

**UNCLASSIFIED**

|   |        |        |        |        |  |        |        |                       |            |
|---|--------|--------|--------|--------|--|--------|--------|-----------------------|------------|
| RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)                     |        |        |        |        |  |        |        | DATE<br>February 2002 |            |
| APPROPRIATION/BUDGET ACTIVITY<br>RDT&E, DEFENSE-WIDE, Budget Activity 7 |        |        |        |        | R-1 ITEM NOMENCLATURE<br>Program Element (PE) Name and No.<br><b>Defense Joint Counterintelligence Program</b><br><b>PE 0305146D8Z</b> |        |        |                       |            |
| <i>COST (In Millions)</i>   | FY2001 | FY2002 | FY2003 | FY2004 | FY2005   | FY2006 | FY2007 | Cost to Complete      | Total Cost |
| Total Program Element (PE) Cost   | 0      | 17.939 | 6.058  | 6.442  | 6.802  | 6.926  | 7.059  | Continuing            | Continuing |
| JCAG (DERF)   | 0      | 0      | 48.000 | 51.000 | 55.000   | 56.000 | 60.000 |                       |            |

**A. Mission Description and Budget Item Justification**

**Brief Description and Budget Item Justification:** In FY 2000 the Deputy Secretary of Defense established the Defense Joint Counterintelligence Program. The Joint Counterintelligence Assessment Group (JCAG) was created as part of that initiative. The JCAG is tasked with developing and implementing an analysis center to support the protection of critical technology in the government. This activity responds to Deputy Secretary of Defense guidance to develop and operate such a capability to protect DoD critical technology programs from threats posed by foreign intelligence activities, foreign information operations, terrorist, and other clandestine or covert threats. The JCAG mission includes evolving analytic processes and techniques to take advantage of leading technologies and produce horizontal critical technology profiles and risk assessments. These profiles and assessments provide the necessary information for the government to understand the extent to which critical technology may be exposed or unprotected, with information to support decisions on how to improve protection both within and across programs. This program is funded under Budget Activity 7, Operational System Development because it supports intelligence efforts that involve engineering development.

**Program Accomplishments and Plans:**

FY 2001 Accomplishments: N/A

FY 2002 Plans: (\$17.939 million)

UNCLASSIFIED

|  |  |                       |
|--|--|-----------------------|
| RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)                    |  | DATE<br>February 2002 |
| APPROPRIATION/BUDGET ACTIVITY<br>RDT&E, DEFENSE-WIDE/Budget Activity 7 | R-1 ITEM NOMENCLATURE<br>Program Element (PE) Name and No.<br><b>Defense Joint Counterintelligence Program</b><br><b>PE 0305146D8Z</b> |                       |

- Establishes JCAG IOC. Planned products include Horizontal Critical Technology Profiles, Horizontal Risk Assessments, and Tailored Information Products.
- Classified Platform Harvest initiative supports sensitive data acquisition and conversion activity in areas such as Blue Weapons data and foreign visitor data. Initiative also supports development of tactics, techniques, and procedures for remote data conversion and processing.
- Established JCAG Full Operational Capability (FOC). FOC will add a spiral development effort to insert new technologies, capabilities, and data sources into the JCAG Automated Information System (AIS) to provide refinement of JCAG products.
- Continue Technology/Operations Beta site activities to provide the capability to assess, integrate, and test the applicability of commercial and government technologies that support the JCAG mission, and provide to the analysts the ability to evaluate potential analytical tools and evolve analytical processes.

FY 2003 Plans: (\$6.058 million)

- Continue support to JCAG IOC and products that include Horizontal Critical Technology Profiles, Horizontal Risk Assessments, and Tailored Information Products.
- Continue support to assist in JCAG's Full Operational Capability (FOC). FOC will add a spiral development effort to insert new technologies, capabilities, and data sources into the JCAG Automated Information System (AIS) to provide refinement of JCAG products.
- Continue Technology/Operations Beta site activities to provide the capability to assess, integrate, and test the applicability of commercial and government technologies that support the JCAG mission, and provide to the analysts the ability to evaluate potential analytical tools and evolve analytical processes.
- JCAG is a non-add in this program because it is funded in the DERF to provides funding for the advanced information systems as well as contractor analysts to support the protection of personnel and critical DoD assets from new and emerging clandestine and covert threats, specifically terrorist activity. Provides the capability to increase threat awareness; identify vulnerabilities before a compromise occurs; monitors high-risk situations; investigates anomalous behavior; deters foreign collection efforts; and responds to acts of espionage. In addition, provides the capability to monitor and track foreign visitors and foreign contacts with DoD facilities and personnel worldwide. Conducts domestic threat and risk assessments in support of tasking and requirements levied by the Department and provides DoD systems support to the Foreign Terrorist Tracking Task Force by establishing a virtual real time ability to detect and track foreign terrorist activities and terrorist pre-operational activities. The JCAG will deploy information developed by DARPA to ensure that DoD's leadership, from the installation level through the senior leadership of the Department, has a common relevant operational picture of risks and threats associated with foreign terrorism.

UNCLASSIFIED

**UNCLASSIFIED**

|  |  |                       |
|--|--|-----------------------|
| RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)                    |  | DATE<br>February 2002 |
| APPROPRIATION/BUDGET ACTIVITY<br>RDT&E, DEFENSE-WIDE/Budget Activity 7 | R-1 ITEM NOMENCLATURE<br>Program Element (PE) Name and No.<br><b>Defense Joint Counterintelligence Program</b><br><b>PE 0305146D8Z</b> |                       |

| <b>B. <u>Program Change Summary</u></b>               | <u>FY 2001</u> | <u>FY 2002</u> | <u>FY 2003</u> | Total Cost |
|---|----------------|----------------|----------------|------------|
| Previous President's Budget                           |                | 5.977          | 3.366          | Continuing |
| Appropriated Value                                    |                |                |                |            |
| a. Congressionally Directed Undistributed Reductions. |                | -038           |                |            |
| b. Rescission/Below threshold program adjustments     |                |                |                |            |
| c. Other  |                | 12.000         | 2.692          |            |
| FY 2003 Budget Estimates Submission                   |                | 17.939         | 6.058          | Continuing |

Change Summary Explanation:

FY 2002: Defense Joint Counter Intelligence funding transferred to this PE \$1.2 million; CI correlation Tool funding realigned from PE 0305190 \$4.777 million.

FY 2003: Non-pay purchase inflation adjustments -.016

Schedule: N/A

Technical: N/A

C. Other Program Funding Summary: N/A



UNCLASSIFIED

|  |   |         |         |         |         |   |             |             |
|--|---|---------|---------|---------|---------|---|-------------|-------------|
| EXHIBIT R-2a, RDT&E Project Justification  |   |         |         |         |         |   | DATE: _____ |             |
| APPROPRIATION/BUDGET ACTIVITY              | PROGRAM ELEMENT NAME AND NUMBER                               |         |         |         |         | PROJECT NAME AND NUMBER                       |             |             |
| <b>RDT&amp;E, Defense-wide/BA-7</b>        | <b>Defense Joint Counterintelligence Program PE 035146D8Z</b> |         |         |         |         | <b>Joint Counterintelligence Assessment (</b> |             |             |
| COST (\$ in Millions)                      | FY 2001   | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006                                       | FY 2007     | Cost to Cor |
| Joint Counterintelligence Assessment Group |   | 17.939  | 6.058   | 6.442   | 6.802   | 6.926   | 7.059       | Continui    |

**A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:**

The Joint Counterintelligence Assessment Group (JCAG) is tasked with developing and implementing an analysis center to support the protection of critical technology in the government. This activity responds to Deputy Secretary of Defense guidance to develop and operate such a capability to protect DoD critical technology programs from threats posed by foreign intelligence activities, foreign information operations, terrorist, and other clandestine or covert threats. The JCAG mission includes evolving analytic processes and techniques to take advantage of leading technologies, and produce horizontal critical technology profiles and risk assessments. These profiles and assessments provide the necessary information for the government to understand the extent to which critical technology may be exposed or unprotected, with information to support decisions on how to improve protection both within and across programs. Delays in establishing a capability to conduct horizontal analysis will directly impact/delay the government's ability to quantify the extent to which technology or information is at risk, and properly size responses or programs to mitigate this risk. By leveraging from the latest technologies, analysts will exploit massive databases with dynamic retrieval, analysis, and presentation tools for decision-makers to visualize the threats, vulnerabilities, and solution sets to the DoD critical technology protection mission.

OSD/C3I has asked for an acceleration of the program based on the current world situation and the security threat to national assets. The JCAG budget across the FYDP falls short of adequate funding for a collection and analysis activity of necessary depth for an effective program. An accelerated near-term capability will require increased funding in order to develop a revised and automated analytic approach with the depth of data necessary to produce near-term meaningful products. Further reductions in the budget will severely limit the program's ability to reach a minimum threshold of conducting analysis and developing horizontal information products useful to the decision process of protecting critical technology and US interests.

**FY 2001 Accomplishments:**

- Established the initial Initial Operational Capability (I2OC) site. I2OC provides a capability to exploit the JCAG tools and data in a classified operational environment, identifying JCAG system design and operational problems and solutions before IOC, respond to dynamic, real world tasking, and produce technology protection products.
- Consolidated the Beta sites into a single Technology/Operations Beta site to assess, integrate, and test the applicability of technologies in conducting analysis to support the protection of critical technology; evolve analytic processes, procedures, and products by assessing these technologies in an operational environment; and implement Spiral Development process of hardware and software automation tools and capacity to support both JCAG and C3I initiatives.

**FY 2002 Program:**

- Completes the design and build out of the IOC site.
- Establishes JCAG IOC. Planned products include Horizontal Critical Technology Profiles, Horizontal Risk Assessments, and Tailored Information Products.
- Establishes JCAG Full Operational Capability (FOC). FOC will add a spiral development effort to insert new technologies, capabilities, and data sources into the JCAG Automated Information System (AIS) to provide refinement of JCAG products.
- Continues Technology/Operations Beta site activities to provide the capability to assess, integrate, and test the applicability of commercial and government technologies that support the JCAG mission, and provide to the analysts the ability to evaluate potential analytical tools and evolve analytical processes.

- Classified Platform Harvest initiative supports sensitive data acquisition and conversion activity in areas such as Blue Weapons data and