



MEMORANDUM FOR: DDCI for Community Management
Executive Director, CIA

SUBJECT: Director Central Intelligence Directive
(DCID 4/1: Intelligence Programs and Budgets)

I want to balance the DDCI/CM's enhanced role in the oversight of reprogramming actions, as described in the attached DCID, with my authority as Director of the CIA to manage CIA funds. Section 7 of the DCID gives the DDCI/CM authority to approve or disapprove reprogrammings or transfers of funds or personnel on my behalf subject to procedures to be drafted by the DDCI/CM or "as otherwise determined by the DCI". The special considerations I wish to invoke for the CIA are described below.

My approval authority for CIA reprogramming and transfer requests will continue to be exercised through the ExDir of the CIA. The ExDir shall provide such requests for DDCI/CM review at least three business days prior to final approval. If the DDCI/CM does not concur with the CIA reprogramming or transfer, the ExDir and the DDCI/CM should consult with me prior to ExDir approval.

The DDCI/CM and the ExDir should develop and implement procedures by 1 October 2000, to ensure that the DDCI/CM is provided all relevant information related to reprogramming and transfer requests.

George J. Tenet

Attachment

DIRECTOR OF CENTRAL INTELLIGENCE DIRECTIVE 4/1

INTELLIGENCE PROGRAMS AND BUDGETS

(Effective 11 August 2000)

This directive is promulgated pursuant to the National Security Act of 1947, as amended, including sections 102, 103, 104, 501, and 504, Executive Order 12333 (December 4, 1981), and applicable presidential and OMB guidance or directive. Applicable provisions cited in [DCID 1/1](#) (19 November 1998) are included by reference.

1. Purpose

The purpose of this directive is to ensure that the Director of Central Intelligence (DCI) is provided the programmatic, financial, and budget justifications and objective analysis required to make informed resource decisions in his role as head of the Intelligence Community. Nothing in this directive is intended to amend or modify the authorities under existing law, consistent with the authorities and responsibilities of the DCI under the National Security Act of 1947, as amended, and Executive Order 12333, of Executive department heads to manage elements of the Intelligence Community within their departments.

2. Policy

In order to formulate the budget of the National Foreign Intelligence Program (NFIP) in a manner consistent with Presidential guidance and the law, the DCI will establish and maintain policies, procedures, and mechanisms that examine the programs and budgets of all intelligence and intelligence-related activities, assess their consistency with Presidential and national policy, weigh their relative contributions to meeting the intelligence requirements of the US government, monitor and evaluate their performance, and reduce waste and unnecessary duplication. The DCI will take all appropriate steps to keep the Congress fully and currently informed on all resource issues, consistent with applicable law.

3. Authorities and Responsibilities

A. Director of Central Intelligence

(1) The Director of Central Intelligence is responsible under statute and presidential order to develop, approve, and present to the President an annual budget for the NFIP for inclusion in the President's budget for transmittal to Congress pursuant to OMB guidance; participate in the development by the Secretary of Defense of the annual budgets for the Joint Military Intelligence Program (JMIP) and the Tactical Intelligence and Related Activities (TIARA) aggregation; eliminate waste and unnecessary duplication within the Intelligence Community and avoid unnecessary overlap between the NFIP and Department of Defense and other intelligence programs; review and approve the reprogramming by any element of the Intelligence Community of funds made available to an intelligence agency or office

within the NFIP; and transfer funds and personnel as authorized by law.

(2) The DCI provides guidance to Intelligence Community elements on matters covered by this directive, including procedures for responding to the Secretary of Defense's consultation with the DCI before the reprogramming of funds made available under the JMIP.

(3) The DCI will execute these responsibilities using the Office of the Deputy Director of Central Intelligence for Community Management, who shall have access to information necessary to fully evaluate all aspects of programs and budgets under this DCID.

B. Deputy Director of Central Intelligence for Community Management

(1) The Deputy Director of Central Intelligence for Community Management (DDCI/CM) under the DCI's overall guidance and direction shall undertake the actions necessary to carry out the DCI's responsibilities as head of the Intelligence Community under this directive.

(2) The DDCI/CM shall:

a. Facilitate and develop an annual budget for intelligence and intelligence-related activities of the United States with the advice of the Intelligence Community Program Managers, the Executive Director, Intelligence Community Affairs (ExDir/ICA), Assistant DCI for Administration (ADCI/A), Assistant DCI for Collection (ADCI/C), Assistant DCI for Analysis & Production (ADCI/A&P), and others as the DDCI/CM deems appropriate.

b. Establish or approve rules and administrative procedures to conduct program and budget reviews; approve or disapprove on behalf of the DCI the reprogramming and/or transfer of NFIP funds or personnel and related congressional notification in accordance with law and section 7 of this directive; organize and oversee the production of the annual NFIP budget justification materials for Congress, and collect program, budget and execution data from all NFIP components to carry out the responsibilities under this directive.

c. The DDCI/CM may obtain support in all matters related to this directive from the Community Management Staff (CMS), which as appropriate will participate with the oversight offices of the Secretary of Defense in the Secretary's review of JMIP and TIARA.

(3) The DDCI/CM shall advise the DCI with respect to all matters under this directive, including Intelligence Community implementation of the DCI's policies

and resource decisions, any programmatic or other issues, needs, concerns, items of congressional interest, or any other matters that warrant the DCI's attention.

C. Program Managers

Program Managers, as the heads of intelligence elements within the NFIP, are responsible for the preparation and submission of their budget requests to the DDCI/CM and advising the DDCI/CM of program needs and concerns as provided in this directive. After the budgets have been enacted into law, Program Managers shall promptly report to the DDCI/CM budget execution data of appropriations on a periodic basis for all national, defense-wide, and tactical intelligence activities. This directive does not change any existing requirements for intelligence elements to submit and report budget and execution data to their respective department or agency heads.

4. Program and Budget Review Procedures

A. Program Reviews

(1) The purpose of the Program Review is to enable the DCI and DDCI/CM, in collaboration with affected departments and agencies, to ensure that all US intelligence programs and activities meet validated requirements, eliminate waste and unnecessary redundancy, and optimize intelligence resources among NFIP agencies and across the NFIP, JMIP and TIARA. Nothing in this section is intended to modify the authorities of the DCI with respect to the NFIP, or the Secretary of Defense with respect to JMIP and TIARA.

(2) The DDCI/CM shall promulgate DCI Program Guidance in December of each year to guide the NFIP Program Managers in the Development of their programs for the coming year. The DCI's Program Guidance will be consistent with the President's National Security Strategy, the DCI's Strategic Intent and, to the extent practicable, planning guidance established in the departments and agencies. In addition, the DDCI/CM shall provide Fiscal Guidance to each NFIP Program Manager.

(3) Each NFIP Program Manager shall be responsible for preparing an Intelligence Program Objectives Memorandum (IPOM) or comparable documentation that reflects the most recent policy decisions of the heads of their respective departments or agencies and that demonstrates how the program will meet the DCI's fiscal and programmatic guidance. These will be submitted to CMS by May 15th each year and will be reviewed by the CMS. As appropriate, the CMS will participate in the review of the JMIP IPOM with the appropriate oversight offices of the Department of Defense.

(4) To ensure an appropriate balance across all US intelligence programs, an Intelligence Program Review Group (IPRG) will review programmatic issues requiring DCI and Secretary of Defense attention on NFIP, JMIP and TIARA resource issues. This Group is co-chaired by representatives of the DCI and the Secretary of Defense. The IPRG will have as its members representatives from the affected agencies, staffs, programs, and military departments. The IPRG will review issues to determine their appropriateness, fiscal soundness, and consistency with the guidance of the DCI (for the NFIP) and the Secretary of Defense (for JMIP and TIARA). The IPRG is authorized to establish ad hoc interagency issue teams to perform analyses and develop program alternatives for the consideration of the IPRG.

(5) Program alternatives that are developed by the IPRG may be elevated for further consideration by the Expanded Defense Resource Board (EDRB). The EDRB is co-chaired by the DCI or DDCI/CM and the Secretary or Deputy Secretary of Defense. It has as its members representatives from the affected agencies, staffs, programs, and military departments. The EDRB will consider the issues prepared by the IPRG.

(6) Each year, CMS will prepare an Intelligence Program Decision Memorandum (IPDM) to be signed by the DCI or DDCI/CM and Secretary of Defense or Deputy Secretary of Defense. The IPDM will provide guidance on issues reviewed by the IPRG and other matters they deem appropriate. The decisions in the IPDM will be reflected in each element's Budget Estimate.

B. Budget Estimate Reviews

(1) The DDCI/CM will provide updated DCI Fiscal Guidance to the Program Managers prior to their submissions of Intelligence Budget Estimates. The CMS, working with the Office of Management and Budget, will ensure that this guidance is consistent with Presidential guidance to the departments and agencies in which the NFIP programs reside; DCI Fiscal Guidance for meeting intelligence requirements; and the guidance included in the IPDM. Each NFIP Program Manager shall submit the Intelligence Budget Estimate Submission (IBES) to the DDCI/CM no later than September 15th of each year (or at any other time designated by OMB Circular A-11).

(2) It is the responsibility of the CMS to perform a full, independent, and objective analysis of the IBES to determine whether the estimate is consistent with the DCI's fiscal and procedural guidance. CMS will conduct program budget estimate reviews after the submission of the IBES to permit a complete understanding of each program's request; perform independent analysis; develop and evaluate alternative funding proposals to those proposed by the Program Managers, if necessary; and forward recommendations for changes to the Program Manager's request to the

DDCI/CM for decision.

(3) In the case of NFIP funds in the Department of Defense budget, CMS will prepare Intelligence Program Budget Decision documents (IPBDS) for review and distribution within the Department of Defense by the Undersecretary of Defense (Comptroller)(USD(C)), and for approval by the DCI or DDCI/CM and the Deputy Secretary of Defense. CMS will work with the USD(C) and OMB to ensure that these final decisions are reflected in the President's Budget.

(4) In the case of funds not in the DoD budget, CMS is responsible for including DCI decisions in the budgets of the appropriate departments and agencies. These decisions will be included in the appropriate sections of the President's Budget.

5. Justification of the President's Budget for Intelligence

The DDCI/CM's designee, in collaboration with the representatives of the Program Managers, will develop an accurate and strong justification of the DCI's decisions for inclusion in the President's Budget, and will further establish guidelines and procedures for the transmittal of all NFIP budget justification materials to Congress (including budget requests, reprogrammings, supplemental appropriations, funding transfers, budget testimony, briefing materials, correspondence, reports, studies and other congressional requests for budget information). The DDCI/CM will approve the transmittal of these materials to Congress. CMS is responsible for coordinating this information with the appropriate oversight offices of the various agencies and departments whose budgets contain elements of the NFIP as well as with OMB.

6. Periodic Reports on Expenditures

CMS shall evaluate the financial execution of NFIP programs on a periodic basis, to include budget execution data for all national, defense-wide, and tactical intelligence activities to be provided by DoD elements pursuant to section 807 of the Intelligence Authorization Act for FY 1997, and promptly report any execution anomalies to the DDCI/CM. Non-DoD elements will provide execution data that is current and consistent with their department's or agency's financial reporting. The DDCI/CM will receive data on JMIP and TIARA budget execution from the USD(C). All execution reporting shall be managed by CMS for the DDCI/CM and be recorded in a database as required by section 807. This directive does not change any existing requirements for DoD intelligence elements to report execution data to the Secretary of Defense.

7. Reprogramming and Transfer of Appropriated Funds and Personnel

The DDCI/CM shall promulgate procedures, in consultation with Program

Managers and in concert, as appropriate, with the affected departments and agencies, for the reprogramming and transfer of NFIP funds and personnel. The DDCI/CM pursuant to section 104 of the National Security Act of 1947, as amended, and Executive Order 12333 shall approve or disapprove reprogrammings or transfers of funds or personnel on behalf of the DCI, except that approval is not required for reprogrammings below thresholds specified in such procedures or as otherwise determined by the DCI. Reprogrammings and transfers of funds or personnel may require OMB approval in accordance with applicable law and guidance. CMS shall support the DDCI/CM by analyzing, and making recommendations on, NFIP reprogrammings, and transfers of funds and personnel. CMS also shall support the DDCI/CM in connection with consultations between the Secretary of Defense and the DCI on reprogrammings of funds made available under the JMIP. Appropriate congressional notification procedures for reprogrammings and transfers will be followed.

[signed:] George J. Tenet
DIRECTOR OF CENTRAL INTELLIGENCE

11 August 2000
DATE

Source: CIA hardcopy
MORI Document ID Number: 770015
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