

VOLUME 2B, CHAPTER 16: “INTELLIGENCE PROGRAMS/ACTIVITIES”**SUMMARY OF MAJOR CHANGES**

Changes are identified in this table and denoted by blue font.

Substantive revisions are denoted by an (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by ***bold, italic, blue, and underlined font***.

The previous version dated July 2013 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated paragraph numbering system to consolidate classification, budget guidance requirements, and classified appeals information for the National Intelligence Program (NIP) and the Military Intelligence Program (MIP) in their own paragraphs.	Revision
All	Updated organizations, terminologies, and acronyms for relevancy.	Revision
1.0	Added the required Authoritative Guidance paragraph and moved the Definitions and Classification paragraph for the MIP and the NIP to their corresponding paragraphs.	Addition/ Revision
2.0	Created a new paragraph specific to the NIP. Modified guidance to reference all appropriations and clarify congressional requirement for whole, distinct NIP program elements. Incorporated all NIP-specific narratives from paragraphs in the previous version. Added Intelligence Community Directive 104 as reference.	Addition/ Revision
3.0	Created a new paragraph specific to the MIP. Modified guidance to reference all appropriations and clarify congressional requirement for whole, distinct MIP program elements. Incorporated all MIP-specific narratives from paragraphs in the previous version. Added the Department of Defense Financial Management for Sensitive Activities Security Classification Guide as reference.	Addition/ Revision

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CHAPTER 16

INTELLIGENCE PROGRAMS/ACTIVITIES

*1.0 GENERAL

1.1 Purpose

This chapter provides instructions applicable to budget formulation, implementation, and additional specific guidance regarding congressional justification material for the National Intelligence Program (NIP) and the Military Intelligence Program (MIP) Aggregations.

Volume 2A, Chapter 1 provides general guidance regarding classification of budget material.

1.2 Authoritative Guidance

The financial management and requirements prescribed by this chapter are in accordance with the applicable provisions of:

1.2.1. Title 50, United States Code, (50 U.S.C.), “War and National Defense”

1.2.2. Public Law 235 (P.L. 235), “National Security Act”

1.2.3. Executive Order 12333, (EO 12333), “United States Intelligence Activities”

1.2.4. EO 12958, “Classified National Security Information”

1.2.5. DoD Directive 5143.01, (DoDD 5143.01), “Under Secretary of Defense for Intelligence and Security (USD(I&S))”

1.2.6. DoDD 5205.12, “Military Intelligence Program”

1.2.7. Intelligence Community Directive 104, (ICD 104), “NIP Budget Formulation, Execution, and Performance Evaluation”

1.2.8. DoD Financial Management for Sensitive Activities Security Classification Guide (FM-SA SCG)

*2.0 NATIONAL INTELLIGENCE PROGRAM (NIP)

The NIP provides integrated intelligence that covers broad aspects of national policy and national security. The portion of the NIP contained in the Department of Defense (DoD) Budget contributes substantially to meeting Defense intelligence requirements and may also contain programs/activities in support of elements of the United States Government outside the DoD.

2.1 NIP Classification

2.1.1. The Office of the Director of National Intelligence (ODNI) determines classification of U.S. Intelligence funding and manpower information, pursuant to EO 12958, Section 1.5(c); EO 12333, Section 1.5(g), and the DNI's authorities under the National Security Act of 1947.

2.1.2. NIP resource information in all DoD databases must be classified as shown in paragraphs 2.1.2.1 thru 2.1.2.4 unless other specific NIP program guidance in effect requires higher classification. NIP resource information for military construction and family housing for defense agencies are exempt and must be maintained and presented as unclassified.

2.1.2.1. Information which, standing alone or in aggregate, reveals any Program Element (PE) total or DoD Component total funding or manpower requirements of any program in the NIP will be classified SECRET.

2.1.2.2. Information that permits the disclosure of any PE total or the funding or manpower requirements of any program in the NIP, for example, through a subtractive process, will be classified SECRET.

2.1.2.3. Whenever NIP funding and manpower information is combined with other unclassified programs in such a way as to effectively mask the NIP resource PE total, such combined resource PE total may be treated as unclassified.

2.1.2.4. Forward requests for clarification of the foregoing classification guidance to the Office of the Under Secretary of Defense for Intelligence and Security (OUSD(I&S)). The OUSD(I&S) will coordinate questions of application with the ODNI and disseminate responses to all interested DoD Components.

2.2 NIP Budget Submission Requirements

2.2.1. DoD Components with NIP Special Program Codes (SPCs) will prepare and provide NIP Congressional Budget Justification Books (CBB) in accordance with guidance provided by the ODNI. Coordinate Decision Documents affecting elements of the NIP with the ODNI, the Office of the Under Secretary of Defense Comptroller (OUSD(C)) and the OUSD(I&S). The OUSD(C), Program/Budget (P/B), Investment Directorate will ensure that the DNI Chief Financial Officer (CFO) has an opportunity to review and provide comments.

2.2.2. The DoD Components will implement ODNI's ICD 104 and Military Personnel Resources Programming and Budgeting Policies and Procedures when developing NIP military personnel cost estimates for the budget submission.

2.2.3. The CBJB will incorporate an Intelligence Community (IC) project to PE crosswalk exhibit at the R-1, P-1, and OP-1 levels to help satisfy continuous congressional budget reconciliation and visibility requirements. DoD Components must continue to show steady, measurable progress toward achieving fully captured, whole, distinct, NIP data elements for all appropriations (Research, Development, Test, and Evaluation (RDT&E); Procurement (PROC); Operation and Maintenance (O&M); Military Construction (MILCON); and Military Personnel (MILPERS)) identified by NIP SPC. NIP resources will not be shared or aligned to Non-NIP PEs.

2.2.4. The ODNI will deliver one hardcopy and compact disk (CD) of NIP program and budget materials prescribed by the ODNI to the OUSD(C), P/B, Investment Directorate, Pentagon, Room 3C749, at the same time they are delivered to the Office of Management and Budget (OMB).

2.3 NIP Classified Appeals

2.3.1. Classified appeals may supplement actions included in the overall Defense Appeal where security considerations have dictated a less than complete justification. Prepare classified appeals at the appropriate level of classification to fully explain and justify the action. The ODNI will determine the appeals format and content.

2.3.2. Classified appeals will be consistent with the Secretary of Defense (SecDef) policy direction as articulated by the OUSD(C) and, in the case of appeals to legislative provisions, also as articulated by the Office or the General Counsel and the Deputy SecDef. Coordinate all NIP appeals with the OUSD(I&S), the OUSD(C) and the OMB before release to the House Permanent Select Committee on Intelligence (HPSCI), the Senate Select Committee on Intelligence, the House Appropriations Committee (HAC), and the Senate Appropriations Committee (SAC).

*3.0 MILITARY INTELLIGENCE PROGRAM (MIP)

The MIP consists of programs, projects, or activities that support the SecDef's intelligence, counterintelligence, and related responsibilities as outlined in DoD Directive 5205.12. This includes those intelligence and counterintelligence programs, projects, or activities that provide capabilities to meet warfighters' operational and tactical requirements more effectively. The term excludes capabilities associated with a weapons system whose primary mission is not intelligence, along with all, programs, projects, and activities under the NIP.

3.1 MIP Classification

3.1.1. MIP projects, individual PEs and line items may be classified or unclassified according to content, unless disclosure of such a total would allow derivation of classified totals. The total DoD funding for MIP is classified SECRET.

3.1.2. Intelligence project resource data will be sorted, aggregated, and used in different ways. It is essential that DoD Components comply with DoD FM-SA SCG and the OUSD(I&S) and the OUSD(C) receive DoD Component current SCGs to avoid inadvertent, unauthorized disclosure of classified information. Additionally, DoD Components are responsible to review and validate their project level classification and include SCG compliance statements in their Congressional Justification Book (CJB) validation memorandum submitted to OUSD(I&S).

3.2 MIP Budget Submission Requirements

3.2.1. The OUSD(I&S) will provide complementary MIP CJB guidance. The CJB is a functional aggregation of the MIP portion of the DoD request, containing program justification and resource highlights that must be consistent with and directly auditable to all DoD justification materials (e.g., R-2, P-40, OP-5) and any other DoD justification books that address the same resources.

3.2.2. The OUSD(I&S) will task DoD Components annually to provide SCG for each project, along with a citation of the source of classification and any other security classification guidance unique to the organization that may be pertinent to the MIP.

3.2.3. In accordance with Vol 2A/B, Chapters 3, 4 and 5, each DoD Component identified in DoDD 5205.12, with resources delineated by SPC 296, 355, 365, or 398 will prepare DoD justification materials for each appropriation. Classified justification materials will contain sufficient detail needed to fully justify the classified portion of the request, without the use of supplemental justification materials.

3.2.4. The CJB will incorporate a MIP project to PE crosswalk exhibit at the R-1, P-1, and O-1 levels to help satisfy continuous congressional budget reconciliation and visibility requirements. DoD Components must comply with achieving fully-captured, whole, distinct, MIP data elements for all appropriations (RDT&E, PROC, O&M, MILCON, and MILPERS) identified by SPC 296, 355, 365, or 398. MIP resources will not be shared or aligned to non-MIP PEs.

3.2.5. DoD Components will submit one hardcopy and PDFs of their classified R-2, P-40 or OP-5 and the OUSD(I&S) will deliver one final MIP hardcopy and PDFs of all volumes directly to the OUSD(C), P/B Investment Directorate, Pentagon, Room 3C749, at the same time as the unclassified details. The OUSD(C) will review and combine all DoD Component classified exhibits (SECRET and TOP SECRET) as a classified Defense-wide volume exhibit before releasing to OMB.

3.3 MIP Classified Appeals

3.3.1. Classified appeals may supplement actions included in the overall Defense Appeal where security considerations have dictated a less than complete justification. Prepare classified appeals at the appropriate level of classification necessary to fully explain and justify the action. Unclassified MIP appeals will follow normal procedures per additional guidance.

3.3.2. Classified Appeals will be completely consistent with the SecDef policy direction as articulated by the OUSD(C) and, in the case of appeals to legislative provisions, also as articulated by the Office or the General Counsel and the Deputy SecDef. The OUSD(I&S) will prepare classified appeals for the MIP and must coordinate with the OUSD(C), the ODNI CFO and the OMB before release to the House Armed Services Committee, Senate Armed Services Committee, HAC, and SAC, and HPSCI.