File Name: NISPPAC Transcript July 18, 2019

[START OF TRANSCRIPT]

Male Speaker: Hey, thank you. We're going to call this meeting to order at 10:05.

Mark: So, okay, let's see here. Let's go. My idea this morning is trying to move as quickly as we can. So, let's see what I can do that or not. Anyway, welcome. This is the 62nd meeting of the NISPPAC. This is a public meeting. It is also audio recorded. We're also using WebEx as we did last time. We have a large number of presenters this morning. Again, we're going to try to move this along. At the end of each presentation we'll have a small question and answer session. Microphones for the NISPPAC members on the first two rows, and then for the rest of you all do at the end of each aisle. After the questions are taken internally here, we will turn to the WebEx and ask whether or not there are any questions that way, and then we'll also turn to the telephone.

Again, we'll try to get everybody included and not leave anybody out. The only caveat in all that is when you do speak, please, please identify yourselves. As you know, we are required to produce minutes of this meeting and it is a lot easier when we're doing that to say, okay, X is from here, Y was that. Instead of us trying to figure out who is actually speaking, sometimes we're right, sometimes we're not. We'll have a 10-minute break about halfway through and I'll give you more details on where the restrooms are and cafeteria and all that. All right, let's get to it. Introduce ourselves here to table. I am a Mark A. Bradley, the director of ISOO and Chair of the NISPPAC.

Greg: Greg Pannoni, Associate Director ISOO and the DFO for this meeting.

Jeff: I'm Jeff Spinnanger from the Department of Defense.

Natasha: Natasha Wright, Department of Energy.

Parsons: Darrell Parsons, Speaker of Regulatory Commission.

Valerie: Valerie Kerben, ODNI.

Quinton: Quinton Wilkes, Industry and NISPPAC's spokesperson.

Mark: All right. NISPPAC members in the first two rows, please identify yourselves.

Mike: Mike Scott Department of Homeland Security

Kim: Kim Baugher, State Department

Karen: Karen Dondlinger Air force.

Chris: Chris Forest DCSA.

Heather: Heather Mardaga, DCSA

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Taylor:	Zuddayyah Taylor Dunn, NASA.
Fred:	Fred Gortler, DCSA.
Christal:	Christal Fulton, from DHS
Cheryl:	Cheryl Stone, NISPPAC Industry.
Kimberly:	Kimberly Tiger National Security Agency.
David:	David Wright, DOD CAF
Patricia :	**Patricia Stokes** DCSA.
Terry:	Terry Carpenter, Defense Information Systems Agency,
Chuck:	Chuck Robert, DCSA.
Dennis:	Dennis Keith, NISPPAC industry.

Mark: All right, Dennis, that's it. We're just doing NISPPAC members in the interest of time, otherwise we'd be here for quite a while. All right. Are there any NISPPAC members on the telephone? NISPPAC members on the WebEx.

First and foremost, as we start the meeting, I like to thank Quinton Wilkes, **for** your service. Well, you've been a gentleman and a scholar and a passionate advocate for industry. Anyway, we want to thank Katie Timmons for all this. **Plaque says:** Quinton Wilkes, thank you for your time. Late nights. No kidding. Moderation, cat wrangling. That's true. Travel, dedication, support as an industry NISPPAC's spokesperson we couldn't have done it without you **2014-2019.**

Also, I'd like to thank Dennis Keith. Dennis's it's your last one too. I'll never forget you. One of the first people I met in this and your southern charm is always in us, always in presence and anyway, you too have done great service to this organization and we'll surely miss, thank you. Lastly, we understand that the membership of Fred Gortler of DSS now the DCSA has expired. We understand there have been many changes in the agency. We hope to have a new member very soon for Fred's replacement, anyway. It's going to be big, big shoes to fill. He's been another great asset to this body.

All right, let's get into the meat of the meeting. I'm going to turn to Greg, and you're going to address some administrative items and also cover some status from our last NISPPAC in March.

Greg: Thank you. Chair, as usual, the meeting presentations, handouts were electronically sent to all the members and anyone who RSVP on the invitation, and so for those of you attending that didn't receive those, you can look for that on our website along with the

minutes from this meeting in about 30 days in the handouts, well and an official transcript of this. I'm going to move right into the action items from our last meeting. As you know, not much has happened since our last meeting, not true. It's actually been a great deal going on. I'm sure all of you would have. We had nine items from the last meeting and I'm going to read them off.

The first one we're going to do right now and that is for DOD. I'm going to ask Valerie Heil to provide an update on the status of NISPOM change three partISOOlarly for the SEAD 3 matter.

Valerie: Had Clearance working group. We continue to work on the companion guidance that would go out with NISPOM change three in industrial security letter. There are some areas that we are working on in discussion with ODNI, drug investment related investments that have come up. We will keep you apprised and as we always do, DOD will request NISPPAC informal feedback on any draft industrial security letter about NISPOM change three when we have it ready. Thank you.

Greg: Okay. Thank you, Valerie. Moving on. We had an item for ODNI to hold a meeting, and the date we had was March 28th to discuss industry inclusion and trusted workforce 2.0. The meeting did occur. We will hear a little bit more about that in an update by Valerie Kerben from ODNI during her-- So, I'll pause on that.

Next was, industry requested to have a meeting to discuss DSS in transition. Same thing. We're going to pause on that. Quinton Wilkes will address that during the industry update. Next was industry to provide ISOO instances of delayed process by CSA/CSO. ISOO did receive metric data from industry this morning. We'll convene a NISPPAC NID working group meeting in the very near future with industry CSA's and DCSA to address the challenges in the NID process, so that we've got that for action.

Next, DCSA, this is the one that concerns the insider threat. ISL, Industrial Security Letter that's working its way through. My understanding is, industry is consolidating all of their comments and expects to have them to DCSA shortly. Why is the date we're referring to? Next, is the CUI was going to host stakeholders meeting on April 17th as well as an industry day on the 21st. These meetings were held. There are slides posted for the stakeholders meeting on the CUI blog, which you can find on the CUI webpage. Next, CUI was to form when the NIST SP800171 Rev Two will be available for public comment. In the summer more information was going to **be available on the blog.** There is a blog posting on that. Comment period for the 171 Rev two, as well as the 171 B, and actually the comment period closes tomorrow, July, 19th, it's been extended to which that date, August 2nd. Okay. So, update on that. August second is an extension for the comment period on that, thank you.

Next, DCSA offered to meet with Department of State about access to DISS. Ms. Stokes from DCSA will provide an update on this during her update, **later in the meeting.** Then we have one more, and that was also Ms. Stokes accepted an action item for the Enterprise Business Support Office to hold a stakeholders group meeting and Ms. Stokes

along with Dr. Barber will provide an update on this item a little later on. Are there any questions? Okay. Thank you. Back to you.

Jeff: Good morning. Pretty packaged agenda, I'll try to keep my remarks very brief. Like file, by again echoing the commentary regarding all of the ISLs are out there and the continued commitment from NISPPAC industry for the candor feedback that comes in, **to make** products better, so please keep that going. Quinton and Dennis, their departure, frankly, their mentorship on many of these issues I call it active, but that's essential to the process. Whoever's coming in, in the backside of it, I hope you follow their example. Thank you very much for that.

Just the two biggest updates that I wanted to focus in on rights/time, NIDS came up, right. I can't not have a meeting or go 15 minutes without saying NIDS, and so, section 842, it was the attention getter last time, continues to be and will continue to be, but I think we have a pretty good update and we'll look to delve into this much deeper at the working groups. We're happy to see that those will reinvigorate here in the coming months. The takeaway is that for those who aren't familiar with section 842, establishes provisions regarding companies under the National Technology Investments Board, NTIB, so it's not all companies that are under **FOCI/**SSA, but it's a pretty good, it's a pretty healthy chunk of them, and so we had a number of waiver packages that were processed by DCSA, pretty rigorous process that went through all DOD prescribed owners.

Now that the undersecretary signed those waivers. Again, if you're unfamiliar, the waiver allows us to execute what's divided in the NDAA effective 1 October 2020 **and** allows us to kick them off now. That should make a pretty healthy dent in the timeline concerns that certainly are our chief, but not exclusively part of the industry concerns. So, I think that's really good. Our next steps on that frankly involve us to reach out to the other prescribed owners to see where they are in this process. Where can we go in and what's the potential of? We are completely flatfooted on that. If questions come in later to my colleagues up here on the dice, we have not had those conversations yet, so we'll own that for what it is. Probably different ones **sliced that apple** where we decided to turn our attention in house before we started to think of it.

Then finally, the other alligator that's nearest to our boat right now and not specifically in NISPPAC item, but Greg brought it up earlier and that is emerging policy pertaining to control and classified information. Those of you who are in government or have ever been in government know that one of the great joys of working in a headquarters kind of element is the development and the coordination for implementation of policy. It's thoroughly enjoyable job, said no one ever but it's necessary, right?

Baselining across the expanse of the Department of Defense, which is kind of a big solar system that our colleagues in ISOO, mind for all of us, but we're big attention getter as we start to think about critical technology protection. No policy is going to protect one technology or all of them, but it will level set how we think about it and that's a pretty important place. So, we've got lots of attention at the highest levels within the department, and that continues to stay no matter who's sitting in those seats because it's

been a bit revolving here recently, and that's been steady pressure in sight. I remain optimistic that we will see the instruction off by the end of the FY. So, we'll have a further update to what that means next at an upcoming NISPPAC. Then certainly, as we continue to engage ISOO when they're expanded mission responsibilities, and that concludes my report. **[15:08]**

Mark: Anybody have any questions here in order for him, for Jeff. All right come on. Anybody on the phone have any questions for Jeff? Carolina, anybody on the WebEx for Jeff?

Mike: Mike Scott from DHS. I don't have a question for Jeff, but I do want to say for the waiver, the waiver companies for the NIDS, we really look forward to talking to you, because if through internal nationally glam onto what you already have in the evaluation. Let us know so we can start talking on that.

Jeff: Absolutely.

Mark: Thank you Jeff.

Jeff: Sure.

Mark: All right. Next here from Charlie Phalen. Let me just say a few words. You all know Charlie has been the NBIB director for a while. Now, he's the acting Director of Defense Counterintelligence Security Agency. I've known Charlie for years. I knew him in CIA and when I was at Department of Justice knowing him at the FBI, the man is incredible. He seems to not want to permanently retire. A great thing for the United States, but anyway, he's quite a resource. Again, I want to just take a second to recognize all you've done for the country, Charlie.

Charlie: Thank you. We're going to stick probably with it. Thank you. A couple other quick thanks. Fred, thank you for representing DCSA and I guess I know something in my inbox to figure out who your replacement looks like. More specifically, Quinton Wilkes, Dennis, thank you for the partnership with industry. I've known you guys for a long time too, and then building it contribute to this. My real question and this probably more for you guys is, how did you get sharp things through security this morning? Who did this? I'm impressed. I'm impressed.

So good news is topic one today is not the inventory, so that's a good thing, but it will be topic two. I do want to give you a quick DCSA update here. I've been saying in a number of forums for a long, long time that we're going to get this executive order signed by the president any day now, that we'll be transferring to function. President did sign it, and one of the titles was in there was within 60 days of it being signed that the Secretary of Defense and the Director of OPM would sign a written agreement at 60 days. 60 days we met that target, 67 days I was handed a second hat, so in addition to being still the Director of **NBIB and** DCSA and until October 1st, at which point and NBIB becomes wholly subsumed merged in with the Department of Defense.

I think, I did want to take a quick moment here to thank Dennis. Dennis, I'm sorry, Dan Payne. My dearest, long term friend. No, seriously. Dan is retiring. He has, in fact I think we're having a nice **reception** down at the Marine Corps museum tomorrow morning and I just want to publicly thank him for all of his contributions, not only to all the work he has done for the federal government over the years. He and I go back a very long time back, well into the 80s, and I'd like to tell you a lot of stories, but I needed to have two things in hand. One is a beer and the other is be inside a SCIF to have some of these conversations. This is not the right venue for this, but again, thanks to Dan.

So very quickly, we have about 50 minutes to hold all of the DCSA. So, you've got a number of folks that I can kind of come up and give you a brief at some high-level stuff here. My first task is to really take a look at the breadth of everything that is today in DCSA, and get more familiar with all those missions, none of which are particularly foreign to me, but whether it vetting critical technology protection, whether it is counterintelligence, and then take a look at this in terms of the merger.

Obvious things are going to have to happen on day one. We need to be able to move all of the OPM, NBIB humans and that's roughly 3,000 and change, from DOD, I'm sorry, from OPM to DOD on that October 1st. At the same time most sufficient funding to cover all of that, and those are all in motion. After that then what do we do? The amount of work done, so let's talk about that more in a minute here, but basic precept is **and I am** happening within DCSA now, whether it's the technology protection, whether there's counter, a lot of things in motion, a lot of momentum right now that has been built up to get things going in the right direction, and the last thing we want to do is disturb them.

The next step after October 1st is going to reflect our commitment not to mess with that momentum. You'll hear more about some of that stuff here, but it is to keep that going and then figure out how we can gently put, start working things, process things together and further improve what we think has already headed on a very good path. Obviously, nobody in any of these organizations was surprised by the executive order we've been hearing about this proposal**.** I would argue that intellectual day one for this organization with months and months gotten past that and the teams had been working together to work on this transition for an awful long time, and I'm very, very happy with what they're doing. That's a mic drop. Good timing by the way. Let me also stop right here.

More importantly, how can we get everything together? I will foot stomp what Jeff said is that we have absolutely top cover and support from both the Secretary of Defense and from the USDI on any of the things we're doing here. I'm very happy we're going in the right direction here. Before I move on to the next topic, I just do want to take a second to highlight the fact that a month or so ago, back in June at the NCMS seminar we did give out because of all the awards this year and a thousand or so companies that we're working with in this universe. 51 of them made the cut to get these awards and I think they deserve a lot of recognition for being really at the top end of what is a well-protected ecosystem, but they really have gone well. We recognize here that we're going to keep that going. You're going to hear more from some speakers about that, but that program will keep going.

Back of your minds, what's the inventory? I've got to get your question two here. You guys may recall, we refer to this as sort of our baseline worst day ever was a year ago April, so that's about 15 months or so. 725,000 in the inventory, this Monday it is down to 386,000. It's still heading south. A quick highlight, the ones that we are most and I think you are most concerned about are the initial clearances. The total and quick to the national security realm, the total tier three secret initial investigations inventory is now about 138,000 of which are industry initial. Tier five, our total inventory of investigations is 53,000 in work and of that number 15,000 are in industry. If you take that total industry peak of it was 127,000 back in that April 18 time. That number is dropping as well. So, I hope you are seeing those results in your end of this thing. **[23:23]**

The other piece is that through defense disservice, old processes and continued process of DCSA, we were able to put a number of folks to work on interims. Roughly half of that number or half of the total number of initials are on interims. I can't tell you how many are industry, how many are government, because we don't have that visibility at least, but I think it's again, a lot of people able to get to work pretty fast. The timeliness numbers still have not decreased to where I want them to be. We still got ways to go on that, but we're seeing some good progress on that, and I think some of the handouts we have for showing where some of our media numbers are, show some very precipitously. I'm going to just yield the floor here to Patricia in just a minute here, but I'm going to get back to that. You're going to hear from a number of folks from DCSA today talking about the personal vetting mission, talking about critical technology, talking about counterintelligence. **[24:19]**

We are building an awfully big organization, pulling together an awful lot of people, a lot of contractors. I know some of you in the room are helping us **get** a lot of this job done here, and I really appreciate that level of investment. We see a lawful lot of synergy, a lawful lot of energy, and a lot of commonality in putting all of these missions together. In the same, we have probably the biggest security organization in the federal government if we get through with all this stuff. But having this as a continuous stream and understanding that this works together, I think is a critical piece here. I'm going to stick around during the break because I didn't get here early enough and answer all of those, I have **"a friend" questions.** Just to sort of leave you with Val who's going to talk about the trusted workforce 2.0 a little bit. We talked about that concept of trusted workforce. I want to leave a thought in your head, that is when you think of this whole **organization** trusted workplace, and at the end of the day it's trusted work. With that, Patricia you're on the stage.

Mark: Hear from Patricia Stokes, Defense Vetting Director. Patricia please.

Patricia: Good morning everyone. You've obviously met my new boss, Mr. Charlie Phalen. Thank you for having us here today. We have some, I'm going to be brief and really get to the presenters who have the information that you're very interested in, but just a few opening remarks from our DVD portfolio. First and foremost, we as Mr. Phalen has stated, we have incredible momentum in successfully integrating our business operation

functions with the NBIB operations, up in Boyers, Meade, and certainly the DOD CAF. We've been active for over a year, and I can say that we are operating as one team, and it gets better every day with the momentum that Mr. Phalen has. Just continue to grow our enterprise business support office. Our enterprise business support office is working very, very closely with our national background investigation.

Terry Carpenter is here, our program executive officer who will share some insight with you on where we are on this capability and delivery, that our EBSO as we call it, is truly an office that works side by side with Mr. Carpenter's system developers developing the requirements, testing these capabilities, interacting with the user community to gauge and get their requirements and test fees capabilities. Again, we're not doing this in isolation. We're doing it with full agency participation in every capability that we're developing. They also are preparing all of our agencies and our customers for a transition into the new national background investigation services system. This is no small task. They're doing this in conjunction very, very closely with what you all might know as the customer support and engagement group that NBIB, Mr. Mark **Pekrul** up in Boyers.

Those agency liaisons and our EBSO are completely integrated and all of their activities. I know I had two **due-outs** and I will discuss them. One is having a meeting at the end of this month, and one, and then we will address where we're going with industry on those to engage you and share with you, get your requirements for NBIS or any concerns and issues. I'll talk about that secondarily. The EBSO's office is developing our rollout and deployment plan. Mr. Carpenter delivers IT and then we work with the customers to roll it out. Those things do not happen at the same time. We work with Terry to develop the capabilities, but then in rolling them out, it's a phased roll out. You don't just turn a switch in the system at the immediate ideal IT delivery date, so there's a phased rollout. **[28:48]**

It's a lot of planning, there's a lot of documentation. There's MLAs. There's financial agreements that have to be done. There's interconnectivity. Every user has a little bit of a nuance. It's not a one size fits all, very, very laborious task, and that's what our EBSO is also doing. Team is also responsible for piloting the potential operational capabilities. That trusted workforce 2.0 policy wise will allow for us, that's also very critical. We're very grateful for our policymakers. I think for the first-time policy is going to proceed the ability to even execute and I believe Valerie will speak to you about that, but we are working very diligently. We are on the tip of that spear and we are the executors of this.

Our EBSO is also developing training requirements aid. As you roll out capability you need to have the training that goes with it. We need to understand that training upfront and communicate it to our customers up front. Another one of their responsibilities. I feel like I'm doing you're briefing Dr. Barber. Dr. Barber will allow elaborate on this a little more when he gets to the podium. Then we have our vetting risk operation center. They continue to expand. They are the Program Management Office for the DOD Continuous Evaluation Program, but they are, I'm glad to report connecting to the high side data sources that the DNI provides and continuing to evaluation. We as the United States government made a very deliberate decision that we would not duplicate efforts that the DNI is affording us for good government. It's the right thing to do. We are tapping into

the data sources that they have. I'll say and on the high side and we have low side data sources together. They combine into our continuous evaluation program and they will be critical to continuous vetting program that trusted workforce 2.0 will offer us in the future.

The VROC is also very much integrating with all of the operational components in Boyers, Pennsylvania. The fire team, the quality team that sits right across the street from where we are at Fort Meade, the counterintelligence support team to background investigations, we are completely engaged and integrated. They've met for the past two days. Those teams specifically, Heather **Mardaga,** is here to brief you on that, on goings in the **VROC.** But those teams are completely integrated because that's true just now and in the future. We also have the CAF and the vetting risk operation center is working very closely with the CAF and our own DITMAC, our insider threat hub for the Uber hub as we like to call it for the Department of Defense. All of this being together and integrated into a single end to end enterprise makes nothing but good sense because that will take us to trusted workforce 2.0, where we're going from a continuous vetting perspective. Heather will share with you some of the statistics. Heather Mardaga, is one of our senior specialists at the VROC, and so she's here and she'll brief you.

Then we have the CAF. The CAF has a myriad of business process improvements activities going on. Mr. David Wright is here, and he will share a lot of those with you. I know there's a great concern that the work **runs** over to the CAF. Yes, it does. We are addressing that. We are dealing with it on a day to day basis. I can't speak highly enough about the senior leadership team in the CAF and the progress that they are making in their business process improvement. Their production has increased significantly over the course of the past year because of some of those, and David, we'll share those with you.

Lastly, as I mentioned, we work hand in glove with Mr. Terry Carpenter, our Program Executive Officer who is building our new IT system for us. As Terry will transition to DCSA as a member of DCSA next fiscal year, but he's operationally reporting to our director now. So, there's a very tight group. We are moving our enterprise business support office and his developers into the same location, so they **won't be** together but they actually co-located together. That's on the agenda too. I'll end with stressing from my perspective the importance and the opportunity that we have in to transform these processes. I've never seen anything like it in my several years in a department **of** government, but trusted workforce 2.0 is a reality. It is the framework that we will use to truly change the vetting enterprise from a credentialing security and suitability actually aligning those initiatives. We're excited and in DCSA and DVD and Defense Vetting Directorate with all the components I just shared with you. We are ready and willing and able to face that, embrace that change and we want to deliver that to you.

I think I had two outstanding questions for the record. So, one, I want to talk about the access to DISS that the Department of State brought up last session. I know that our team has reached out and talked to Kim. Kim sitting in the front row right here, but bigger than that is we've actually just engaged yesterday with their new Director of Security. We are committed and we are going to be meeting with the Director of Security for the

Department of State in the near future, and to talk about our more inclusive shared service model, which access to DISS or access to the appropriate components with new leads that are allowed to us, will be addressed in that session. We're going to be having that session. In fact, I was engaged on email with the new Director of Security for the Department of State last night. We will continue to work with them, and we look forward to them not just addressing the DISS issue, but really what are they going to embrace from a shared service model in the future. That's the first thing.

The second thing is, we talked about having a stakeholders' forum with this group within industry. First and foremost, we are having a stakeholders' forum 29th and 30th of this month it is July, and our EBSO along with our customer engagement team at Boyers have been working this. It is for federal agencies. Why? Because we have financial agreements we need to set up with these federal agencies before one October to do business with DOD. That was a priority. We're going to learn from that forum. It's a two-day forum. We had to have it two days because we had so many agencies we needed to address and so many questions and issues that we need to address to make sure that they are in the DOD system on one October when shift to officially. That was priority one. We will learn from that.

We also intend on engaging with the NISPPAC and other industry forums to understand what your concerns and your issues are so that we can, when we shaped the symposium for them for you guys, we will do it with your input. When we come to the table and have the symposium, we're addressing your issues. I'm looking at Quinton, our first quarter of 20 or second quarter of 20 to have that. It'll depend on when we are comfortable, you and us that we had the right issues addressed and we have the form to do it, is on the agenda for the new fiscal year. That's all I have, and I will be followed, and I'll ask to see if there's any questions, but I will be followed. So, Ms. Heather Mardaga, will be here and she's going to brief the VROC, that I mentioned. Mr. Wright will brief the CAF and then Dr. Barber, will follow up with the EBSO and any other questions you might have on that. Then certainly not least, last and least, but Mr. Carpenter will give you the all-important NBIS update.

Kim: I have one question. Okay. So, with regard to DISS

Mark: If you, please identify yourself please.

Kim: Kim Baugher, State Department. I talked to your staff member Tuesday evening. She was on vacation, but we talked on her cell phone, but I've one question mainly to clarify what she in essence told me. What I got out of the conversation was, okay, we already know we never got JPAS access, that's an old story for some, but still an issue for me. From the time I've asked about when non-DOD agencies would get access to DISS no one really has addressed it. No one has really said until the other night when she pretty much told me that I'm not, we're not going to get it, nor are any other non-DOD agencies because it wasn't formatted, and again, I'm not a technical person. Whatever agreements you all put in place, no one ever thought when they designed it, that all this stuff that had to go into place for non-DOD agencies to get it, whether it was lawyers or agreements, whatever it is. I just want to clarify that we're really not going to get DISS access.

Patricia: I'm not going to go on record saying you're not going to get DISS access. You're going to get the information you need out of DISS to do your job, and what we will do is work with, because I really look forward Kim, to be honest with you, working with your agency with large, talk about a much broader shared service model, which would include DISS and access to the elements of DISS that you need to execute your responsibilities in accordance with laws sworn and things of that nature. When you spoke with perhaps the staff member, I think the results that conversation sounded a little bit more black and white. I'm a little more optimistic that we have much, much more to discuss and talk about your shared service model moving forward.

Kim: That'll be accepted. Right. You guys are meeting with all of them as well that--

Patricia: We are and that's why it's such a large task for our EBSO.

Kim: Because we have an investigative part as well that has issues that will be a part of it is just--

Patricia: Correct.

Kim: Okay, thank you.

Mark: Any other questions for Patricia here in the auditorium?

Taylor: Zuddayyah Taylor Dunn, NASA. I also have a question because we hadn't been contacted, so I'm not sure if there's a way to get in touch with you all to find out how to get involved with this process.

Patricia: Absolutely, and Dr. Jeff Barber, who will be on the podium, I would suggest you guys make sure you meet during the break and exchange contact information, because you should have been contacted. I don't know. I mean sometimes the information goes into the very senior levels of the organization and doesn't get pushed down. I don't know, but we will address that.

Mark: Anyone else for Patricia in the auditorium? any questions on that on the web? Any questions for Patricia on the phone? We'll now, hear from Heather **Mardaga.**

Heather: Good morning. My name is Heather Mardaga. I am the Deputy Director of the Vetting Risk Operation Center with DCSA. I would like to provide you with an update of where we're at this fiscal year. You'll see that we have processed over a hundred thousand investigation submissions. We are current investigation inventory is at 17,000. We actually have differed over 40,000 industry periodic re-investigation, since the continuous evaluation. We have issued over 73,000 interim determination. We are averaging 15 to 20 days for our interim determination. Moving over to continuous evaluation and the update for that, as Ms. Stokes mentioned, we are aggressively working to expand both the population into continuous evaluation and the data forces. Currently as of today, we have 1,351,551 individuals enrolled in the CE **low side** data sources. These data sources primarily cover financial, criminal, public records and eligibility.

As that population, you will see that industry comprises 27% of the CE population today. In regards to our continuous evaluation alerts, as of today, we are at 83,503 alerts and approximately 57% of those alerts are valid. Of those valid alerts, we are at a 52% rate of the information not previously being noted, and so therefore the VROC has to take appropriate action on those. This e-model is continuing to allow us to be able to identify those potential indicators early on and to be able to provide an individual with the opportunity to address, mitigate those triggers, and with the goal of being able to mitigate insider threat. **[42:16]**

We want to make sure that I highlight that we have provided an updated, frequently asked questions on the periodic for investigation deferment activity on the DCSA website. We have updated those questions to ensure that they are also covering some issues such as when do I need to submit an equip for an overdue periodically investigations? What to do if an employee is transferring to another company? What do I need to do if I am working with non-DOD agencies and to validate the deferment for them? How do I know if my employee is deferred? Of course, anytime you have any of those questions you can reach out to us via our mailbox and we will be able to provide that feedback and that support to you.

In regards to DISS provisioning status, I want to make sure that everybody is aware that on August 1st we will be only accepting the SF 312 nondisclosure agreements and the customer service requests. Those were at that were formally are used in JPAS only through DISS. So, it's really imperative that everyone obtain their DISS accounts prior to August 1st. As of right now, we have 33% of NISP companies provisioned and active and yes, we do have a staff that is working this daily and it's up to date on provisioning. Again, encourage everyone to get in. We do have step by step provisioning instructions, those are located on the front page of the DCSA website. We are also going to be working with industrial security representatives for companies that are not compliant to help with that process. Again, this is for the ultimate goal of being able to get us on to one system, which would be DISS and to be able to sunset JPAS, so we are working out two different systems. With that update, any questions?

Dennis:	Hello. Dennis Keith, industry. Only CE alerts received. You said a number with regards to the number that are valid.
Heather:	Correct.
Dennis:	What was that?
Heather:	The number of that are valid is 57% of the 83,000.
Dennis:	57%?
Heather:	Correct.
Dennis:	Is there a target that you're trying to get to in terms of about 80%, 90%?

Heather:	Of course, as we were always looking to increase that number, a lot of it has to do with functionality, business rules and automation. We are always looking to increase that number and that's what we're working through with our data sources as we continue to progress into continuous study.
Dennis:	What would you say is the, cause for 43% not being valid indicators?
Heather:	Oh, so that is a difference, and turning on different data sources and having to work through the nuances of those data sources to ensure that the business rules, the right elements, and the right data points and at the level that we need. Many times, it takes a few times just like turning on any program, you go through a couple of different data phases before you are able to hit the right. We are constantly adding the data sources to be able to start going to the continuous vetting clients. I think we're going to be hopefully seeing this number increase in validity, and it's going to be fluctuating until we have all the data sources online.
Dennis:	Could I ask the chair to sort of consider that as an action item on the follow-up on the next NISPPAC?
Katherine:	Good morning. Katherine Kaohi with industry
Heather:	Good morning.
Katherine:	Industry is seeing a lot of times where people are listed in JPAS but not in DISS and come one August, they can't submit the SF312, if the person is not in DISS and we're being told not to put them into DISS. So, we have security professionals that are faxing the SF312s in, but being told by the receiving end that they're not accepting them via fax, and they need to submit them via the DISS, which they can't do because the person doesn't exist. Do you have any guidance on how that is actually supposed to be implemented? How we're supposed to submit the SF312, if the person is not listed in the DISS account?
Heather:	I would say take a look at the tips and tricks in regards to making sure that your hierarchy and everything is resolved if that is in fact accurate. Well, one we're not going to actually enforce this until August 1st, so I would encourage you that respond back to the ask V ROC mailbox. That individual works directly for me, and **if you have** questions that we can get you the support and we can figure out what the underlying root issue is and help you resolve it.
Katherine:	Thank you.
Leonard:	Heather, This is **Leonard Moss, Industry.** Along the same lines of what Kathy was saying, we're seeing a lot of problems with data in the new system. There's a lot of data missing. There's a lot of folks that's not in there that should be in there from our cage code that is in JPAS, and then there's a lot of people who are in there who's no longer in our cage code. I'm really concerned about the sunset because JPAS is accurate, DISS is not. What are you guys doing as far as quality control and how can we address this because we can no longer do our RRUs? So, we're having real challenges getting a data accurate in DISS.

Heather:	Right, we are constantly working back and forth with the DMDC as well as the CAF in regards to trying to ensure that those data systems match up and align to the best of our ability. This is being ongoing struggle with having two different data systems, which is why we're moving to the DISS, not why we strategically only wanted to do the 312 and the RRUs first before and doing this as a gradual so that we can work out those kinks as they occur. I do have staff that is ramped up ready for this August 1st date to be able to address those issues. I would say if you already know certain issues in regards to people being out, please either talk to me offline or would like to send an email to our chat box, so we can try to work with the right entity that help you get that result before August 1st, but then even after August 1st we're standing by ready to assist. We know it's not going to be clean; it's not going to be perfect, but we are prepared to help and ensure that we can make this as **smooth as** possible.
Leonard:	Awesome.
Mark:	Questions for Heather in the auditorium?
Greg:	Heather, Greg Pannoni ISOO. Could you repeat the number percent that are provisioned as of this time periodically? **[49:21]**
Heather:	Correct, 33% are provisioned into DISS as of right now.
Greg:	That's on the face of it, it sounds like 33% and then August 1st we're going to turn something off and go the other way?
Heather:	We have been working very closely with industry partners and we are prepared for this, and we will work collaboratively as a team to move forward into this direction. We have been working diligently to moving everybody towards the provision into DISS.
Greg:	Do you expect that to happen by August 1st, to have everyone provisioned?
Heather:	Let me say it this way. I have realigned staff to help support when this occurs. We have been advertising this for a while. This is not new news. Again, this is being very strategic in regards to just doing the NDAs and the RRUs as the first step. That's one in multiple steps till we get to our final IT solution.
Greg:	Okay. Thanks.
Mark:	Thank you very much.
Heather:	Thank you.
Mark:	All right **Mark Pekrul** national background **investigation.** No, he's not **let's try again.** All right. Mariana **Martino,** DOD Consolidated Adjudications Facility.
David:	I'm not as pretty as Mariana, sorry. I am David Wright from the DOD CAF, and now forming underneath the DCSA. The population for industry and how we are addressing

those adjudications. As you can see here, we've divided the population into three portfolios. The current work in progress, the 36,000 that you see in the slide are divided into the readiness and the risk management portfolio, these are the active. For the readiness portfolio, we've designed these to get people to work. As you can see here, the categories are the T3s, the T1s, and the T5s. That slide reflects 22 days. As of yesterday, the July numbers were around 12. Right now, we're seeing some good progress in that. This population also includes the SCIs, the **KMP's,** the reciprocity requests, and of course the RRUs. Again, this is all engineered to get as many people to work as quickly as possible.

The second portfolio, the risk management portfolio is engineered to address the threat or the risk to the Department of Defense and its population. As you can see here, it addresses those periodically investigations that have been deemed medium or high risk by NBIB as well as other indicators or potential threats to national security or again to the DOD population. Again, managing that risk to the department. The third portfolio you see on the bottom there, the deferred, again as eligibility is no longer expired, we have created a deferred population. This is the folks whose adjudication has been deferred as they've been **deemed** but no risk by NBIB. This allows us to focus our energies on those top two portfolios you see there in readiness and the risk.

Many of our strategic priorities there are aligned with DCSA, NBIBs as far as addressing our aging inventory, reducing that as well as reducing the size and the timeliness of our inventory. At the same time, we continue to improve the quality and the consistency of our adjudications and the business processes surrounding them. Mainly by those efficiency initiatives that you see there on the right side. We have several lean six sigma programs going on to help us with our efficiencies as we move underneath DCSA. We are reorganizing to create specialized teams and task organized to help us find greater efficiencies and to improve our training opportunities and improve our consistency in our adjudications. Lastly, we're addressing the process with reciprocity to make sure that that is happening as quickly and as efficiently as possible. Questions?

Mark: Any questions for David in the auditorium?

Greg: I have a question, Greg Pannoni. Just if you could on the deferred population, which is pretty sizable to break this down, do we know that they're low risk or no risk prior to doing the investigation, or does this only inform them after the investigation is completed, and is this part of a temporary measure because we're catching up and enrolling people with CE?

David: Yes sir. Thank you for your question. So yes, these are the low to no risk that had been deemed by NBIB after the investigation has been completed. It's kind of a second phase if you would for trusted workforce 2.0.

Greg: That suggests there's like some minimal level of review or lack of using a better term. There's something that tells us they're low in their risks.

David: Yes, yes, there is. Yes, I mean, and not to get into the weeds, but NBIB will go through a suitability determination and they code the cases. These are the ones that have been determined as a no or low rate according the issues in. Yes, ma'am. As Ms. Stokes stated, as we look at these cases and we do review them from time to time to ensure that we're not missing anything. Again, due to the issues, if any at all were identified none of these were into due process, processed or revocation, or being revoked.

Greg: Just looking at the process and maybe it's premature, but ideally if we can avoid doing the investigation and just enroll them in CE, we'd save time, right?

David: Yes.

Greg: It's a little bit, maybe a little bit more risk, but--

David: Yes, and that is certainly the intent going forward with trusted workforce 2.0. This is the population that was kind of, we had already started the investigation.

Greg: Got you.

David: The investigation had already been completed.

Greg: That's good. Thank you.

Carolina: There is a question here from Mark Ryan. Are the efficiency initiatives in order of priority, why would we reciprocity be last?

David: No, they're not in the order of priority.

Mark: Good question. Thank you, David.

David: Thank you, appreciate it.

Mark: Now, we'll hear from Dr. Charles Barber, Enterprise Business Support Office.

Dr. Barber: Good morning everybody. I think if I had to truly talk about everything that we're doing in the EBSO, I would need about three hours. I don't have three hours this morning. I will talk very briefly about some of the key events and milestones that we have coming up to you on the horizon. In May, we started a usability testing with some of our early offerings, e-app and embassy agency. We also ensured that we had CE enrollment data was visible for you in business. In July we just recently had our kickoff meeting with several of our industry partners. **[57:48]**

It was a kickoff for our TIP pilot and TIP for those of you who don't know is the way we want to maximize use of the upfront information to satisfy investigative and security requirements. Industry was very well represented. I don't want to exhaust the list of partners who participated, but the industry was very, very well represented, and hopefully what we learned from that pilot, we'll be able to replicate on the governance side with the government partners also.

Move into August. We will continue this upgrade and some of those upgrades range from how we prioritize customer service requests to how we address legacy issues that had been reported by many of you through Quinton and through multiple calls to me and emails from Quinton, but through our partnership with Quinton, the NISPPAC, and the work at what we're doing with Mr. Carpenter, we are definitely addressing those issues as we look to derive requirements and move functionality over into some of our new offerings.

Moving to October. This is where we will finalize the concept of TIP pilots. We'll also start the initiation of moving our industry partners over to our new initiation services with independent agency and that will be a phase implementation. Then moving to the start of the year, this is what we'll continue transformation and transition activity to include operationalizing and finalizing our TIP concept, and some settings JPAS and fully adopting distance in some of our **industry partners.** In keeping with stakeholder inclusiveness, any effort that we support within the EBSO we always welcome the opportunity to allow our industry and our government partners to participate. In terms of usability testing and how we want to start to migrate our part of it into our initiation services, I encourage you to reach out to the PLC to see lifts on the slide. Her name is Ms. Aleisha Peoples, and she will definitely help do what she can to get you set up to participate in our usability testing in some of our early activity we have going in the EBSO. Any questions?

Valerie:	Charles hi, this is Valerie Heil, DOD. I just want to clarify on your slide. Could we go back to it for just a moment? Yeah, one more. I just want to say January, 2020 where it says sunset JPAS and fully adopt DISS at the meeting the other day where this was briefed. It's the understanding, is it not, that it should begin the process?
Dr. Barber:	Correct.
Valerie:	To sunset, since I don't-- I want to be sure that out of this meeting there's not public notice that JPAS sunset January, 2020. No, the process continues to get to that.
Dr. Barber:	Valerie is correct.
Valerie:	Okay.
Margaret:	Margaret, State Department. Where does CVS fit into all of this, because that's the one thing we have access to? So where is this in the whole process?
Dr. Barber:	So, we do have a more robust delivery, IT delivery and capability delivery model. Again, I cannot cover everything and we're working and supporting currently within the EBSO, but I'm trying to recall how we have that tag on our delivery map. I want to say it's fourth quarter by 20, but I will get back to you with a definite answer.
Margaret:	But it's going to be around, correct? I mean it's not leaving?
Patricia Stokes:	We have CVS on the roadmap to roll into NBIS which is what I believe Dr. Barber is leading to now, but we also have some interim steps to get the appropriate information

into CVS that all of you want prior to that. We have a manual process. First, we will go to an automated process to populate CVS and also populate scatter castles and then we will then ultimately roll that capability along the bigger broader roadmap of deployment of NBIS activity just to be clear.

Mark: Questions for Dr. Barber. Right, now we're going to hear from Terry Carpenter, National Background Investigations Services.

Terry: Thank you. Anybody knows Terry, Carpenter guy because I was doing the word count earlier and asking you the most common things said all day long and a little worried about that. I don't think it's me anymore but now I am Terry Carpenter from NBIS. I've been doing the PEO for the National Background Investigation Service as the program executive office and I am transitioning with the program over to DCSA in the end of July 20. That's more of paperwork roles. You heard about all the work with the transfer and the merger, same thing is happening with our program. As we move over, we're moving the people but right now we're operating as one organization.

I don't know if you've heard today, but you've heard the term change quite a lot and I'm telling you we're in the middle of some major change and there's a lot more major change to come, and I approve all the insight from our industry partners on how that change impacts you and how we can make it better. If you've seen this picture before, it's a common picture we use to kind of describe the scope of what's in NBIB. The big thing takeaway is the list is getting longer, right? Change is driving new requirements. We've heard continuous evaluation evolving the continuous vetting. We heard about the low side repository. How do we get the information in the hands of **everyone?**

Those things are all being incorporated as we go through this evolution of building this new service with an underlying IT system to help deliver it. I can't say enough about the partnership that we've had with our DOD entities, with my business partner on the DVD side that owns this business process transformation effort and with our industries and other federal agencies who are coming to the table to give us that insight as we go along.

If you're familiar with the old, I've heard a lot of terms of system names and as an IT person, I think about how hard that is from a user perspective, whether you're an industry in DOD or another federal agency. It's one of the pillars of what we're trying to do here. The first pillar is we're going to make something truly secure in a different way from the inside of the application out, not just protecting things at the boundary and at the perimeter. We're building security inside the actual application architecture and its architecture is going to be the foundation for enterprise architecture for us going forward for a lot of what we need to do in the future. **[1:04:26]**

Second pillar is business transformation. You've heard before how important transforming the process is. You're hearing about those changes right now. I hear some of the pain of that change and that's normal. We're making sure that, that architecture can support the rapid pace of change and keep up. We're really excited about the opportunity to adjust and really support trusted workforce 2.0, and really try to achieve those new trusted workforce investigative tiers being delivered as close to a new policy

being signed as possible. At times that's hard in IT. You hear the words years following a change in policy. We're looking to do it **in less.** We think we can with it.

The third pillar is user experience. Really, we're trying to focus on user experience. Our users, whether in a federal agency, DOD, or industry partner group are dealing with modern capabilities every single day in and out of work. We're trying to bring those same best practices, those same capabilities to make that user experience much better inside this application. Having a user sitting in a chair and swiveling two, five, or six different windows on their screen and trying to figure out which one do I open up while they were a DOD employee, and then going out and joining industry and working for you all, then going and having to go to different screens and try to figure out what that's like.

It's part of this transformation, not only we transforming process and building a more secure foundation in the applications, but we're really going to look at that user experience. That's really what you're seeing on the right-hand side is that modern architecture, building security into the application architecture, building the foundations and good hygiene required for data analytics, right? If you've ever tried to do data analytics, it's easy if you have good data, you trust that data, you understand that data, and you get access to that data. I'm telling you that's not easy to do to get all those things to come together. We're building all those foundations into the enterprise architecture for NBIS and for the future of DCSA, so that we'll have all that good hygiene that you would expect from a modern IT system.

Lastly, I just want to put a few things in here to show, we've been busy, we've been rolling out regular releases. Those releases today haven't finished focused on the user experience of capability getting in the hands of users, but a lot of stuff in the back behind the scenes, building that foundation I talked about, being able to manage that data, control it, secure it, know what it is, protect it, put proper policies around it for that **[1:07:16]** future analytics. Building those initial capabilities, changing the experience of the subject that they sit in front of that long form called the SF 86.

Really focusing on the CE process. We found tremendous business value in, as we talked about earlier, those investigated cases that can be pushed in the CE now, and what we're doing with the future with CV. Really again, getting that data broker, the data foundation's done so that we can really move into those advanced analytics capabilities. Then right around the corner is the rest of the investigative tiers again, following that trusted workforce 2.0 definition as it gets signed, and getting into the additional capabilities to make that user experience for you and industry much better, much faster and much easier.

[1:08:39] There are a lot of things that are being discussed that haven't put into official plans. I don't have an official plan for anything like that yet today, but I can't say that that's not in the discussions in the back.

Greg: Greg Pannoni, ISOO. I don't want to mischaracterize this, but it sounds a little bit like we're flying the aircraft and updating it concomitantly same time. Are we confident that,

from a security assurance, cyber resilience perspective, that not going to run into what happened before the OPM data breach or something similar to that?

Terry: We're confident.

Greg: Okay.

Terry: I will say we have not done this in the shadows of a single room with a single group. There's a lot of tremendous depth of skills in the areas that are concerning that we've had on the team day to day as part of the building design process. Also, as part of the oversight process, reviewing those decisions of how we're designing, how we're building. We have a pretty structured governance around the technology side with the right expected players within the department who have that expertise.

Mark: Any other questions for Terry in the auditorium? Carolina? Thank you, Terry, appreciate it [1:10:00]

Terry: Thank you.

Mark: Okay, now we'll hear from Chris Forest, who'll give us an update on what's going on down at DCSA?

Chris: Morning everybody. My name is Chris Forest. I'm the Deputy Assistant Director for the NISS policy office under ISIA. As you can see, I am not Keith Minard. Today is his 55th birthday, and I told him that I would cover for him for a birthday present, I told him, when my birthday comes, I expect him to paint my house multiple times. Let's just go ahead and start out. First, I want to echo thanks to Quinton and Dennis as well for their participation. For continuing that, Quinton, no matter where I go, it seems like I always see-- so that's not as, I think we will continue that relationship on going, but thank you both for your participation. We really appreciate it.

Also, we'd like to welcome one of the newer members to the National Industrial Security program in the Department of Veterans Affairs. It's now 33rd agency to sign an agreement with us, for industrial security services. I'm not sure if they're in the audience today, but I wanted to welcome them to the program as well. Jump right in here with, we're going to go right to the National Industrial Security System, good old NISS. Some of the things that are going on right now, I know there has been some talk, some latency issues, access, and things going on. We're working diligently to correct those issues as they come about. One of the things that has happened is a call center as of May 1st, DCSA call center, we've updated that for additional function and technical resources. We're hoping that's going to help give more answers out to, not just industry with government as well. **[1:12:31]**

Right now, we have about 80% of cage codes registered with NISS. Get that continued to move forward with, getting that to 100%. We're working on that as well. One of the due outs that I believe Mr. Pannoni discussed was industry and government. She needs to provide requirements and recommendations for the system, and we have a meeting

scheduled for August for industry and government to come and we'll sit down. There'll be more information coming, but we'll have a NISS group to sit down and walk through some of the issues and some of the positives that are also going through. I don't want to make it all, can we continue to move forward with that?

Next system is NCCS 254. The NISS Contract Classification System. We have about 60% of the information is coming into that system right now is, and we're still working with our DOD components to increase their, NCCS use. Our DOD components continue to update policies and processes to reflect NCCS use within their organizations. All the mill depths, and again, I want to thank, Sharon Dondlinger for Air Force. She's taken a lead on that and they're really been a good partner working with us too, work through some of the issues associated with NCCS. Thank you, Sharon. We really appreciate that.

We're also, from an NCCS standpoint, we continue to look at, we have three engineering change proposals that we have out right now, and one of those is trying to look at again, how about the non DOD agencies? How are they going to play into this? How's that going to work? So, we're working through that. I want to make sure that all non DOD partners realize that we haven't forgotten about you. We know you're out there, so we want to make sure that you're still, have you engage you as well.

Quick CDSC update. There is a Virtual Security Conference July 24th. I have been big bold letters that from government registration, government attendance for this year only. You can go on our website if you are interested in the government now sign up for that. Next year, there will be an industry government will have access. Both government and industry will be able to participate in that. That's coming next year. Don't take offense industry, we didn't forget about you again. There's also several DIT webinars that are currently under that are posted. I'm not going to go through them, but as you have questions and things arise with DIT, look at those webinars and also do not be afraid to contact your local field offices and also our headquarters element to continue to get a better understanding of where we're going in that. Any questions so far? I'm kind of rambling here. Valerie please.

Valerie: Hi Valerie Heil, DOD. Just to give an update about NCCS usage, and I'll send a notice to the NISPPAC members, but as a July 12th, the Federal Register now includes the notice out for public comment, **mandated** security requirements in the federal acquisition regulation prior use of the DCSA managed NCCS automated 254. It does include a requirement for DOD components and those non DOD agencies. Does include a provision for any of those non-DOD agency legacy system. Federal notice, 2019-14379.

Chris: Thank you Valerie. Mr. Spinnanger, this topic during his comments concerning the 842 NID, and it also on Mr. Pannoni also addressed it as-- This is really a big deal especially for someone like me that's been around through changes for one agency. I've watch this NID process kind of goes through the whole iteration. I won't tell you how many years that is. I don't want to give away my age, but it is a big deal and it's worth noting that there was a lot of effort between industry, government, and inside of government to get this process and get these waivers approved and we're moving out on them. I believe this is also going to help us with the efficiencies for other NIDs that's going to address, Mr.

Pannoni backlog that's, some of the numbers. We think that's going to help out approximately 19 facilities that are covered under that waiver, and we'll continue to move forward with that. But again, that's really going to help that process **out tremendously**. That's a good news story for everybody in here.

I wanted to give a quick update on e-mass. This is part of the NISA working group. The e-mass is alive and well effective May 6th of this year, IS authorizations and reauthorizations were needed to be submitted to e-mass. I want to remind everybody that no later than 30 September of this year, industry partners must transfer their authorization letters and all supporting artifacts for all existing authorizations from all OBMS to EMS. Refer to your NIST, EMS job aid to help you work through that. Again, if you have some problems with that, please reach out to your local field offices, your regions.

Also, one more, this was a big bold on my talking points was, please get ready for Windows 7 upgrade. I'm not going to tell you about all that. That's coming to make sure that you are ready from Windows 7 to Windows 10. That'll be something that we'll be looking at. That's not effective until 14 January of 2020, but might as well start now. Any questions so far? Okay.

Last bullet that I have is, I wanted to just briefly discuss advisory committee. Our industrial advisory committee on industrial security, industrial based policy, up to this point we've been fairly vague about the process, where we're going, what we're doing. We still are in the process of vetting not just government members but also industry members. One of the concerns I know for this group was, would there be NISPPAC representation on that committee? I can tell you that I'm pretty confident that representation will be there, and it'll be at a fairly high level. Just if you bear with me, I think it all come together when we were able to share more information after the final vetting process is completed. Any questions? Kind of ran through that a little quick.

Mark: For Chris in the auditorium? Thanks, sir, appreciate it.

Chris: Thank you, **make is easy on me.**

Mark: Next presentation, Mr. Wilkes, your Swan song please sir.

Quinton: Thank you for allowing me to have the opportunity to represent the industry. I've had a really **good** learning experience of the last four years, I put it that way. I'm also want to thank Dennis for his participation and leadership. I couldn't have done it without him. We have many a calls about challenges and issues and how to put it in the right verbiage in a way that everybody will accept it, right? Without further ado, what we want to talk a little bit about is, NISPPAC and MOU membership, we're going to get into some policy changes and what we think some of the impacts are going to be. We're going to talk a little bit about new business, some continued business. We're going to address some of, maybe some specific challenges we're having with the systems and then we'll finish it up with Old Business.

The first thing that of course we talked about is myself and Dennis Keith are coming off in September and we'll be having elections in the upcoming weeks to select two new members that will follow us one October. Okay, so that'll be coming. Look for the emails on process of being able to submit someone. When it comes to the MOUs, we do have a couple of new MOUs. We have **Justin Croute** who's the news fiscal person. We have Kathy Kaohi who is the new president for NCMS and Charlotte Sal for the PSC. So, I want to thank you guys

[1:23:30] Next slide. When it comes to the policy changes, one of the things that we were taking a really close look at is differing of investigations that are pending jurisdiction of the CAF. We just heard a lot about how this is going to help clear up space so that they can adjudicate the issue cases, but we still want to take a look at this because it's low to no risk cases. You know, maybe something that we can put in place [**1:24:02**] so that members in the field actually know that the case is being deferred. At the moment, there's no way that on the industry side of the house from looking at JPAS or looking at this that we note that the case is deferred. It just says pending adjudication at the CAF. Hopefully moving forward, we will have that and hopefully some type of change will come in and place.

When it comes to, in the last meeting we talked about accountability for top secret material and we asked for more guidance. A good thing is there's the draft ISL out right now on the accountability for top secret materials in electronic form. We're providing comments, back now they're not done, but we're working on getting the comments collected and back to the government.

Next slide. Talked a lot about having working groups and different things in place to work with the government. In previous meetings, we've come to a lot of meetings and said, hey, you know, these are things we're working, and we need answers. We want answers, that kind of thing. We asked to put work in groups in place. Mark really pushed putting work in groups in place. We put the work and now we're really starting to make progress. We've got a couple of ISLs that have been out for comment. We provided comment; we'll make waiting on feedback based on what we presented. I know one of the ISL that came out that we had a lot of comments on with investment reporting and Valerie already said that's something that they're working on.

I can't tell you that we did address the CVD and a whole lot of other things and I'm sure it's going to take a process that it has to go through before they can come back and say, this is where we are. We're hoping we're going to see those types of things soon. We've made a huge step forward when it comes to the new process. I mean, every meeting since I've been on NISPPAC four years we've talked about NIDS and to be able to, or 19 companies. Now, I have one it's slide deck BAE, is that because BAE was the first and then we didn't find out about the 19 until Monday at this time, but it is more companies than just BAE, but that's a huge step forward. Hopefully moving forward we'll be able to put a working group together and talk about the SCI piece and that'll be critical. That'll be the critical. The next step that's going to be critical. So, closing the gap on the NID process and maybe coming up with solutions that we can process better and faster.

Next slide. When it comes to CUI, we're just waiting to see how the cyber security maturity model is going to play into CUI moving forward then NISPPAC gathering information from industry partners. We submitted the information on current methods of assessment and provided it to the ISOO in June, and we're just waiting comments to see where we're going to go from there, but we are engaged. Again, the working groups are in place. We're trying to work with the government and provide what we think are some common concerns and challenges moving forward so that we can hope better processes and so that we don't have so many problems **[01:27:44] moving forward.**

Next slide. When it comes to DIT, we talk about it and we talk about it and then we talk about it, and it is here. It's not something that's coming. One of the things that industry has concerned with is when it comes to how long it takes for the tailored security plans to be put in place. Out of a hundred companies that has been through the comprehensive security review only 50 have TSPs in place. We need to take a look at what is the hold up, what's causing the **[01:28:29] stoppage** of moving forward with these. It's going to be a really difficult sell if moving forward, everybody's going to be required to TSP. We need to refine the process for the TSP.

We did have a working group in March to address some of our concerns and we talked about a lot of concerns. We'll have to see in the next working group how based on what we brought up and what our concerns were, what is a solution for changes moving forward. Right now, we don't know, all we can say is we addressed a lot of concerns and we were waiting for them to come back and say, "Hey, this is where we are in the process."[1:28:55]

Next slide. When it comes to trusted workforce, we requested a meeting with DNI, which we had in March. It was a really good meeting. They talked to us about the way forward. We also talked to them about what can we do to help them as we move forward, and what can industry do to make the processes better, to help them come up with processes that are going to be effective in the end. They are going to be something that we talked a lot about, where they want to go in the future, and actually to the point of maybe having tabletop exercises based on some of the things that, some of the ideas that they come up with to see what we think and what the impact may be on industry moving forward. We're really engaged with NIS, and trusted workforce piece, which we're still trying to make sure that we have some representation in all of the meetings that were somebody from industry can address the concerns and that's something that they're working with us on to hopefully we'll be able to have something like that in place moving forward.

Next slide. When it comes to the systems, I mean, you guys have heard it, we're having some latency problems with a lot of the systems. When it comes to DSS, I mean to DISS and making the transition from JPAS, we are having some data problems. We've addressed this in numerous meetings, that we're having data problems with information in one system but not in the other system. We know we have some work ahead, but we have addressed those concerns and we're working government again and multiple working groups to come up with what we can do to help this process. One of the things that ties industry hands is we don't have the ability to do anything. That's a system

problem and it's something that DCSA is going to have to figure out on their side to make sure that the two systems are talking.

One of the things that we're taking a look at is, as we make the transition to DISS being the system of record, it is going to be extremely difficult to submit and do some of the things government wants us to do with the person's information. What we have to do is take a look at the data, work with the government and see if we add the data into this, is that going to be acceptable or is it going to make duplications. These are things we are going to have to take a look at to make sure that whatever we do to help ourselves so that we can help the government. Something moving forward, and we're not going to know that until we start doing those things and working with the government to be tested.

One of the things that we asked from the government is as they move forward with multiple systems in the future, a lot of the systems that they're Beta testing right now only work with a CAC card, and it's really hard for industry to participate if CAC is required. You're going to have to come up with systems that allow CAC, NPTI, because PTI is what industry use. If you're going to want industry involved from the beginning, which is where you want us, so we can help you make something that's going to be acceptable and it's going to work, you're going to have to take a look at your systems and make sure that they work with both CAC and PTI as we move into the future.

Next slide. Still have some concerns with small businesses. NCMS did do a white paper to talk about consultants and what can consultants can do. We asked DCSA to provide some policies on consultants and they did provide us some guidance back. They answered to a lot of the questions that we had in the white paper. What problem, they can handle it internally, but we're still waiting for some answers specifically when it comes to, and whether consultants can be account managers. How they can participate more when they're working with their customers in the field. Again, that's one of the things we're waiting for additional information. **[01:33:31]**

Next slide. Comes to the SEADs. We're still waiting on information on the SEAD3 ISL. We did provide comments, but **as Valerie was saying,** that's they're working on and we'll have to see when we're going to be able to see it final on that in the future. Again, that's something that we're looking forward to. Hopefully we can see it before it's out and released to everyone else. When it comes to the SEADs and draft SEADs, again we're working with the DNI, they're doing all they can to share information with us, that they can, that they won't get in trouble for sharing with industry based on it. It is policy and industry can assist and provide comments on policy that we can't develop policies, but we are engaged, and we are having meetings to talk about all the SEADs that are coming out in the future.

The last slide. Just talks about the defense policy advisory committee and Chris already touched on that. We're just patiently, you see how this is going to turn out that one of the good things based on what he said is, we've been asking, asking, and ask him to have some type of industry participation and he's saying it happened at the highest level. We're waiting patiently.

Chris:	Just correction on your slide. That's not my committee.
Jane:	Hello Jane **Dinkel** Industry. Quinton, you mentioned a TS accountability ISL that's been distributed for comments and I don't know about the rest of the audience, but I have not seen that. Can you tell me when that was released for comment and when are those comments due back by?
Quinton:	It was released Thursday last week, and in the comments, Valerie, can you help me when the comments are due back? I want to say sometime in August, sometime in August, but I did send it to all of the NISPPAC in the MOUs but if you need it, I can get it. **[01:36:12]**.
David:	David Wright, DCSA. On the differed population for the adjudications, if you look at the subject within DISS, if they have a recent closed investigation and they are enrolled in CE, that's your indicator.
Quinton:	That's good, but if she could post that on the website to tell us and also if it is posted on a website, just tell us where, but to remember that only 33% of industry have DISS accounts. Most people are using the system of record.
Patricia:	Quinton, thank you, and we will post it. We'll put it in the VROC call center and the CAF for frequently asked questions, and to your point that's true. But again, we have been asking industry to move to **DISS**, and so we need the support of your committee to ensure and to stress the importance of it. Again, the one August date, we've got to start moving forward in transformation and into the new system records where that will be part of **NBIS**. At some point in time we have to say you're in or you need to address whatever issues, if there are issues in a way, we know this is hard.

Change is hard and not everybody is going to be able **solve the** problems encountered, and we want to help with those problems, Heather was very clear. We have a whole team postured to help with those issues, but we really need support of this committee to express to industry how important this is. Your help would be very much appreciated and the business rules, can I speak one more thing? The business rules that you suggested for the deferrals that's the plan. What we want to do is build based on the risks portfolios of these cases and all the analysis, we want to now update the business rules to address that, so it's an automatic thing, so we won't be in this kind of **situation [01:38:23]**. |
| **Quinton:** | Just to kind of help you out when it comes to the communication process for and getting word out to industry. Our committees have worked really hard with Heather in the VROC to push the word out. We had NCMS brown bags. We've briefed it at NCMS and at our national committees. We've sent out emails and reminders and every time you guys put something on your website, we're posting it on our website and sending that out to all of our members. We're really doing our part, but I think the challenge is not the system of record and until more things are put into DISS, that's going to force people to go over and look for information. I'm not sure if you're going to get the outcome that you're looking for. |

I know that the data is coming up for one August, and hopefully you guys will get a flood of information put into, a flood of new members or new people getting access to the system by the end of the month. Again, with limited things that you can see in DISS I think that's one of the problems. Also, the other problem is how long will it be before DISS becomes system of record that will also help with the change of them. This is something that we've seen in the past when we went from one system to the other. Whenever you have two systems, as long as that old system, the system of record, it's just a challenge getting people to move forward.

Greg: First I do want to recognize and thank Quinton for working with you and all your expertise and to see you continuing that because I'm expecting you will, but I do want to amplify on the process for becoming a member. It's completely transparent. If you go on our website, look at the bylaws for the NISPPAC and you will see our process for how folks are nominated to become a NISPPAC industry member, so I encourage that. As just in the interest again, transparency one of the slides that Quinton referred to was the NIST and CUI and yes, we know unprecedented changes in the space of unclassified information, particularly on systems. I want you to know we are working that, it's early on, but ISOO, DOD and DCSA have met and we will be working on something and we'll coordinate that with the CSAs because I know the oversight assessment part of that is a challenge, probably for all of us on both sides it's safe to say. We're aware of it, we're working it, we know it's a big issue and hopefully I would say within the next 30 days, we will have some guidance out there.

Mark: I don't want to say one thing about the working groups. As you know, my biggest fear of the NISPPAC was, it wasn't doing anything, and so these working groups will it be in the show some promise. I mean, the ones that I've attended have been very good spirited, but they're actually getting some things done. In fact, I like to see more working groups. I'd like to see a working group **on NIDs.** Again, this is kind of the ground level. They have to be able to get these to work in. Charlie, your group reminds me of a weightlifter. Every time I turn around, you're putting more weight on **it. Let me** help you to, and so I see this as a very collaborative effort. It's something that's can actually get things done for change. Let's hear from Devin Casey on CUI, and then we'll take a 10-minute break.

Devin: Good morning. I'm Devin Casey, CUI. I stand between you and a well-deserved 10-minute break, so I'll keep it short [1:42:10] but let's try to hit all the main information here. Agencies are still implementing CUI, that's been the part we've been playing for a couple of years now. We have seen significant progress in our annual report where agencies have reported on where they were from last year. We're currently in the process of dropping a letter of request for this year's annual report. You got better information from them and see if they manage to meet or keep to the timelines that they sent us last year. The most important thing that we got from the reports last year is that most agencies are in the process, policies within the next 6 to 12 months, and that's the biggest hurdle of the CUI program. It requires that they've done a good analysis of where they are and if they have a plan about where they're going.

After that program, that policy development and publication and agencies, the dominos tend to fall rather quickly. You heard from DOD earlier that they are working on their CUI

policy as well, and not a lot will change once that CUI policy comes out. The program [1:43:40] starts to implement the rest of the years of bureaucracy kick in and the program really gains in a lot of speed. Two big efforts that are going on in that the industry is probably interested in is of course the notification. The public notice and public comment period for the NIST 800171 and 800171b. How the NIST 800171 Rev two has minor kind of quality of life changes. The content has not **gone away.** The controls are the same. The number of controls are the same. How that information is laid out has changed a little bit, but please do feel free to comment. Again, that comment period is open until August 2nd.

Now the NIST 800171B, which is an attachment being added to the 171 world, includes additional controls to address advanced persistent threats on contracts or programs that are HVAs or High Value Assets. We know that those types of programs, that type of information is being targeted in a way that's more advanced, and or different from what the controls 800 171 are now **and** who are soon to be reverted to address. These controls are meant to address those more advanced than slightly different threats that these different types of information face. Please provide your comments back. The period was extended to August 2nd. You can find a blog post on our website, there'll be a new blog post letting you know that the comment period was extended, but how and when to comment, who to send those comments to are provided on the NIST website and you can get to them **on our website.**

We did have an industry day here at these offices where a lot of, it was actually kind of geared toward agencies to help meet with industry where industry providing solutions for the implementation of CUI. It was very successful. A lot of the industry participants who were there said that they, all of the smaller group and a lot of the big trade fairs it was the perfect target audience because it was the concern to implementers of the CUI programs at agencies, that was a very successful thing. The best way to find out about all of this is through our website and blog. We have archives.gov/cui. Right on the top right is where to join our blog. You'll get notified about any of these events. One of the main events that we notify or that you can get notified by on our blog is our stakeholder update. You see that we had one, that we mentioned that we would have, we've actually had two since then. We've just had one yesterday afternoon. It's an online webinar or WebEx that you call into. It's for agencies, industry, academia, and any stakeholders in the CUI program. Any updates to the program in the first half of the meeting, and then we do questions and answers with anyone with questions about the CUI program or what's been going there, so that's been going well. [1:46:27]

We will have another one, we'll announce on our blog. We'll be posting the slides to our previous one on the blog as well. You'll hear me say blog a lot. Please go to the CUI blog if you want more information about the CUI program. Some other things, some things that we mentioned in that briefing that we've talked about that are happening. There's a position description marked out for CUI that agencies can use to hire individuals who are running the program manager position at agencies. We have a destruction notice that's in its final stages of being worked out that we'll revise the existing multi-step destruction notice to clarify issues and questions about single step destruction and the requirements for protection of information prior to its final destruction in a multi-step process.

We also have a new registry committee, which is a working group developed from our advisory council that helps advise our office on changes, updates and modifications to the CUI registry and help streamline that process and get a better buy in from the effected parties, to legal offices and the information security professionals from multiple agencies so that the CUI executive agent can have a good recommendation from that group prior to bringing it to the council for final approval.

I saved the best two for last. I don't have too much information on the FAR. There's no new status for you. It's still going to come out for public comment sometime this fall, and that's the CUI FAR clause. We have a lot of material that we put online where we've talked about it. It is based off of the DFAR 7012 so it's kind of a more advanced, a newer version of that will apply to all of the other agencies. It's going through the regular government process. It's not particularly hung up on anything. It hasn't been intentionally stalled. It's just going through a process. Again, it'll come up for public comment. If you're not someone like me who reads the Federal Register every morning, you can join our CUI blog and we get a notification of the notices and the public comment period for that FAR. [1:48:28]

We are already planning that once the FAR comes out for public comment we will do an ad hoc stakeholders meeting to talk to anyone who wants to understand what we were going for in the FAR, to understand the context of what, why it's in there, to help ensure that we get better quality comments back on possible changes to that text. Ad hoc meeting which we will announce when we announce the public comment period and that FAR. Encourage and wants best feedback from industry. We want to make sure that we provide the information to you so you can give us those quality comments that help us change that text in a way that's beneficial to all parties.

Then kind of the next part is, and it goes in line with the FAR oversight to industry is something that the CUI program is very focused on. Standardization across the executive branch includes those non-federal entities. It's something that we have a plan for that will really start to take shape after the FAR goes up for public comment and becomes finalized that our office will move out on. We also have a lot to learn from the people who are already doing **it,** DHS or some of the other more mature information security offices and we are working with their current efforts and becoming more involved with their current efforts to ensure that they align well with the standardization. It goes very well hand in hand with the goals of the NIST other shared baseline, a standardized approach that allows for better security with less overhead and less needless administration and overhead and in both realms from our side as well as from yours. We are working on all of those.

Some things that we're looking to clarify the relationship between us, we move forward and as CUI has this FAR come out or things like the relationship between CUI, the HVA program and NIST 800-171B. The CMMC process, you might've been hearing about deliver on compromise, that the fence and transition are all things that are doing a lot of work and a lot of really good work. **S**tandardization and overseeing the unclassified world and we're trying to make sure that we were prepared to provide that guidance to the executive branch and as well industry and other stakeholders. How those overlap, why

they overlap, where they overlap, and make sure that everyone's working together on the same page as CUI continues to roll out.

As well kind of end on that note. I don't think I've said it yet. We have a website, archives.gov/cui. We have a blog on that website, but I haven't mentioned at all throughout this briefing that you can find out a lot more information. We do proactively engage in a lot of different meetings to run CMS. A lot of the industry groups that **are here.** If you have more questions for CUI, the website has an email and phone number. Please call, email us or send me an email. **Devin.Casey@nara.gov [1:51:14]**

Mark: Questions for Devin in the auditorium?

Devin: Thank you.

Mark: All right, we're going to take a 10-minute break. The restrooms are to your left when you exit. Please be back in 10 minutes. We can wrap this thing up. Okay. We're going to continue on now. I'm going to call Valerie Kerben to the mic who give us an update. **You think you can do it from here? You can sit here too.**

Kerben: Thank you some of you for coming back after the meeting. I can see you're all are interested in SEC EA update. For SEC EA, the Security Executive agent. I'm just going to give you a little bit of a status on where we are in some of the policies, and then I'll talk a little bit about trusted workforce and also cover some of the things that came out of our meeting with industry.

As you heard from the last meeting, SEAD eight the draft is about temporary eligibility. This policy will cover some more specifics on your agencies and industry. Working together on granting temporary eligibility access to the various levels of collateral clearance and the process for onetime access, and then also the process for approving people for higher sensitive position. This policy will cover specifics as I said on basically these areas. So, the policy has been in play for a little over a year and I've mentioned before to this forum policy **changes** take a while, right Valerie. The point is we did go out to our security executive agent advisory committee groups for comments. We've adjudicated those comments and right now SEAD eight has come back from OMB review. Some of your agencies were targeted at that point, also review it again. It's been now per interagency coordination and we're going to get it back to OMB shortly. Of course, the hopes are kind of high to have this policy signed and implemented before the end of the year. That's one of those on the forefront.

The other one is SEAD nine whistleblower protections, retaliatory revocation of national security eligibility. It's also draft pre deliberative. We did go after the security executive in advisory committee and departments and agencies have responded with comments and please know that, ISOO and other CSAs in the room are finding and providing comments on behalf of industry. We'll get those comments back out to the SEC, so they see how it's been adjudicated and we're also trying to get this through to OMB. Again, those are the two policies right now in process for coordination.

Trusted workforce, and we've all heard a tidbit about it today. The trusted workforce is really an effort that is sponsored by the executive agents, the DNI security executives, and the essential executive agent with PAC from its accountability council and our other pack principal partners, as well as a few of the other departments and agencies. The executive steering group continues to meet every month and makes decisions on how we're going to move. Everybody from leadership, the DNI, PDNI, I know, SECDEF we're all really committed to moving this reform effort. A lot of things are going on, a lot of different paths, and everybody's really has, everybody has a lot of attention to making sure this work. We're all used to the process, for the past 50 years, if we've all been working there. How we investigate, how we adjudicate and how we do polygraph, and we're trying to do things more efficiently. We also learned from the phase one on how to reduce the inventory and some of those measures and best practices we're taking forward as we create the trust.

A lot of things are underway. The biggest thing is the national security presidential memo. It's been at the White House for a few months and we're waiting it signed, but that's not stopping what we're doing. We're still making sure **to** work through in these tabletop discussion. The PAC CMO leading some of those efforts with us coordinating it and we're ensuring we're hearing everybody. From Terry and Patricia, they're working on modernizing everything so there'll be all set for everything inclusive of the content **and** eventually kind of move away from the traditional periodic reinvestigation.

I'd like to then talk about the meeting we held in March. The executive agents and PAC hosted the meetings for **us** and ISOO and our CSAs, and we all talked about where we're going on trusted workforce. We talked about, and discussed the concerns of industry and we addressed a lot of the questions that were raised. We did commit to meeting periodically with the NISPPAC members. We're going to plan for a future meeting in this fall and I'll get together with you Greg, and we'll plan about where to host it, but it will be again, the same group **of** partners in the whole trusted workforce.

Mark:	Any questions for Valerie in the auditorium?
Charlie:	Sure thing. Charlie Phalen with industry. I think I heard you say that for the security executive agent directives, industry input for that should come through the CSAs.
Kerben:	Well, the CSAs see the policy and they comment on things that would impact them or raise concerns, but CSAs are the ones who put out a policy for the way things **are done.**
Charlie:	Got It. So, there's still not a direct industry input?
Kerben:	No.
Charlie:	Okay. Thank you.
Mark:	What else for Valerie? Carolina anybody. Okay? Thank you, Valerie, appreciate it. Okay, now we will hear from Darrell Parsons on the update on NISA working group.

Parsons: Thank you. Again, Darrell Parsons with Nuclear Regulatory Commission. I appreciate the invite down. Alegra, who I understand is not here today. Val told me to come down and talk to you all today, so I appreciate that. I'm really struck by the amount of change that's happening within the industry, just what I've seen today, and I just wanted to let you all know my leadership. My executive director for operations, and certainly the commission ask questions about what happens here and what the impact is and on our licensees. I'll give you a quick distinction. You all talk about contractors, the NRC talks about our licensees, so they pay us versus the government paying them. There's a little bit of a natural tension there between what happens within the NISPPAC versus how the NRC uses.

The other thing I would say is that NRC is always looking and trying to better collaborate with parts of the government of Department of Energy. Certainly, we share the same microphone. Department of Defense has been a big help for us even in the past couple of months. We appreciate that. ISOO is always friendly face to see at the NRC. In the grand scheme of the NRC versus, and just for the economies of scale, if you think about the industrial security program as the entire screen, we are probably the size of the period right after **facility.** I just wanted to give you sort of that sort of picture view into how large we really are.

Two years ago, I think we gave this presentation. We said, there was approximately 10 classified networks that we oversee and given the state of the nuclear energy economy in the United States right now, it very depressed and we were seeing that within the commission as well. We've cut back on some of these, some of our licensees have cut back on their classified network. We're approximately half of what we were two years ago. I don't even want to mention the number because you'd probably laugh at me, but we do again, collaborate with Department of Energy on the accreditation of these networks.

We have a very good working relationship with some folks down in Oak Ridge, Tennessee, who go out to parts of the desert in New Mexico and look at some of our licensees and what they're doing in the classified networks. A lot of these networks are control networks. I won't go into details around them, but we do have an accreditation program associated with this, and as a regulator, we don't necessarily want to sign as the approving authority on that. That's another distinction for us. As a regulator, we don't necessarily see, there's a condition of risk there. That's why we collaborate a lot with Department of Energy on these types of networks. **[2:02:50]**

The other thing that I wanted to say, am I missing anything here? There are two areas, from the NRC, two offices. One is traditionally NRC going out and getting contracts and having a classified or cleared contractor **where the** majority of them work for me specifically, but I actually represent the area of the licensees and the classified work that they do. There are two sort of offices within the NRC that handle contractors, or the industrial security program.

The other thing I would want to say is just mentioning CUI that has come up a lot today. A week from today NRC is actually going to have a public meeting on CUI and its impact on

our working group for CUI within the agency. Any questions or anything about the way NRC operates versus the way Department of Energy operates, we are separate agencies, please. [2:04:21]

Mark: Thank you.

Darrell: Thank you. I appreciate the time.

Mark: No, no. Thanks for coming. All right Greg update on clearance working group.

Greg: Yes. Okay. Well thank you. Being toward the end here, most of what I would discuss has really already been discussed. We did have a robust discussion at the clearance working group. It's been everything we heard today, whether it be the systems and NISS, DISS, NCCS, NID. We talked about the NIDs. We talked about DIT and transition, NIST, and CUI, so pretty much every, trusted workforce 2.0, SEADs. I do mention a couple of points on the one item that I didn't hear today that we talked about in our meeting was the level of cyber assurance for that system. The question came up in our working group. Does it meet the moderate level of confidentiality? Given the **data** it's going to eventually be in there or is already in some ways in there. I think it's useful to find out, and so that's the baseline for CUI basic information. I'd asked that DOD take that back to confirm what the level of confidentiality, integrity and assurance for that system is or is planned to be.

I did also want to mention, we talked about the implementation for continuous evaluation. We heard today close to 1.4 million. My understanding is, and Valerie correct me if I'm wrong, Valerie Kerben, but December 2021 is the target date that everyone is a requirement that they will be enrolled in. We're marching toward that day and I think that's a good thing. Obviously, we also talk about metric data and of course that's a good news story at least in terms of the substantial inventory reduction. Obviously, timelines, there's still ways to go to bring those timelines down. There're way beyond the overall goals, so there's quite a bit of work to be done there. With that I'm going to stop, and if anyone has any questions.

Mark: All right. Okay. Now we're going to get into the last presenter, Russell Hunter, DOHA. Metrics, statistics.

Russell: That wasn't just a dramatic entrance. You said the word metrics as I was trying to walk. That was the problem. I can make this very brief because it's a good news story, and in fact as far as the, I have to ask this not be heralded as metrics or statistics because most of what I have to say is not that.

Mark: Whatever you wish.

Russell: That having been said, we have a normal workload of industrial statements of reasons to review from the **CAF.** Right now, we have 233 that's very squarely in the middle of our normal range between 200 and 250 a month. That means that we're working those within 30 days. The exception of course is when we have to go back and get additional information. That's a thing that we'll continue to be an issue, but as we reform the

investigative process, the adjudicator process, is our hope that we'll get more cases that are to use a term that CAF has been using recently, more adjudicated cases, because whether it's CE or a typical old school investigation, when DOHA gets a case, it's because there is actionable information that our revocation.

In industry that's a really tiny percentage of the overall population. We're talking about 1.5% of the people who apply for, or we evaluated for clearances about just over a thousand denials and revocations a year, but with that said, we know that the workload will be coming as the backlog gets it fast, and are working with the CAF to ensure that gets done as efficiently as possible. The CAF is providing some resources to DOHA in the form of some contractors, printers and scanners that will allow us to work more easily within the DISS. That will also enable DOHA to issue statements of reasons directly without having to send them our legal review back to the CAF. That's going to save time.

The other thing that we're doing, and it's been very successful with the CAF, is working on tiny percent of your cases that involve a mental health evaluation. The reason that that's worthy of mention, even though it's a tiny number of cases, last week from the independent DOHA appeal board, which said that the way that we had worked out with the CAF, and I have to commend that the industry division, because the appeal board concluded that the mental health evaluations that the CAF has been getting are an admissible document in our proceeding, which means that we can effectively using taxpayer dollars to conduct the most sensitive cases, which are the mental health evaluation. It seems like a tiny number of cases, but it's important because it's an example of how when we figure out that there's a problem, we've been working together with the CAF and getting it right.

The number of cases that DOHA has pending executive right now, less than 700 of those 383 are active with administrative judges. 157 cases that are being written up as hearing decisions and they're processed. Again, we're talking about tiny numbers at the end of the process that starts out with hundreds of thousands. That's all I have. Does anybody have any questions?

Mark: Yes ma'am.

Carolina: There's one here. Is consideration with e-app being on in place at DOHA and or the CAF can go to the individual directly to get the data and take out the FSO in the middle person?

Russell: That's a great question and that is a very appropriate future leading question. One of the challenges with dealing with an individual whose most sensitive information is being adjudicated is the privacy act. As you all know NISPOM 2-202 provides that the FSO will sit down with the individual to prepare the application, which means that the FSO or designee, Privacy Act information that the individual is disclosing. Back in the really old days, that was done in a sealed envelope. Now, as I like to say, the FSO has become the sealed envelope for privacy act purposes.

There is a future state but not now in which we might be able to go direct to the individual. Certainly, everything that DOHA does after the issuance and answer of this **investigation** does go directly to the individual. We are trying, when we get a case, we maximize going direct to the individual. Having the FSO in the middle is valuable. However, because one of the things we need to assure is that we have jurisdiction. If an individual is not employed by a contractor who requires the individual to have access to classified information, or need some other kind of eligibility, like for example, CAC eligibility, then we do not have jurisdiction to proceed with the case. It is important for us to be able to reach out to the FSO to at least ensure that the individual is there and is performing the work that they were put in for the clearance of eligibility in the front.

That's a great question because it touches on both privacy act and jurisdiction, which are two things that we're constantly trying to make sure that we're getting right, because it's very important that we obviously can't give a clearance to somebody just because they want to clearance. There is one exception by the way to that jurisdiction rule, which is if an individual **is** defended by the Director of the Defense Security Service, which is a very rare instance, we do it in only the most serious cases. When that happens, the individual may often lose their job and at that point they can write in and still seek due process because they've had an action taken against them, but they haven't had the opportunity for due process.

That's one of the reasons a lot of people ask me why the industry process is different. One of the reasons is **that of** getting the FSO out of the middle, we did that on passports. SEAD 4 is a great example of the clearance reform where the adjudicative guidelines improved dramatically for the collateral world when we started to do what we knew was the right thing to do for SCI and had been national policy from ODNI and ICPD 704.2, for 9 years, and FSO stopped becoming passport library. That was a good thing. This is something where I suspect the FSO role will continue for reasons of privacy and eligibility. I can promise my future answers will be shorter. All right. Thank you very much.

Mark: No, not at all. Okay. We're going to move into the last segment, which is the open forum. Anybody has anything to say about anything now it's your chance.

Stan: Mr. Chairman. I'm Stan Borgia from Rolls Royce, I'd like to thank you very much for what you do in hosting this. The only thing I would offer is on the national interest determination waivers, which coincidentally came out this week. I'd like to thank, yourself and DSS, Jeff Spinnanger, Fred Gortler, countless others who've been following this and pushing it through. I know that it's just one small segment of the National Defense Authorization Act, Section 842, and we're very anxious to help you in the effort to go forward and address those other parts of the act with regards to waivers or anything else that would help address that.

I know that a lot of things have been done with regards to other entities. I know that the undersecretary has invited the DNI and DOE to join in this and I think that there are many of us who would like to be able to help in that. I myself, as a former or retired now FBI special agent who also worked at the Department of Energy as the IN1, had a lot of

experience in dealing with especially the MTIB countries. I think, I could be able to help, and if you do set up future meetings of your subcommittees on this, I would welcome the opportunity to help offer some clarification that would help move some of those issues forward. Thank you, Mr. Chairman.

Mark: Appreciate it. No, no at all. Anyone else? All right, I noticed it's 12:35. We've done actually pretty well. Two last things. The next NISPPAC is again, this is tentatively, because let's pray the government doesn't shut down again if we have a debt ceilings and a budget issues looming here, but if things work will be Wednesday, November 20th here National Archives.

Lastly, if those of you who do not sign in, if you would be kind enough to do that when you leave, we'd appreciate it so we can keep a tally on who to here. All right. Again, I appreciate you all coming down on such a hot day. Have a safe trip back to where you're coming from. All right adjourned. Thank you.

Operator: Thank you. Thank you for using AT&T event conferencing enhanced. This conference is now concluded, and you may disconnect.

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