MEMORANDUM FOR NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
(ATTN: INFORMATION SECURITY OVERSIGHT OFFICE).

SUBJECT: Office of the Secretary of Defense Consolidated 2017 Fundamental Classification
Guidance Review Report

The attached Office of Secretary Defense (OSD) Staff Elements Fundamental
Classification Guidance Review (FCGR) checklist and Security Classification Guides (SCG)
listing was consolidated from OSD staff elements that submitted reports to Pentagon Force
Protection Agency (PFPA), as directed by Under Secretary of Defense for Intelligence
(OUSD(I)). PFPA was directed by OUSD(I) to collect, combine, and submit a Consolidated
OSD 2017 FCGR checklist and SCG listing to the National Archives and Records
Administration, Information Security Oversight Office (ISOO) no later than 30 June, 2017.

To meet the consolidated report submission deadline of 30 June 2017, PFPA established
an OSD staff elements submission deadline of 30 May 2017. This deadline was published and
notifications were distributed to OSD staff elements via email on 18 October 2016, 25 October
2016, 18 April 2017 and 4 May 2017.

PFPA received 14 reports from the following OSD staff elements as of 15 June 2017:

1. Office of the Secretary of Defense
2. Office of the Under-Secretary of Defense for Policy
3. Office of the Under-Secretary of Defense for Personnel and Readiness
4. Office of the Under-Secretary of Defense for Comptroller
5. Office of the Under-Secretary of Defense for Intelligence
6. Office of the Under-Secretary of Defense for Acquisition, Technology and Logistics
7. Office of General Counsel
8. Officer of the Deputy Chief Management Officer
9. Office of Net Assessment
10. Office of Cost Assessment and Program Evaluation
11. Office of the Chief Information Officer
12. Office of the Director Operational Test and Evaluation
13. Office of Legislative Affairs
14. Office of Public Affairs

This report DOES NOT include the following organizations:

1. Missile Defense Agency (Self-reporting)
2. Defense Logistics Agency
3. Defense Treat Reduction Agency (Self-reporting)
4. Defense Advanced Research Projects Agency (Self-reporting)
5. Defense Systems Information Agency

6. Defense Intelligence Agency (Self-reporting)
7. Defense Security Service
8. National Security Agency (Self-reporting)
9. National Geospatial-Intelligence Agency (Self-reporting)
10. National Reconnaissance Office (Self-reporting)
11. Joint Staff with Combatant Commands/ National Defense University (Self-reporting)

PFPA will continue to collect and track the submission of 2017 FCGR from OSD staff elements in accordance with guidance from OUSD(I). However, all reports received after 15 June 2017 are not included in the attached consolidated report and will not be included in any supplemental OSD consolidated report. Additionally received reports from OSD staff elements will be forwarded directly to ISOO.

If you have any questions regarding this memorandum or the attached reports, please contact the PFPA Information Security Program Manager: Mark DeLullo. He may be reached by phone at (703) 695-0723 or by email at mark.d.delullo.civ@mail.mil.

Dr. Daniel P. Walsh
Acting Deputy Director
Pentagon Force Protection Agency

Attachments
1. OSD 2017 Fundamental Classification Guidance Review Checklist
2. OSD 2017 Security Classification Guides Listing

FY 2017
Fundamental Classification Guidance Review (FCGR)

Section A: Identifying Information				
Agency:	**Office of the Secretary of Defense (Staff Elements)**		Date:	20170612
Name and Title/Position of Senior Agency Official:	Dr. Daniel P. Walsh, Principle Deputy Director, Pentagon Force Protection Agency			
Name, Title/Position, Phone Number, and E-Mail Address of FCGR Point of Contact:	Mark D. DeLullo Information Security Program Manager mark.d.delullo.civ@mail.mil / (703) 695-0723			

Section B: Original Classification Authority (OCA)	
B-1. Number of OCAs in your agency.	87
B-2. Date of last validation of OCA positions.	Various
B-3. How many OCAs have approved and signed SCGs?	4

Section C: Security Classification Guides (SCG)	
C-1. Total number of guides at beginning of review.	14
C-2. Number of guides reviewed.	14
C-3. Number of guides cancelled as a result of this review.	0
C-4. Number of guides consolidated as a result of this review.	0
C-5. Number of guides superseded or replaced as a result of this review.	0
C-6. Was there a determination that new guides were required as a result of this review?	YES
C-7. Number of modifications made to classification duration.	0
C-8. Number of declassification exemptions removed.	0
C-9. Total number of guides at end of review.	14

Section D: Review Process	
D-1. Was a working group formed to conduct the review?	NO
D-2. If yes, did the working group include subject matter experts, classification and declassification experts, and users of the guides? Please describe the process in your attached narrative.	N/A
D-3. If no, please describe the process used to conduct the review in your attached narrative.	
D-4. During the review process, did you consider the following:	
D-4a. Should the information retain its current level of classification?	YES
D-4b. Should any information be downgraded or declassified?	YES
D-4c. Is the current duration of classification appropriate?	YES
D-4d. Are current exemptions from automatic declassification valid?	YES
D-4e. Does each guide contain the following (IAW 32 CFR 2001.15):	YES
D-4e(1). Identification of the subject matter.	YES
D-4e(2). Approval by the appropriate OCA by name and position, or personal identifier.	YES
D-4e(3). Agency point of contact for questions regarding the guide.	YES
D-4e(4). Date of issuance or last review.	YES
D-4e(5). Precise statement of each element of information that requires protection.	YES
D-4e(6). The level of classification for each element of information.	YES
D-4e(7). If applicable, handling caveats.	YES
D-4e(8). The concise reason for classification as described in E.O. 13256, section 1.4.	YES
D-4e(9). A specific date or event for declassification.	YES
D-5. Have past and recent classification and declassification decisions been incorporated?	YES
D-6. Have you cross-referenced information with other guides (internal and external) and conducted a horizontal coordination to ensure consistency?	YES

Section E: Training	
E-1. Have agency personnel received any training in the use of SCGs?	YES
E-2. Have agency personnel received any training in the development of SCGs?	YES
E-3. Are OCAs involved in the development process of the SCGs?	NO

Section F: Comments

SECTION A:

The Pentagon Force Protection Agency (PFPA) consolidated the 2017 Fundamental Classification Guidance Review (FCGR) for the following Office of the Secretary of Defense (OSD) Staff Elements:

(1) Office of the Secretary of Defense
(2) Office of the Under-Secretary of Defense for Policy
(3) Office of the Under-Secretary of Defense for Personnel and Readiness
(4) Office of the Under-Secretary of Defense for Comptroller
(5) Office of the Under-Secretary of Defense for Intelligence
(6) Office of the Under-Secretary of Defense for Acquisition, Technology and Logistics
(7) Office of General Counsel
(8) Officer of the Deputy Chief Management Officer
(9) Office of Net Assessment
(10) Office of Cost Assessment and Program Evaluation
(11) Office of the Chief Information Officer
(12) Office of the Director Operational Test and Evaluation
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This report DOES NOT include the following organizations:

(1) Missile Defense Agency (Self-reporting)
(2) Defense Logistics Agency
(3) Defense Treat Reduction Agency (Self-reporting)
(4) Defense Advanced Research Projects Agency (Self-reporting)
(5) Defense Systems Information Agency
(6) Defense Intelligence Agency (Self-reporting)
(7) Defense Security Service
(8) National Security Agency (Self-reporting)
(9) National Geospatial-Intelligence Agency (Self-reporting)
(10) National Reconnaissance Office (Self-reporting)
(11) Joint Staff with Combatant Commands/National Defense University (Self-reporting)

SECTION B:

The 14 OSD staff elements listed above reported a total of 87 Original Classification Authorities (OCA) during the 2017 FCGR. The number of reported OCAs (87) is lower than OCA's reported during the OSD data call in 2014 which 103 were reported, therefore over the last three years OSD staff elements effectively reduced the overall OCAs within OSD by 16 (15.5%). Several OSD staff elements have made significant reductions in the number of authorized OCAs within their own organizations, for example the Office of the Deputy Chief Management Officer comprising of both Washington Headquarters Service and Pentagon Force Protection Agency, reduced their total number of OCA's by 5, from 7 to 2 an overall 71% reduction. Several other staff elements have been taking major steps to reduce and consolidate the number of OCAs within their organization hierarchy.

Discrepancy: Despite the OCA reduction efforts within OSD, there was a significant inconsistency in OCA appointment authority identified during this review. Within OSD, 56 out of the 87 OCAs (64%) had a discrepancy in their OCA appointment authority. Several OCA positions could not be validated against valid delegations (appointment) memorandums, because of one or more of the following reasons:
1. Unable to validate against list because of position or organization name changes.
2. Separate delegation letters were not completed once a position was separated into two positions.
3. Appointment memos were not signed by proper authority.

Disposition: Several actions have been undertaken since this end of this review to correct the OCA appointment authority issues, to include: an OSD-wide data collection/update on all OCA positions/organizations will be followed by a consolidation and delegation of authority through appointment memorandums by the proper signature authorities. Additionally, a more streamlined process for change requests in OCA status is being coordinated between USD(I) and ISOO.

SECTION C:

The 14 OSD staff elements reported only 14 Security Classification Guides (SGC) were authorized within OSD staff elements. During the review all 14 guides were evaluated and determined that none of them required modification, suspension, or cancelation. It was determined several could be consolidated into fewer overarching guides; however, these efforts were not completed by the end of the review.

Discrepancy: An inconsistency was identified in the amount of OCAs when compared to the amount of Security Classification Guides (SGC) identified during this review. The 14 OSD staff elements reported only having 14 SCGs, despite having 87 OCAs. This statistic deteriorates when it was reported only 4 OCAs authorized the current 14 authorized SCGs within the OSD staff elements. Therefore only 4 (4.5%) OCAs out of 87 within OSD have exercised their authority in developing an SCG. It was reported this discrepancy was caused by one or more of the following reasons:
1. OCA's declining to authorize a formal SCGs, in-lieu of providing classification guidance in email or memorandum form.
2. The OCA duties within the organization do not require routine classification of information.
3. Lack of OCA authority, training, or knowledge in application of authorizing an SCG.

Disposition: Several actions have been taken since the end of this review to correct the lack of SCGs within OSD to include: the continual reduction of OCAs within OSD, the effort of consolidating several SCGs into a single overarching SCG eliminating duplication, inconsistent or conflicting classification guidance, and increased oversight on OCA management and training. Finally, USD(I) is working with the NSC, NGA, and ISOO to create a standardized SCG format with the inclusion of enhancement statements based on the CoNGA model developed by NGA (Value – Why information is important; Damage – National Security impact; Unclassified Statement – Language for sharing the information in an unclassified manner, if possible).

SECTION D:

The 14 OSD staff elements reported none of them had established a formal working group to conduct the SCG reviews. Despite these shortcomings, the OSD staff elements did report the completion or considerations of each paragraph listed within this section.

Discrepancy: The reasons for not establishing a formal working group of subject matter experts were reported to be caused by one or more of the following reasons:
1. Lack of qualified subject matter expert.
2. Resource constraints
3. Leadership prioritization.

Disposition: OSD is arranged in a relatively flat organizational structure, where smaller and more diverse staff elements lack the resources and personnel typically placed in a traditional hierarchy structure.

Because of this, most SCG reviews are typically done exclusively by the internal security managers with limited assistance from outside organizations. There are several on-going efforts in developing an OSD SCG working group, consisting of subject matter experts from within the OSD staff elements that will specifically assist in reviewing the SCGs within OSD.

SECTION E:

The 14 OSD staff elements reported all of their organizations conducted training in the use of SCGs. This is manly accomplished through the use of Derivative Classification Training provided during initial employee orientation and refreshed at minimum once every two years by the use of online training through the Defense Security Service, Center for Development of Security Excellence. Organizations that have OCAs, also reported receiving training in the development of SCG's; however, they did not provide the specifics of the training cited.

Discrepancy: It was reported OCAs are not involved in the development of SCGs. This is partly caused by one or more of the following reasons mentioned in this report:
1. Lack of OCA authority, training, or knowledge in application of implementing an SCG.
2. Leadership prioritization.
3. OCAs declining to implement formal SCGs, in-lieu of providing classification guidance in email or memorandum form.

Disposition: There are current efforts to centralize the management and oversight of OCAs to ensure OCAs receive the proper training required in order to be involved in the SCG development. Also, the continued OCA reduction effort will target those OCAs who do not authorize or are not involved in the development of SCGs. Finally, USD(I) efforts are underway to update OCA training requirements to include the development of checklist to ensure compliance with the DODM 5200.45 SCG process requirements.