2016 National Network of Fusion Centers

Final Report

July 2017

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Executive Summary

The Department of Homeland Security (DHS) conducts the annual fusion center assessment to provide a comprehensive picture of the performance of the National Network of Fusion Centers (National Network), help measure the effectiveness of Federal Emergency Management Agency (FEMA) grant funding, and guide partners to invest in mission areas with the greatest potential benefit to the entire homeland. The assessment primarily evaluates fusion centers' achievement of selected performance measures. It also strives to ensure functional consistency across the National Network, regardless of fusion center size, scope, geography, or mission.

As a result of the steady progress since 2011, the 2015 fusion center assessment concluded that the National Network had reached maturity. The 2015 report closed-out the former measures focused on the National Network's achievement of critical operational and enabling capabilities. This year's 2016 National Network of Fusion Centers Final Report (2016 Final Report) reflects this change through a focus on performance measures developed by a DHS-led working group of fusion center directors.

The key findings, conclusions, and recommendations in this 2016 Final Report center on: the need for a shared understanding of critical fusion center functions; the importance of aligning staffing, training, and collaboration with key fusion center focus areas; the need for training, transition procedures, and onboarding materials to enhance skills and maintain continuity for new and existing staff; the restrictions that state and local laws and policies impose on many fusion centers in sharing analytical products on the Homeland Security Information Network-Intelligence Community of Interest (HSIN-Intel) and elsewhere; and the opportunity to convert increased fusion center colocation and law enforcement focus into outcomes that more fully address partner needs. See "Key Findings, Conclusions, and Recommendations."

2016 Snapshot: Summary of the National Network of Fusion Centers

The National Network is composed of an integrated system of state and local fusion centers. Fusion centers serve as the focal points for the receipt, analysis, gathering, and sharing of threat-related information. A summary of the National Network in 2016 can be depicted through a snapshot of budget, personnel, focus, partners, and outcomes.

PRIMARY MISSION

Counterterrorism: 3
All-Crimes: 8
Counterterrorism ∩ All-Crimes: 9
Counterterrorism ∩ All-Hazards: 2
All-Crimes ∩ All-Hazards: 6
All three: 48
All-Hazards: 1

NATIONAL NETWORK RESPONSE

77 of 78 Fusion Centers provided data for the Assessment*

* In 2017, a fusion center was established in Wyoming bringing the total number of fusion centers to 79.

HOURS OF OPERATION

21 Fusion Centers: 24 hours a day, 7 days a week

35 Fusion Centers: Over 10 hours a day, 5 or more days a week

21 Fusion Centers: 10 hours or less a day, 5 or more days a week

FUSION LIAISON OFFICER

67 FLO Programs

34 FLO Programs with core discipline participants (Fire, LE, EM)

2 FLO Programs have participation in every discipline
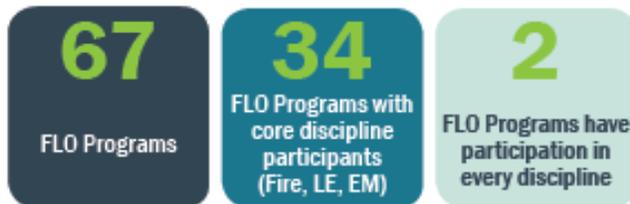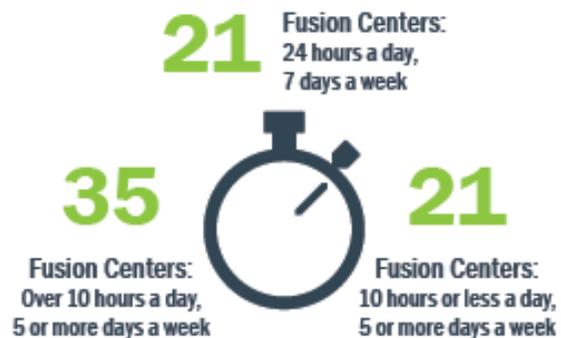
GOVERNANCE BODIES

68 Fusion Centers have Governance Bodies or Formal Alternatives

Discipline	
Law Enforcement	56
Homeland Security	30
Fire	25
Emergency Management	23
Public Health	22
Private Sector	15

TOP SIX COLOCATION ENTITIES

State, County, or City Law Enforcement Intelligence Unit **31**

State National Guard **23**

State Homeland Security Agency **25**

State, County, or City Law Enforcement **57**

FBI (Field Offices, JTTFs, FIGs, or other) **27**

State, County, or City Emergency Operations Center **23**

Fusion centers developed **160** collaborative and distributable analytic products with other fusion centers and with federal partners during the **2016** Assessment period

Homeland Security

ACCESS

97% of fusion centers have access to either **HSDN** and/or **FBINet**

HSDN FBINet

87% of **all State, Local, Territorial, or Tribal (SLTT)** fusion center personnel who need a clearance have one; an additional **9%** have requested a clearance

13% of SLTT fusion center personnel have **Top Secret clearance** and **Sensitive Compartmented Information** access; such systems are collocated in **16** fusion centers

STAFF

2,549 Total SLTT and private sector staff

1,060 Fusion center analysts

15 New Fusion Center Directors: 15 in 2016, for a total of 122 since 2012

25% of all SLTT fusion center personnel (i.e., representatives) are funded by partner agencies

103 Fusion centers deployed 103 individuals to other fusion centers or law enforcement intelligence units, an increase of 20% from the previous assessment period

OVERALL FUNDING

20% Management and Admin increased

7% Info Sys spending increased

-9% Training and Exercise decreased

The overall funding for the National Network increased by less than **1%** in **2016**.

OPERATIONAL COSTS

National Network Operational Costs

Millions

	2011	2012	2013	2014	2015	2016
Direct Federal Costs	$97,456,195	$77,358,662	$68,653,432	$68,216,940	$63,500,223	$58,081,782
Federal Grants	$53,258,980	$75,269,656	$65,231,780	$73,499,166	$63,707,217	$72,225,816
Local	$36,144,222	$63,778,169	$78,584,104	$71,519,690	$79,159,778	$83,949,377
State	$80,338,580	$90,969,472	$102,150,252	$113,297,136	$108,481,575	$111,581,875

PERFORMANCE MEASURES

100% Percentage of federal Information Intelligence Reports (IIRs) originating from fusion center information that address a specific Intelligence Community (IC) need

98% Percentage of evaluated federal IIRs originating from fusion center information that the IC otherwise used in performing its mission (e.g., contained first-time reporting; corroborated existing information; addressed a critical intelligence gap; or helped define an issue or target)

84% Percentage of key customers reporting that they are satisfied with fusion center products and services

53% Percentage of fusion center distributable analytic products that address a specific IC need

25% Percentage of fusion center distributable analytic products that address Homeland Security topics

10% Percentage of fusion center distributable analytic products that address state/local customer information needs

Homeland Security

Data Sources and Methodology

Fusion Center Profiles

In 2016, DHS introduced the HSIN-Intel Profile System to its Homeland Security Information Network-Intelligence (HSIN-Intel) Community of Interest. The new system gives fusion centers direct control over their data while providing a platform to share information and work collaboratively and effectively as a National Network. The HSIN-Intel Profile System replaces the online fusion center questionnaire DHS used in prior years to collect Assessment data with a live two-part system: a closed view—accessible only by DHS staff—in which fusion centers can post sensitive Assessment information, and a public view that enables fusion centers to share general information with other fusion centers and with HSIN-Intel users as a whole. This system offers two advantages. First, it provides a secure system that permits fusion centers to update their information in real-time throughout the year and eliminates the burden of inputting much of the same information year after year. Second, the HSIN-Intel Profile System provides a platform for the National Network to promote the sharing and adoption of best practices, such as standard operating procedures (SOPs), policy documents, supporting increased functional consistency across the National Network. Seventy-seven of 78 fusion centers completed their Profiles.[1] DHS used data that fusion centers entered into their Profiles as of February 1, 2017 in creating this 2016 Final Report.

In December 2016, following the fusion centers' submission of their HSIN-Intel Profiles, DHS performed data validation. DHS personnel conducted detailed reviews of individual fusion center Profile submissions to identify data that failed to upload properly and other errors and inconsistencies and to minimize data discrepancies. The results of these reviews were shared with Fusion Center Directors and their key staff via email for follow up. DHS staff were made available for phone calls when additional clarity and guidance were required. Additional information was packaged into FAQs and distributed via email. Finally, DHS provided Fusion Center Directors with proposed changes to identified Profile data, and each Fusion Center Director was given the opportunity to accept, reject, or otherwise comment before verifying their center's Profile data.

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[1] Participation in the profile system was voluntary and one fusion center opted not to participate.

Key Customer Survey

DHS worked with partner agencies to identify fusion center customers and group them into categories reflecting common requirements and perspectives. One of these groups—defined as "key customers"—includes state and territorial Homeland Security Advisors; the heads of state police agencies, state investigative agencies, and state emergency management agencies; major city police chiefs; and major county sheriffs. DHS coordinated with the National Fusion Center Association (NFCA) to conduct the survey through its prominent associations—the National Governor's Association Homeland Security Advisors Council (GHSAC), the International Association of Chiefs of Police (IACP), the Association of State Criminal Investigative Agencies (ASCIA), the National Emergency Management Association (NEMA), the Major Cities Chiefs Association (MCCA), the Major County Sheriffs' Association (MCSA), and the National Sheriffs' Association (NSA)—to gauge their perspectives and solicit feedback on a wide range of topics related to the fusion centers within their respective areas of responsibility. A total of 168 individuals responded to the survey— the highest number of respondents received for the key customer survey.

Partner Agency Data

The performance metrics developed by Fusion Center Directors and DHS come in part from the fusion centers' input to their HSIN-Intel Profiles and from the Key Stakeholder Survey. The remaining metrics are gathered from within DHS (Intelligence Information Report (IIR) data, Suspicious Activity Reporting (SAR) data, and the Office of Intelligence and Analysis (I&A) Watchlist data) and from partners and other agencies. For example, the Federal Emergency Management Agency provided lists of federally declared disasters and the DHS Office of Operations Coordination and Planning provided a list of National Special Security Events and other events that received a Special Event Assessment Rating. Defined public safety events came from data maintained by the University of Maryland and Texas State University. The FBI also provided data on fusion center access to FBI-sponsored classified systems, fusion center colocation with FBI entities, and FBI investigations initiated or enhanced based on fusion center information. Finally, I&A conducted the FY 2016 Federal Cost Inventory, which is a catalog of all federal personnel, related costs, and programmatic support being provided to the National Network. I&A contacted 48 government agencies for spending data relating to Personnel, Information Systems and Technology, Training and Exercise, Management and Administration, or Programmatic costs that supported the fusion centers in FY 2016. Fiscal Year 2015 historical data was utilized in instances where no response to the FY 2016 data call was received.

Fusion Center Readiness Initiative

Through the Fusion Center Readiness Initiative (FCRI), DHS conducts fusion center-focused drills and exercises, provides exercise-related tools and subject matter expertise to fusion centers, and facilitates fusion center participation in prevention-focused exercises hosted by other agencies. As part of the FCRI, I&A conducts an annual communications drill to test the National Network's ability to access and share information from the federal government. In 2016, the following systems were tested:

- Fusion center unclassified e-mail
- Homeland Security Information Network Intelligence Community of Interest (HSIN-Intel)
- Homeland Secure Data Network (HSDN)
- Secure telephone equipment and the classified audio bridge
- Secure video teleconference

All 78 fusion centers participated in the 2016 communications drill to assist in operational preparedness. Each fusion center received an after action report detailing its results (see Appendix).

Findings

2016 National Network

The following is an overview of the composition and analysis of the National Network as of September 30, 2016.[2] The total number of fusion centers remained at 78, all but one of which participated in the 2016 Assessment. Fifty-three fusion centers operate at the state or territorial level, meaning that their areas of responsibility (AORs) encompass the entirety of these states or territories. The remaining 25 fusion centers operate within major urban areas, meaning that their AORs typically encompass areas in and around cities.

Based on mission requirements and available resources, fusion center business hours vary across the National Network:

- Twenty-one fusion centers operate 24 hours a day, 7 days a week.
- Thirty-five fusion centers have extended operating hours, typically over 10 hours a day or more than 5 days a week, but less than 24 hours a day, 7 days a week.
- Twenty-one fusion centers operate only during core business hours, typically 10 hours or less a day, 5 days a week.

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[2] The 78 fusion centers that make up the National Network can be found at: *http://www.dhs.gov/fusion-center-locations-and-contact-information*.

Fusion center business hours increased overall in 2016 compared with 2015, with the greatest increase in centers operating extended hours (over 10 hours per day, 5 or more days per week). Figure 1 portrays this increase.
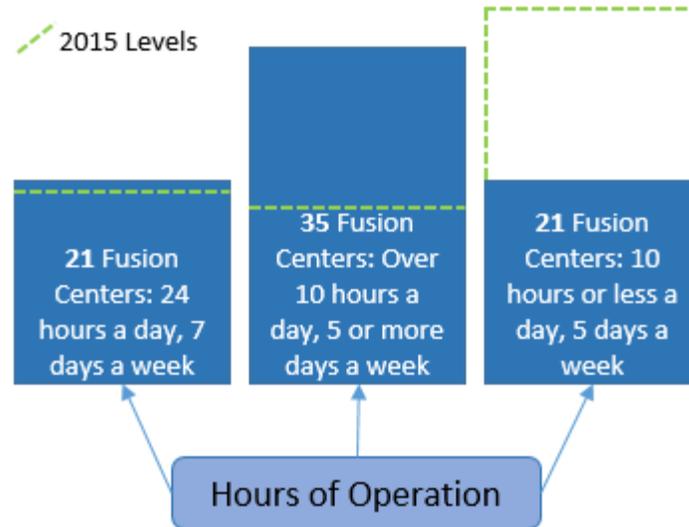
Figure 1: Fusion Center Business Hours (2015 vs. 2016)

Colocation with Partner Agencies

Fusion center colocation has reached a milestone, with 100% of fusion centers now reporting being located either in the same office space or building with at least one other federal or SLTT agency. Increased colocation improves opportunities for distribution to and synchronization with other organizations on counterterrorism, law enforcement, critical infrastructure protection, and public safety objectives. Additionally, colocation provides opportunities to work collaboratively with fusion center partners. Table 1 presents the instances of reported colocation by agency type.

Entity	# of Fusion Centers			% Change in 2016
	2014	2015	2016	
Colocated with one or more partners, including:	66	69	77	12%
State, county, or city law enforcement	39	40	57	43%
State, county, or city law enforcement intelligence unit	22	28	31	11%
FBI (field offices, JTTFs, FIGs, and/or other FBI)	14	12	27	125%
State homeland security agency	18	19	25	32%
State, county, or city emergency operations center	19	21	23	10%
State National Guard	8	12	23	92%
State, county, or city emergency management agency	19	20	22	10%
State, county, or city fire service	10	13	16	23%
High Intensity Drug Trafficking Area (ISC or Watch Center)	10	10	15	50%
Real-time crime center	8	11	14	27%
RISS Node and/or RISSafe™ Watch Center	3	7	14	100%
Customs and Border Protection (CBP) Border Intelligence Center	3	3	6	100%
Other fusion center	4	4	3	-25%
Maritime Interagency Operations Center (USCG Sector)	0	0	1	n/a

Table 1: Colocation of Fusion Centers with Other Entities

This increase continues a three-year trend of increased fusion center colocation. Most notably, fusion center colocation with Customs and Border Protection, Regional Information Sharing Systems (RISS) Nodes, and the Federal Bureau of Investigation (FBI) all doubled over 2015. Other developments included a 50% increase in colocation with High Intensity Drug Trafficking Area offices and a 43% increase in colocation with state, county or city law enforcement. Increased colocation offers fusion centers opportunities for more effective information sharing and collaboration, access to specialized resources, and cost savings.

Fusion Center Staff

Fusion centers operate with a combination of SLTT and private sector staff. In 2016, fusion centers reported 2,539 full-time or part-time staff members, an increase of 60 (2.4%) from the previous year. Table 2 presents the breakdown of staff across the National Network by function.

	Analysis	Investigative	Liaison & SME	Training & Exercise	Legal	Mgmt & Administration	Other	FY15 TOTAL	FY16 TOTAL
State	720	290	171	19	13	274	125	**1,497**	**1,612**
Local	323	197	84	31	3	159	96	**931**	893
Tribal	1	0	0	0	0	0	0	**0**	1
Territorial	6	1	4	0	0	4	1	**17**	16
Private Sector	1	4	7	3	1	0	1	**34**	17
FY15 TOTAL	**947**	**514**	**349**	**43**	**8**	**383**	**235**	2,479	N/A
FY16 TOTAL	**1051**	**492**	**266**	**53**	**17**	**437**	**223**	N/A	2,539*

Table 2: Fusion Center Staff by Function (2016)

* 10 fusion center personnel were omitted due to data inconsistences or incompleteness

The current workforce is distributed across six types of positions. The greatest year-over-year increase was seen in the Analyst category, with 104 new personnel (11.0%). The greatest reduction was seen in the Liaison and SME Staff category, which decreased by 83 positions (23.8%). The second largest position segment, Investigative Staff, experienced a decline of 22 people (4.3%) in 2016, and 54 staff (14.1%) were added to Management and Administration Professionals in 2016.

Figure 2: 2016 Increase/Decrease in FTE by Function

The National Network is composed primarily of individuals with a law enforcement background; 80% of the 2,539 staff members specialize in law enforcement. Cyber security, corrections, and emergency management all make up less than 3% of the total staff.

(Attorney General's Office, Cyber Security, DOT, EMS, Faith-Based Groups, Fire, Healthcare, Private Sector)
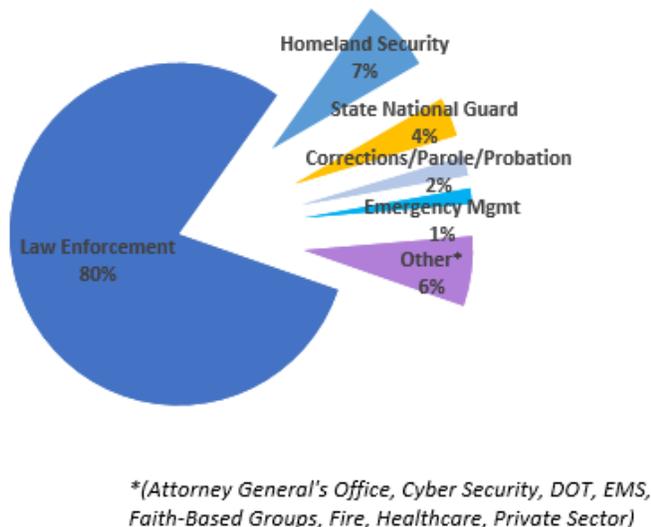
Figure 3: 2016 Primary Discipline of Fusion Center Personnel

The functional composition suggests a workforce focused on analysis and possessing a law enforcement background. This may enable deep integration with local law enforcement operations and a focus on law enforcement analytical production. A workforce largely possessing a law enforcement background combined with declining liaison staff may challenge the mission of the Fusion Liaison Officer (FLO) program due to the lack of functional diversity. Furthermore, a larger number of Management and Administration personnel per full time employee (FTE) in the National Network may challenge the ability to maintain historical production and outputs per FTE due to an increased focus in personnel relations, policy, and organization. The General Services Administration and the Office of Personnel Management do not provide clear and concise recommendations for Management and Administration staff ratios.

Analysts

Analysts play an essential role in processing and sharing the intelligence gathered and held by the National Network. Three hundred and eleven (29%) analysts reported basic level proficiency in 2016, while 397 (37%) and 237 (22%) reported intermediate and advanced level proficiency, respectively. These proficiency levels, combined with 202 analyst vacancies, suggest that analyst training presents a high-impact opportunity for a large number of staff.

Key Positions

Five key positions—Director, Deputy Director, Privacy/Civil Rights and Civil Liberties (P/CRCL) Officer, Security Officer, and Lead Analyst—play a vital role in the operation of fusion centers. The Director, P/CRCL Officer, and Security Officer have been tracked in previous years and showed significant gains in average position tenure. Additionally these three positions showed much less turnover than previous years. This suggests that despite frequent movement and position turnover, in 2016 fusion centers maintained greater consistency in staffing key roles.

Deputy Directors and Lead Analysts were added to the key positions data collection in 2016. These positions were marked as vacant in 15 fusion centers. This indicates either that these positions are difficult to fill or more likely, based on anecdotal evidence, a divergence in the staffing models and needs at each fusion center. Smaller fusion centers in particular reported little need for the designation of a Lead Analyst position.
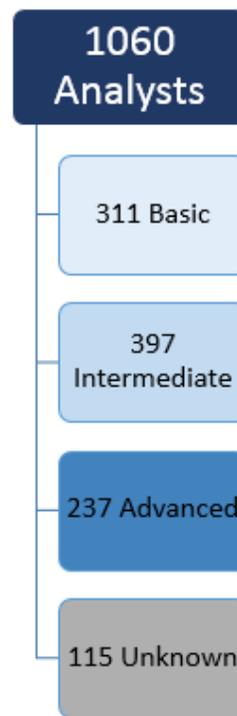

Figure 4: Analyst Skills

	New to Position in 2014		New to Position in 2015		New to Position in 2016		Average Tenure (yrs)
Director	22	28%	32	42%	15	20%	3.3
Deputy Director	n/a	n/a	n/a	n/a	16	26%	3.6
P/CRCL Officer	14	18%	23	30%	8	11%	4.3
Security Officer	20	26%	28	36%	14	19%	3.6
Lead Analyst	n/a	n/a	n/a	n/a	5	8%	5.7

Table 3: Tenure in Key Positions (2014-2016)

An in-depth look at Director tenure shows that despite the 2016 decline in new Director placements, 53% of Directors have two or fewer years of tenure in their current position. Centralized resources, such as transition plans and published standard operating procedures, are common tools to curb challenges that arise from high turnover rates.


Figure 5: Current and Expected Key Position Turnover
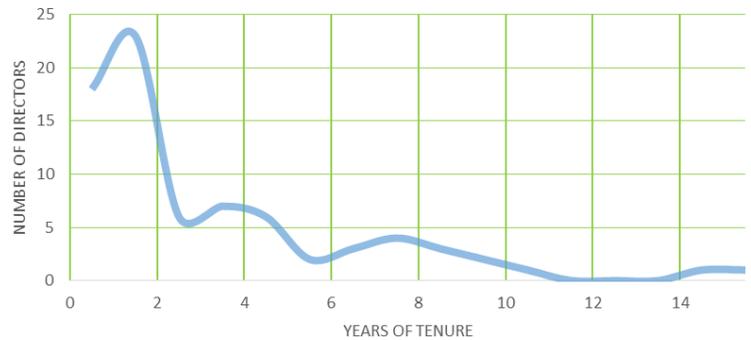
Figure 6: Director Tenure

Governance Structure

A formal governance structure supports fusion center operations and guides mission priorities. Good governance facilitates the ability to assign resources and develop and enforce policy. A majority (69%) of fusion centers reported formal governance bodies in 2016. Another 15 fusion centers (19%) have formal alternatives to governance bodies in place.

Governance Body Membership

The composition of governance bodies provides an opportunity to incorporate broader representation of stakeholders into fusion center operations. As shown in Figure 8, 82% of fusion centers have law enforcement representation on their governance body, 44% have homeland security, 37% have fire

Figure 7: Fusion Center Governance Structures

service, and 34% have emergency management.

Several fusion centers indicated they lacked a formal governance body or alternative oversight body but still indicated they possess similar functions in their local governance. This may indicate that the term "governance body" lacks a standard definition across the National Network. Additional or unexplored opportunities may exist to integrate stakeholders through governance body membership.

Figure 8: Stakeholder Service Membership on Fusion Center Governance Bodies

Operational Costs

Operational funding for the National Network is provided from Federal (both through grants and direct contributions), SLTT and private sector sources. The information below combines data from the fusion center profiles with the FY 2016 Federal Cost Inventory data call. Overall, funding for the National Network in the 2016 assessment period was $322 million, a less-than-1% ($714,000) increase from 2015.

	Staff	Information Systems & Technology	Training & Exercise	Management & Administration	Other	2016 Totals
*Direct Federal Expenditures	$41,481,990	$2,591,452	$3,208,222	$491,815	$2,308,303	$50,081,782
Federal Grants Expended by SLTT	$50,273,893	$13,847,247	$3,701,863	$2,707,130	$1,695,684	$72,225,816
DHS	$41,988,205	$12,995,123	$3,539,479	$2,331,725	$1,585,292	$62,439,823
DOJ/COPS	$980,165	$500,000	$2,000	$0	$0	$1,482,165
DOJ/BJA	$1,387,331	$173,970	$7,181	$31,454	$0	$1,599,936
HIDTA	$5,918,191	$178,154	$153,203	$343,951	$110,392	$6,703,891
State	$99,165,038	$4,386,234	$701,996	$6,470,860	$857,746	$111,581,875
Local	$73,592,350	$2,613,509	$917,107	$3,603,720	$222,691	$80,949,377
Tribal	$0	$0	$0	$0	$0	$0
Territorial	$3,574,572	$35,500	$60,000	$40,000	$41,000	$3,751,072
Private Sector	$698,330	$0	$0	$0	$0	$698,330
Other	$1,445,236	$1,308,589	$102,200	$3,122	$0	$2,859,147
Total	**$270,231,410**	**$24,782,531**	**$8,691,388**	**$13,316,646**	**$5,125,424**	**$322,147,399**

Table 4: 2016 Fusion Center Federal Cost Inventory

*Staff salary expenditures were calculated using the GS-13 step 5 salary in the Washington-Baltimore-Arlington locality of $107,439. An additional 30% benefits cost estimate was added to this base salary resulting in an estimated yearly expenditure of $139,670, per employee. There were a reported 297 federal employees dedicated to support the fusion centers in FY 2016.

Year-Over-Year Funding Changes

Every major funding source showed modest growth in 2016 except for Direct Federal Expenditures, which decreased by 27% ($18M). This decrease was offset by gains in Federal Grants ($8M) and in SLTT, private, and other funding ($10M).
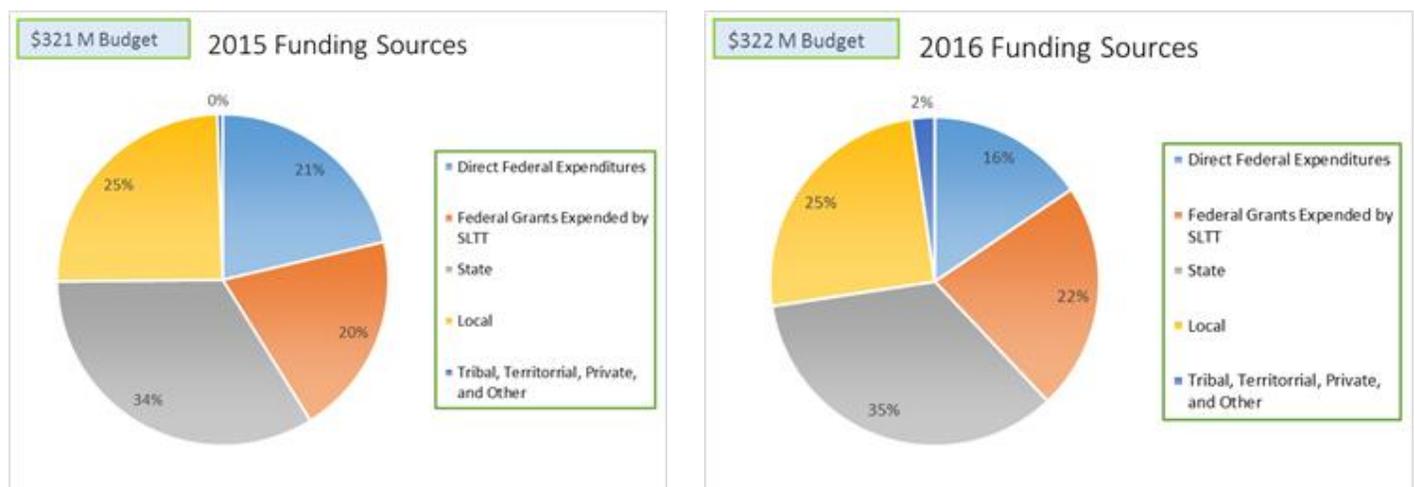

Figure 9: Year-over-Year Budget Comparison

Non-Staff Spending

Some of the most dramatic shifts in areas of expenditure can be seen best after removing the amount spent on staffing. Non-staff areas increased 11% in 2016 ($5M). Information systems and management and administration mirrored the growth trends experienced by non-staff spending (7% growth and 20% growth, respectively). Training and exercise expenditures decreased 9% in 2016 ($1M).

	Information Systems & Technology	Training & Exercise	Management & Administration	Other	Total
2015	$23,176,435	$9,569,566	$11,126,462	$2,998,220	**$46,870,683**
2016	$24,782,531	$8,691,388	$13,316,646	$5,125,424*	**$51,915,989**

Table 5: Non-Staff Spending Budget Comparison

* Future data collection methodology enhancements will allow insight into resource change rationale not available in this year's assessment.

Mission

As in past Assessments, DHS asked each fusion center to identify the 10 focus area priorities of its mission, ranking them in order of importance. Figure 11 displays the results.
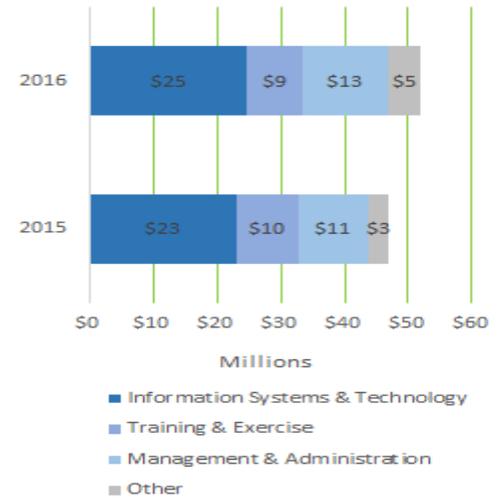
Figure 10: Bar Chart Non-Staff Spending Comparison
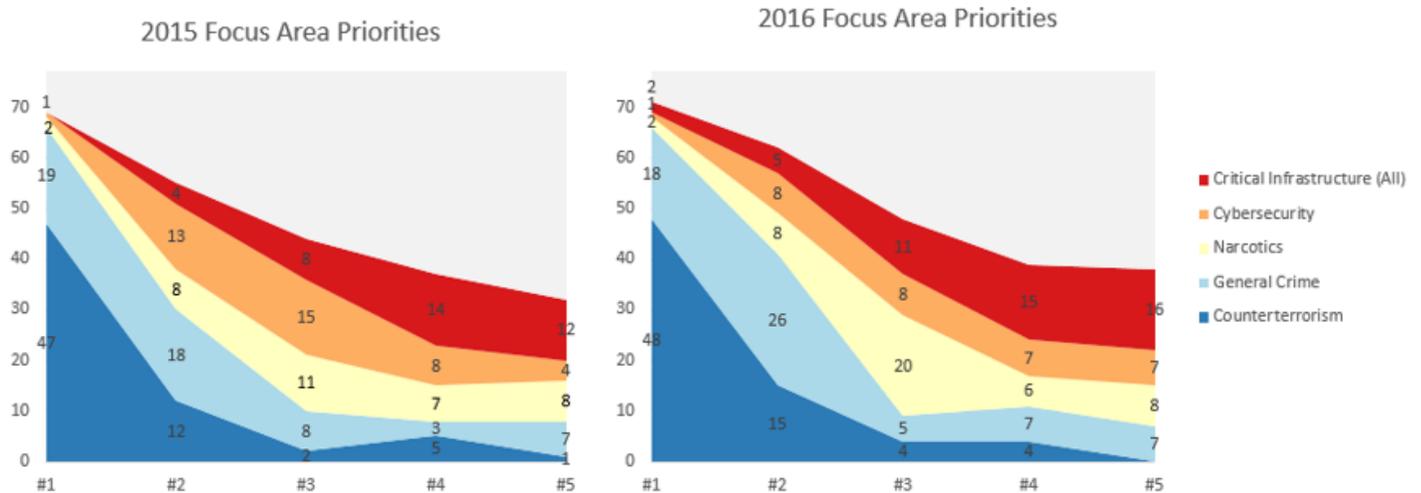
Figure 11: Year-Over-Year Focus Area Comparison

Across the National Network, five topics among the 24 choices offered appeared consistently among the top focus area priorities in both 2015 and 2016, revealing a concentration of fusion center focus. Of the top five, Narcotics, Counterterrorism and Critical Infrastructure gained in importance, while Cybersecurity and General Crime declined. This consensus of focus areas quickly disappears outside of the top five. Beyond the top five focus area priorities, fusion centers maintain different focuses and no two fusion centers rank the priorities the same way, but there are many focus areas in common and therefore opportunities for cross-cutting and collaborative work

Cybersecurity was a top-five focus area for 31 fusion centers in 2016 and offers an opportunity for cross-cutting analysis with other data in the Assessment. Of these 31 fusion centers, 15 reported capability in all three of the "Cyber-Related Analysis Activities" the National Network provides, with another seven centers reporting capability in two of the three (Figure 12).

31 Fusion Centers Hold Cybersecurity as a top five Focus
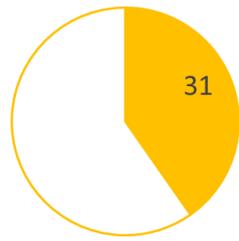
31
Cybersecurity Focused Fusion Center

All 31 Fusion Centers with Top Cybersecurity Focus possess Cyber Capability

15
7
9
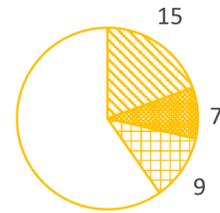
- Capability in all three Cybersecurity Analysis Activities
- Capability in two Cybersecurity Analysis Activities
- Capability in one Cybersecurity Analysis Activity

Figure 12: Cybersecurity Focus Priority vs. Capability

This suggests opportunities for additional training and hiring to bring fusion center capabilities more fully in line with their expressed priorities. In addition, given that cybersecurity work can be performed virtually, this may provide an opportunity for collaboration between fusion centers.

Similarly, Critical Infrastructure was a top-five focus area for 49 fusion centers in 2016. Of these 49, however, only 25 reported having participants from the critical infrastructure field in their Fusion Liaison Officer program (Figure 13). This suggests an opportunity for fusion centers to increase their engagement with the critical infrastructure community through their FLO programs and, in doing so, grow their capability, collaboration and awareness in this highly-prioritized focus area.


49 Fusion Centers Hold One or More Elements of Critical Infrastructure as a Top Five Focus
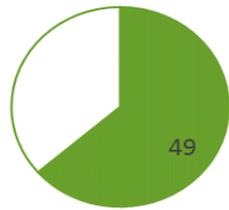
49
Critical Infrastructure Focused Fusion Center

25 Fusion Centers with Top Critical Infrastructure Focus Maintain CI FLO Participants

25
24
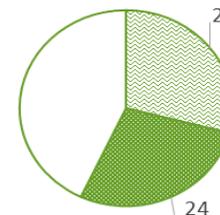
- Critical Infrastructure FLO Participants
- No Critical Infrastructure FLO Participants

Figure 13: Critical Infrastructure Focus vs. FLO Participation

Information Sharing

Fusion centers aim to compile, analyze, and disseminate criminal/terrorist information and intelligence and other information to support efforts to anticipate, identify, prevent, and/or monitor criminal/terrorist activity.[3] In February 2017, the Government Accountability Office (GAO) removed "the area of Establishing Effective Mechanisms for Sharing and Managing Terrorism-Related Information to Protect the Homeland" from GAO's High-Risk Series Reporting. GAO wrote, "The Program Manager for the Information Sharing Environment (ISE) and key departments and agencies have made significant progress to strengthen how intelligence on terrorism, homeland security, and law enforcement, as well as other information…., is shared among federal, state, local, tribal, international, and private-sector partners."[4] To accomplish this objective, fusion centers are designed to serve as a focal point of vertical and horizontal information sharing within their respective AOR.[5] Success in this information sharing role depends both on creating intelligence products (through working with partners and other fusion centers) as well as the ability to find the appropriate destination for collected information. To this end, situational awareness products, case support/tactical products, analytical products, requests for information (RFIs), and tips and leads were tracked in the fusion center profiles and

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[3] https://it.ojp.gov/gist/94/Fusion-Center-Guidelines--Law-Enforcement-Intelligence--Public-Safety--and-the-Private-Sector
[4] GAO Report to Congress, GAO-17-317, "HIGH-RISK SERIES Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others Report to Congressional Committees," February 2017, Page 4.
[5] 2014-2017 National Strategy for the National Network of Fusion Centers, p.8
https://nfcausa.org/html/National%20Strategy%20for%20the%20National%20Network%20of%20Fusion%20Centers.pdf

compared to 2015 figures. Quantifiable product and output numbers can lead to a misleading characterization of the National Network, as products of the same type (e.g., two situational awareness products) may not require the same amount of resources. The range of self-reported totals for situational awareness products, case support/tactical products, and analytical products between fusion centers show that like-named products are not taking the same amount of resources to complete. Fusion centers reported outputs of these three products types outside of seven standard deviations of one another (this could also be a result of varying definitions of the product types themselves).[6] Given the magnitude of differences, data outside of one standard deviation above the average in these three categories was removed as outliers.

2016 Information Sharing Activities per FTE

Analyzing fusion center information sharing activities per FTE helps highlight the impact the National Network is able to have with its available resources more clearly than simply comparing total overall year-over-year production figures. The average analytical products created per FTE in 2016 were 3. Case support/tactical products and situational
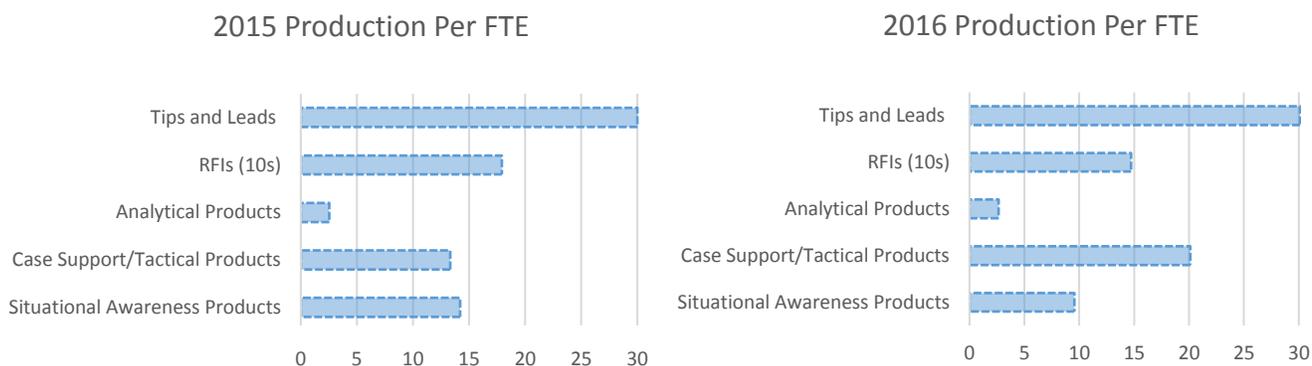

Figure 14: Year-over-Year Production per FTE Comparison

awareness averaged 20 and 10 per FTE, respectively. On average 150 RFIs and 30 tips and leads were reviewed and processed per FTE. While situational awareness products and RFIs decreased (29% and 15%, respectively) from the 2015 per-FTE levels, case support/tactical products increased by 54%. Analytical products and tips and leads held constant. The changing amounts likely reflect changing fusion center priorities and the flexibility in fusion center staff skills sets capable of responding to changing fusion center focus or demand.

Distributable Analytical Production

Analytical products tend to represent some of the highest impact outputs created by fusion centers. They are made available across the IC to share information and insights and to provide an archive of information that can be accessed in the future. One of the ways in which analytical products are shared is through posting on HSIN-Intel. However, this practice lacks standardization across the National Network due to varying state and local laws and policies that restrict posting. Fusion centers may also be unable to post analytical products that contain law enforcement sensitive information. Nonetheless, those that are posted are an important indicator for the National Network.

	2015	2016
Produced:	6323	6763
Posted to HSIN:	1886	1337
Percent Posted to HSIN:	30%	20%

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[6] Standard deviation is a measure of the dispersion of a set of data from its mean. By considering mean and standard deviation together, a determination of the continuousness of a data set can be surmised, determining if individual results are skewing the ability to look at the data holistically.

In 2016, 440 more analytical products were produced than 2015 (outliers removed). However, the number of products posted to HSIN-Intel decreased significantly over that same time period. Overall the percent of analytical products posted to HSIN decreased 10 percentage points.

A deeper examination of each fusion center's distributable analytical products posted versus the total created shows no initial correlation. Again, this is likely due to the variations in local and state laws and policies restricting sharing practices. A closer inspection of the data shown in the Figure 16 reveals two groups of fusion centers. In one group of 35 fusion centers 60-95% of analytical products were posted to HSIN. Another group of 20 fusion centers looks to have been more restrained by state and local laws and policies, posting 0-15% of analytical products.
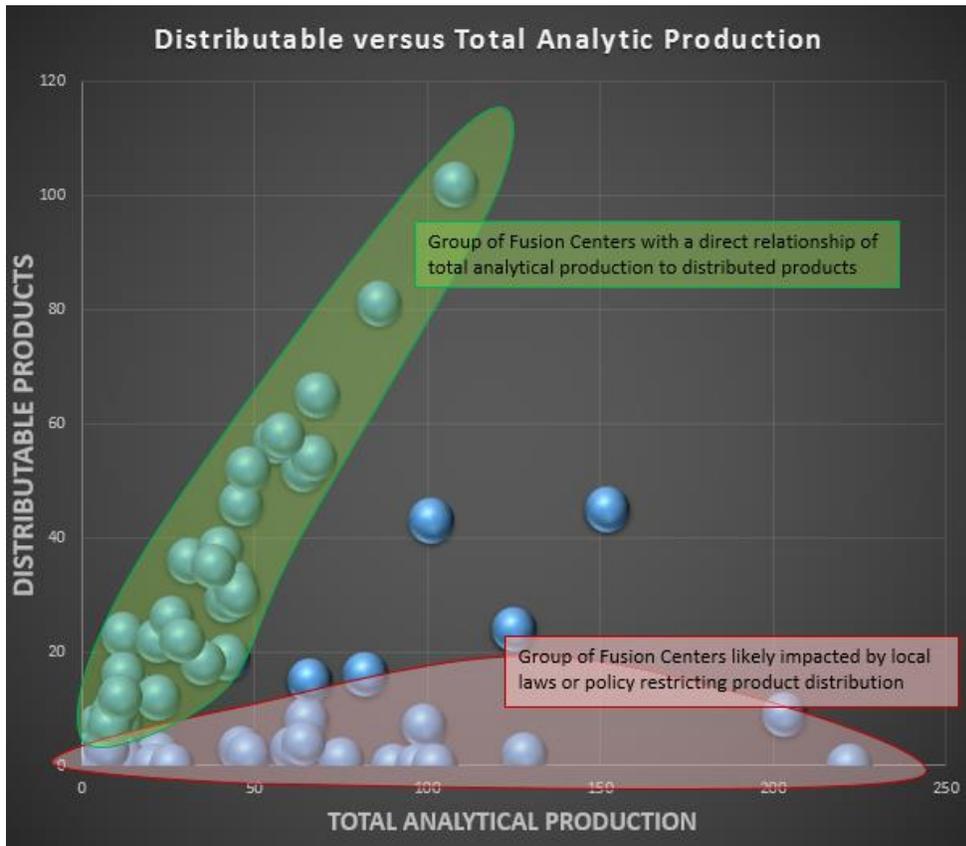
Figure 16: Distributable vs. Total Analytic Production

Tips and Leads and RFIs

While the number of tips and leads reviewed and processed per FTE remained constant from 2015 to 2016, the net number grew 3%. Fusion centers identified opportunities for additional action and sent 51% of tips and leads to Federal and SLTT (F/SLTT) partners, an increase of 3.2% over 2015. This shows the very tangible benefit of an increasingly colocated National Network and existing integration with stakeholders through FLO programs. Fusion centers are able to identify the appropriate partner and connect them to the right information.

Tips and Leads Received in 2016:	**76,743**
Increase in Tips and Leads from 2015:	**3.2%**
Tips and Leads sent to other F/SLTT for action:	**51.4%**

RFIs processed experienced a decline both per FTE and by net number. The decline stems largely from a decrease in state/local entity RFIs (22%). Private Sector RFIs are a very small portion of the total, but did experience a 9% increase. Fusion centers processed and responded to 99.96% of RFIs received.

Special Events, Federal Disasters and Public Safety Incidents

As part of the refinement of the National Network performance measures, the working group of fusion center directors identified additional measures to better capture fusion center support to preplanned events and no-notice incidents as outlined in the *National Preparedness Goal*.[7] In addition to capturing fusion center support to federally-declared

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disasters and the highest profile special events, the 2016 Assessment captures their support to all SEAR-level (Special Event Assessment Rating) special events, as well as to public safety incidents. The working group defined "public safety events" as identified active shooter and terrorism events.[8,9,10] Figure 17 shows the National Network's direct support to these various events and incidents in 2016. The diverse range of special events across the SEAR rankings show fusion centers deeply engrained in the local community.

In 2016, fusion centers played a direct role averaging 28% of special events of all levels, including NSSE events and SEAR 1-5 events, 44% of all federally-declared disasters and 74% of public safety incidents in their AOR. Fusion centers were instructed to define the nature of their direct role. Support included various type of analysis, research and in-person event support, with situational awareness support representing the largest single role. Fusion centers also played a unique and important role in dissecting social media and completing site assessments.

The wide range of activities fusion centers identified as constituting a "direct role" (Figure 18) underscores the breadth of support fusion centers can provide to both planned and no-notice events.


Figure 17: Instances of Fusion Center Support to Special Events, Federal Disasters and Public Safety Incidents

Figure 18: Direct Roles* Played by Fusion Centers During Event Support

Fusion Centers play various roles before, during, and/or immediately after events. The word chart indicates some of the most frequently cited roles.

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[8] The Assessment specifically asked fusion centers about their support of two types of special events: (1) National Special Security Events, which are events of national significance designated by the Secretary of Homeland Security that, by virtue of their political, economic, social, or religious significance, may be the target of terrorism or other criminal activity (events include presidential inaugurations, major international summits held in the United States, major sporting events, and presidential nominating conventions), and (2) Special Event Assessment Rating events, which are those preplanned special events below the level of National Special Security Events that have been submitted via the annual National Special Event Data Call. The majority of these events are state and local events that may require support augmentation from the federal government.

[9] As identified in the Active Shooter Data published by Texas State University's Advanced Law Enforcement Rapid Response Training (ALERRT) initiative. http://www.alerrt.org/

[10] As identified by the National Consortium for the Study of Terrorism and Responses to Terrorism, a Department of Homeland Security Center of Excellence headquartered at the University of Maryland. http://apps.start.umd.edu/gtd/

Key Stakeholder Survey

In order to evaluate the value and impact of fusion center products and services, DHS worked with partner agencies to survey Homeland Security Advisors, heads of state police and investigative agencies, major city police chiefs and major county sheriffs, state emergency management directors, and Special Agents in Charge at FBI field offices located within fusion center AORs. As opposed to surveys connected to specific products, this survey aimed at evaluating the overall satisfaction of key customers over the assessment period.

Satisfaction increased across nearly all key customers, with overall customer satisfaction increasing from 79% to 83%. The most significant gain was found in the number of survey participants that reported that they were satisfied with fusion center products and services, increasing from 74% to 84%. Table 6 below contains overall responses to all survey questions.

Questions	2014	2015	2016
Percentage of key customers reporting that fusion center products and services are timely for mission needs	73%	79%	84%[*]
			86%[**]
Percentage of key customers reporting that fusion center products and services are relevant	78%	85%	89%[*]
			90%[**]
Percentage of key customers reporting that fusion center products and services influenced their decision making related to threat response activities within their AOR	60%	71%	73%[*]
			72%[**]
Percentage of key customers reporting that fusion center products and services resulted in increased situational awareness of threats within their AOR	75%	86%	84%[*]
			82%[**]
Percentage of key customers reporting that they are satisfied with fusion center products and services	69%	74%	85%[*]
			82%[**]

[*]Indicates Products, 2016 survey was changed to show a difference between products and services.
[**]Indicates Services, 2016 survey was changed to show a difference between products and services.

Table 6: Key Stakeholder Survey

Performance Measures

After the National Network's success in developing foundational capabilities from 2011-2015, DHS transitioned to a new performance framework that demonstrates the impact and value of the National Network, highlighting successes and identifying potential areas of growth. DHS engaged with a working group of fusion center directors to develop the initial new measures that balance data sensitivities with the need to demonstrate performance, highlight successes and identify growth areas to bring the right resources (including training, personnel and policies) and make steady, visible progress.

Performance Measures	2015	2016	% Change in 2016
Percentage of federal Information Intelligence Reports (IIRs) originating from fusion center information that address a specific Intelligence Community need	90%	100%	10%
Percentage of evaluation federal IIRs originating from fusion center information that the Intelligence Community otherwise used in performing its mission (e.g., contained first-time reporting; corroborated existing information; addressed a critical intelligence gaps; or helped define an issue or target).	86%	98%	12%
Percentage of fusion center distributable analytic products that address a specific Intelligence Community need	N/A	53%	N/A
Number of Suspicious Reports (SAR) vetted and submitted by fusion centers that result in the initiation or enhancement of an investigation by the Federal Bureau of Investigation (FBI)	225	132	-41%
Number of SAR vetted and submitted by fusion centers that involve an individual on the TSC Watchlist	148	70	-53%
Percentage of Requests for Information (RFIs) from the Terrorist Screening Center (TSC) for which fusion centers provided information for a TSC case file	75%	67%	-8%
Percentage of I&A Watchlist nominations that were initiated or updated existing case files based on information provided by fusion centers	N/A	13%	N/A
Number of distributable analytic products co-authored by one or more fusion centers and/or federal agencies	137	160	17%
Percentage of fusion center distributable analytic products that address Homeland Security topics	18%	25%	7%
Percentage of fusion center distributable analytic products that address state/local customer information needs	10%	10%	0%
Percentage of key customers reporting that they are satisfied with fusion center products and services	74%	85%**	11%
		82%***	8%
Percentage of key customers reporting that fusion center products and services are relevant	85%	89%**	4%
		90%***	5%
Percentage of key customers reporting that fusion center products and services are timely for mission needs	79%	84%**	5%
		86%***	7%
Percentage of key customers reporting that fusion center products and services influenced their decision making related to threat response activities within their AOR	71%	73%**	2%
		72%***	1%
Percentage of key customers reporting that fusion center products and services resulted in increased situational awareness of threats within their AOR	86	84%**	-2%
		82%***	-4%
Number of tips and leads vetted by the fusion center	74,379	76,743	3%
Number of tips and leads vetted by the fusion center that were provided to other F/SLTT agencies for follow up action	N/A	39,472	N/A
Number of responses to RFIs from all sources	443,881	375,222	-15%
Number of situational awareness products developed and disseminated by fusion centers	99,820	87,741	-12%
Number of case support and/or tactical products developed and disseminated by fusion centers	140,937	153,010	9%
*Percentage of federally designated special events in which fusion centers played a direct role	49%	28%	-21%
Percentage of federally declared disasters in which fusion centers played a direct role	51%	44%	-7%
Number of public safety incidents in which fusion centers played a direct role	N/A	52	N/A

*Only SEAR 1, 2, and 3 events were counted in 2015. All SEAR events were counted in 2016. Given anonymized data in 2016, these numbers assume no overlap with reported event response

**Indicates Products, 2016 survey was changed to show a difference between products and services.

***Indicates Services, 2016 survey was changed to show a difference between products and services.

Table 7: Performance Measures

The performance measures in Table 7 show a National Network becoming more effective in meeting Intelligence Community needs but less effective in producing impactful SARs and responses to RFIs, and analytic products that can be shared across the National Network on HSIN-Intel. Specifically, IIRs based on fusion center information that addresses a specific Intelligence Community need increased 10%, and those that otherwise help the Intelligence Community perform its mission increased 12%. Fusion centers continue to feed information to the TSC to bolster case files.

Although the number of SARs submitted by fusion centers increased by 21% in 2016, their impact decreased (Figure 19). The number of SARs vetted and submitted by fusion centers that resulted in a TSC Watchlist encounter decreased by 53%. The number of SARs vetted and submitted by fusion centers in 2016 that resulted in the initiation or enhancement of an investigation by the FBI decreased by 41%. The percent of RFIs from the TSC for which fusion centers provided information was 67% in 2016, although this figure is down 8.0% from 2015.
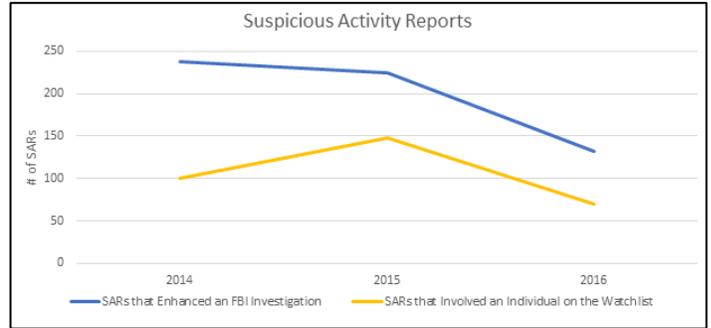

Figure 19: Year-over-Year Suspicious Activity Reports

While overall production of analytic products increased across the National Network, the percentage that fusion centers posted on HSIN-Intel (and deemed "distributable") fell considerably compared to 2015. Nevertheless, the percentage of these products addressing Homeland Security topics increased by 7%. Also, the number of products that were co-authored by one or more fusion centers and/or federal agencies increased by 17%. This shows more collaboration on products and these products that are posted to HSIN-Intel by fusion centers are increasingly addressing the needs of their customers.

The Path Forward

The 2015 Fusion Center Assessment concluded that the National Network had reached the "mature" stage, signifying that it had developed and implemented the fundamental plans, policies and capabilities that serve as a foundation for future progress. Starting with the 2016 Final Report the annual assessment will focus more on performance measures developed by a DHS-led working group of fusion center directors. In 2017 DHS will continue this approach to help the National Network and individual fusion centers showcase strengths and spotlight growth areas to bring the needed resources to continue to increase their effectiveness to their information sharing mission.

Key Findings, Conclusions and Recommendations

As a result of its analysis of the Assessment data, DHS reached the following findings, conclusions and recommendations to guide the National Network toward maximizing its impact in its critical information sharing mission:

Findings	Conclusions	Recommendation
Fusion centers describe a wide range of activities with varying degrees of engagement as "direct support" of special events, disasters, and public safety incidents	The definition of "direct support" and types of activities it covers are not well defined or widely understood	1) **Develop and implement communication practices designed for maintenance of common definitions and internal information sharing in a decentralized environment**
Fusion center-reported analytical product amounts varied from 0 to over 8,000	Widely disparate amounts of analytical products suggest that analytical products are not well defined or not widely disseminated or understood	

Findings	Conclusions	Recommendation
Top Focus Areas coalesce around 5 major topics (Critical Infrastructure, Counterterrorism, Cyber Security, General Crime, Narcotics)	Despite informally conveyed regional differences, the National Network generally focuses around many of the same topics	2) **Through training and outreach, promote staffing, FLO participation, and practices to diversify fusion center perspectives and align more closely with top Focus Areas**
The number of fusion centers with a Fusion Liaison Officer (FLO) program fell from 71 to 67 with representation decreasing across all disciplines.	Exposure to partner priorities and operations provided through the FLO program decreased in 2016	
80% of the fusion center staff reported a law enforcement background	Much of the workforce brings a similar background to fusion center operations	
Non-staff spending increased 11% in 2016; the training portion of that decreased 9%	Training growth has not matched spending on other non-staff line items	3) **Prioritize support through available training, transition procedures and onboarding materials to enhance skills and maintain continuity for new and existing staff**
Staff size increased 2.4% in 2016	Many staff across the National Network are new to their posts and responsibilities	
58 Individuals filling Key Positions are new to their roles in 2016		
67% of analysts indicate basic or intermediate level	Existing analyst skills provide room for growth	
Performance measures indicate decreased impact of SARS submitted by fusion centers		
Many fusion centers focused on cybersecurity lacked one or more key capabilities		
Distributable products posted to HSIN shows no direct correlation to the reported analytical products	Anecdotal evidence and data trends suggest local laws and policies are preventing products from being posted on HSIN	4) **Work to understand and reduce restrictions on fusion centers' ability to post and share analytical products and share general conclusions with the National Network**
A group of fusion centers appears to have additional restrictions that are preventing products from being posted to HSIN		
Every external entity tracked for fusion center collocation increased its colocated footprint in 2016	Additional opportunities for joint working products and sharing of objectives and priorities may be available to colocated fusion centers	5) **Take steps to translate close relationships and working proximity of partner entities into information sharing that addresses and synthesizes partner needs**
74% of fusion centers are colocated with State, City, or County Law Enforcement	There is a higher footprint of colocated facilities with local law enforcement than any other entity or time since fusion center collocation was tracked	

Table 9: Key Findings, Conclusions and Recommendations

Appendix

Summary
## 2016 National Network of Fusion Centers Communications Drill

Executive Summary

In support of the Fusion Center Performance Program and to facilitate National Network operational readiness, the I&A Fusion Center Readiness Initiative conducted the fifth annual Communications Drill during the week of August 22 – 26, 2016. The drill evaluated the progress of the National Network to implement Critical Operational Capability (COC) 1 – Receive and the ability of individual fusion centers to receive unclassified and classified communications from the Federal Government via communication methods cited below.

This self-paced drill was scheduled by region with each fusion center participating in five stages shown below over approximately two hours. Participants progressed through all stages at their own pace or until their block of time was complete. Drill participants accessed specific unclassified and classified information sharing mechanisms to establish and verify connectivity with drill controllers. Once system connectivity was established and acknowledged, participants proceeded to the next stage.

Results

Unclassified E-mail
Objective met   78   100%
Objective not met   0   -----

Unclassified E-mail
■ Objective Met
■ Objective Not Met
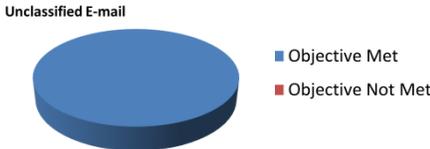
HSIN Intel (via the National Situational Awareness Training Room)
Objective met   77   99%
Objective not met   1   1%

HSIN Intelligence
■ Objective Met
■ Objective Not Met
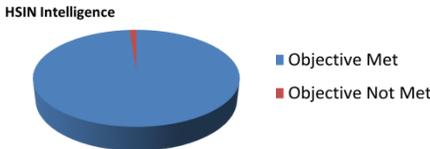
Homeland Secure Data Network (HSDN)
Objective met   69   88%
Objective not met   9   12%

HSDN
■ Objective Met
■ Objective Not Met
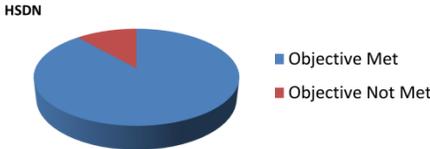
Secure Telephone Equipment (STE)
Objective met   60   77%
Objective not met   18   23%

STE
■ Objective Met
■ Objective Not Met
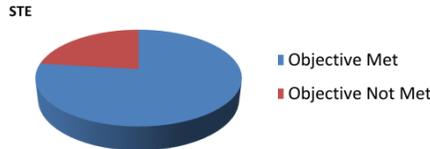
Secure Video Teleconference (SVTC)
Objective met   69   88%
Objective not met   9   12%

SVTC
■ Objective Met
■ Objective Not Met
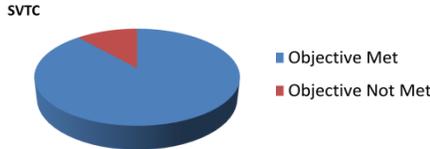
Key Terms

Analytic Product (may also be called Intelligence Product) - A report or document that contains assessments, forecasts, associations, links, and/or other outputs from the analytic process that may be disseminated for use in the improvement of preparedness postures, risk mitigation, crime prevention, target hardening, or apprehension of offenders, among other activities. Analytic products may be created or developed jointly with federal, state, and local partners.

Case Support Product (may also be called Tactical Product) - A product that supports a specific investigation or operational activity, and may be analytic in nature (e.g., toll or link analysis, association charts).

Governance Body - An oversight entity composed of officials with decision-making authority, capable of committing resources and personnel to a fusion center.

HSIN-Intel - A Community of Interest (COI) located on the Homeland Security Information Network (HSIN). It is focused on supporting the collaboration of fusion centers within the National Network of Fusion Centers, including the sharing of products and information. It is the primary vehicle for fusion centers and other key stakeholders to share sensitive but unclassified information. HSIN-Intel is a chartered and vetted community of intelligence analysts from the homeland security, intelligence, and law enforcement communities at all levels of government who share homeland security related information and analyses on a daily basis in order to address threats to the homeland.

P/CRCL Officer - A designated fusion center individual who helps promote the fusion center's privacy, civil rights and civil liberties protections, processes and efforts. They also assess how their fusion center privacy policy is being implemented and provide annual training to fusion center personnel.

Public Safety Events - Identified active shooter or terrorism events. An active shooter event is identified in the Active Shooter Data published by Texas State University's Advanced Law Enforcement Rapid Response Training Center (ALERRT) at http://www.alerrt.org/. A terrorism event is identified by the National Consortium for the Study of Terrorism and Responses to Terrorism, a Department of Homeland Security Center of Excellence headquartered at the University of Maryland http://apps.start.umd.edu/gtd/.

Request For Information (RFI) - A request that could include, but is not limited to, requests for information or intelligence products or services such as name traces, database checks, assessments, subject matter expertise assistance, or finished intelligence products.

Situational Awareness Products - A situational awareness product describes an event or incident of interest to customers (e.g., Be-On-the-Lookout reports, notes, event reports, daily bulletins, Situational Reports, raw reporting).

Standard Deviation - A numerical value used to determine how widely numbers in a group vary.

Tips and Leads - Information provided from fusion center stakeholders, the general public, or other sources regarding potentially criminal or illicit activity, but not necessarily or obviously related to terrorism.

Other Abbreviations and Acronyms:

AOR - Area of Responsibility

CBP - Customs and Border Protection

DHS - Department of Homeland Security

F/SLTT - Federal, State, Local, Tribal, Territorial

FBI - Federal Bureau of Investigation

FCRI - Fusion Center Readiness Initiative

FIG - Field Intelligence Group

HSDN - Homeland Secure Data Network

IIR - Intelligence Information Report

JTTF - Joint Terrorism Task Force

National Network - The National Network of Fusion Centers

P/CRCL - Privacy, Civil Rights, and Civil Liberties

RFI - Request for Information

RISS - Regional Information Sharing Systems

SAR - Suspicious Activity Report

SLTT - State, Local, Tribal, Territorial

TSC - Terrorist Screening Center

2016 Assessment - 2016 Fusion Center Assessment

2016 Final Report - 2016 National Network of Fusion Centers Final

Report