move the National Operations Center

For these reasons, I cannot approve the reprogramming request at this time. I will be happy to consider a revised proposal that addresses these concerns, and encourage your financial managers to work closely with the Committee staff to resolve these issues.

Sincerely,

A handwritten signature in cursive script that reads "David Price".

David Price
Chairman,
Subcommittee on Homeland Security

Appendix I

Deputy Secretary Request for National Operations Center Detailees

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



**Homeland
Security**

MEMORANDUM FOR: Distribution List

FROM: Deputy Secretary Schneider *Paul A. Schneider*

SUBJECT: Converting the National Operations Center Senior Watch Officers and Assistant Senior Watch Officer Positions to Reimbursable Detailee Positions

The National Operations Center (NOC) is staffed by permanent Senior Watch Officers (SWOs) and Assistant Senior Watch Officers (ASWOs). The NOC, and the Department as a whole, will be best served if these positions are filled by rotational personnel from our Components on a reimbursable basis. This change will allow Component expertise to be represented at the senior level and will bring the experience Component personnel gained at the NOC back to their parent organizations. In addition, we expect that making the SWO and ASWO positions rotational will make these demanding assignments more sustainable. Our goal is to phase in new personnel around October 1, 2008.

To replace these permanent positions with rotational personnel, Component detailees need to be identified, and the current SWO and ASWO cadre need to be reassigned into new positions. I request your assistance with both aspects of this change.

Detailees for SWO and ASWO Positions:

There are 10 SWO and 10 ASWO positions which will need to be filled by detailees. These detail assignments will be reimbursable and will last for a period of two years. Attached are the position descriptions for the SWO and ASWO positions. While the SWO position is classified as a GS-15 and the ASWO is classified as a GS-14, high performing GS-14s and GS-13s will be considered for these positions as well.

The following Components are required to nominate at least two people for the SWO and two people for ASWO positions:

- U.S. Customs and Border Protection
- Federal Emergency Management Agency
- U.S. Immigration and Customs Enforcement
- Transportation Security Administration
- U.S. Citizenship and Immigration Services
- U.S. Coast Guard
- U.S. Secret Service

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Appendix I

Deputy Secretary Request for National Operations Center Detailees

All other Components are highly encouraged to nominate personnel as well, but they are not required to do so. All qualified nominees will be interviewed, and a selection panel will make final selections for the positions. The Office of Operations Coordination and Planning (OPS) will provide all necessary training to the successful candidates.

Please provide nominations for SWO and ASWO detail assignments to the point of contact listed below by September 7, 2008.

Positions for Existing SWOs and ASWOs:

I am also asking for your assistance in finding new positions for current GS-15 level SWOs and GS-14 level ASWOs to which they will be moved through direct reassignments. The individuals currently filling these slots have a unique professional background and will bring a wealth of knowledge to their new positions. Due to the nature of their current work, they have a deep understanding of the variety of operations performed throughout DHS and have been required to interpret DHS policies in support of these operations. These employees are skilled at handling executive-level information requests and in framing responses to such requests. They have broad experience in understanding DHS interactions with the Federal interagency at the highest levels, as well as high-level State and local officials. Most SWOs and ASWOs came to DHS from other Federal entities, such as the U.S. Department of State and the U.S. Department of Defense.

The goal is to find a good fit for these employees within DHS's Components, while at the same time helping your Components fill vacancies with talented individuals. These individuals are available for reassignment starting almost immediately.

Please provide information about current openings or prospective future openings that you think may be appropriate for these employees to my point of contact below by September 7, 2008. As new positions become available in your respective Components, please keep us informed. OPS will work with the Chief Human Capital Office to circulate these opportunities among the SWO and ASWO cadre and take follow-up actions.

I appreciate your assistance, and believe that these changes will result in a net gain for the NOC, your Components, and the Department overall. Please provide all requested information including your nominations for the SWO or ASWO positions and job openings to Ruby Miller, Chief, Administration and Logistics Division, OPS, at (202) 282-0973 or ruby.l.miller@dhs.gov.

Distribution:

Citizenship and Immigration Services Ombudsman
Director, U.S. Citizenship and Immigration Services
Director, Office of Civil Rights and Civil Liberties
Commandant, U.S. Coast Guard
Commissioner, U.S. Customs and Border Protection
Director, Domestic Nuclear Detection Office
Director, Counternarcotics Enforcement

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Deputy Secretary Request for National Operations Center Detailees

Administrator, Federal Emergency Management Agency
Director, Federal Law Enforcement Training Center
Assistant Secretary, Office of Health Affairs
Assistant Secretary, U.S. Immigration and Customs Enforcement
Inspector General
Assistant Secretary, Office of Legislative Affairs
Under Secretary, Office of Intelligence and Analysis
Under Secretary, Management Directorate
Chief Financial Officer, Management Directorate
Under Secretary, National Protection and Programs Directorate
Assistant Secretary, Office of Policy
Chief Privacy Officer
Assistant Secretary, Office of Public Affairs
Director, U.S. Secret Service
Assistant Secretary, Transportation Security Administration

Appendix J
Major Contributors to this Report

Marcia Moxey Hodges, Chief Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections

Angela Garvin, Senior Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections

McKay Smith, Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff for Operations
Chief of Staff for Policy
Deputy Chiefs of Staff
General Counsel
Executive Secretariat
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
Under Secretary for Office of Intelligence and Analysis
Director for Office of Operations Coordination and Planning
Director, GAO/OIG Liaison Office
Operations Coordination Audit Liaison

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees, as appropriate



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- Fax the complaint directly to us at (202) 254-4292;
- Email us at DHSOIGHOTLINE@dhs.gov; or
- Write to us at:
DHS Office of Inspector General/MAIL STOP 2600,
Attention: Office of Investigations - Hotline,
245 Murray Drive, SW, Building 410,
Washington, DC 20528.

The OIG seeks to protect the identity of each writer and caller.