(b)(3)-P.L. 86-36

NSA STAFF PROCESSING FORM

DIRECTOR EXREG CONTROL NUMBER	V1 47112		UMBER 03
D/DIR, D SECRETARIAT	ACTIO	ON APPROVAL	EXREG SUSPENSE
Quarterly Report to the Intelligence Oversight Board	X	SIGNATURE	KCC SUSPENSE
on NSA Activities—(U// FOUO)		INFORMATION	ELEMENT SUSPENSE
DISTRIBUTION			

SUMMARY

PURPOSE: (U//FOUO) To forward to the Intelligence Oversight Board (IOB) of the President's Foreign Intelligence Advisory Board, via the Assistant to the Secretary of Defense for Intelligence Oversight (ATSD(IO)), NSA's quarterly report on its intelligence activities.

BACKGROUND: (U//FOUO) Executive Order 12333 and Executive Order 12863 require Intelligence Community agency heads and Intelligence Community General Counsels and Inspectors General, respectively, to report to the IOB on a quarterly basis concerning intelligence activities that they have reason to believe may be unlawful or contrary to Executive Order or Presidential Directive. The enclosed memorandum covers all reportable activities known to the Inspector General and General Counsel. Per PIOB letter of 6 August 1982, Agency heads are responsible for reporting separately any additional reportable activities known to them, unless the President has specifically instructed that the Board is not to be informed. The Director's signature signifies that no other activities that require reporting are known to him.

RECOMMENDATION: (U//FOUO) Director sign the enclosed memorandum.

Approved for Release by NSA on 12-19-2014, FOIA Case # 70809 (Litigation)

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AIG(IO)		5/29/03	3544s		,		
ORIGINATOR				ORG. 011	PHONE (Secure) 963-2984	DATE PREF 29 MA	
FORM A679			ROM: NSA/CSSI	M 123-2	SECURITY CLASSIFICATION		
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NSA IG, NSA GC	EXREG CONTROL NUMBER		OC-101-03	UMBER
SUBJECT	zi Ar. 03 Tance Report, 1 January to 31	ACTI	ON APPROVAL SIGNATURE INFORMATION	EXREG SUSPENSE KCC SUSPENSE ELEMENT SUSPENSE
GUMMARY	·			

PURPOSE: (U//FOUO) To forward additional information to the NSA Inspector General and the NSA General Counsel for the second quarter of FY2003 (1 January 2003 to 31 March 2003) on SIGINT Directorate compliance with E.O. 12333 and related directives.

BACKGROUND: (S//SI) Due to personnel changes, the counterterrorism desk failed to submit the number of U.S. telephone numbers released under authority of SID policy memo, "Implementation Policy for Support to Law Enforcement and the Intelligence Community with Provision of U.S. SIGINT Calling Data Related to Counterterrorism." Oversight and Compliance noted the omission after the SIGINT Directorate Quarterly Compliance Report to the NSA Inspector General was completed and contacted the CT desk for the data.

DISCUSSION: (S//SI) A total of U.S. telephone numbers were released in tippers	
over the second fiscal quarter of $\overline{2003}$.	_
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NATIONAL SECURITY AGENCY CENTRAL SECURITY SERVICE FORT GEORGE G. MEADE, MARYLAND 20755-6000

8 July 2003

MEMORANDUM FOR THE CHAIRMAN, INTELLIGENCE OVERSIGHT BOARD

THRU: Assistant to the Secretary of Defense (Intelligence Oversight)

SUBJECT: (U//FOUO) Report to the Intelligence Oversight Board on NSA Activities - INFORMATION MEMORANDUM

(U/FOUO) Except as previously reported to you or the President, or otherwise stated in the enclosure, we have no reason to believe that any intelligence activities of the National Security Agency during the quarter ending 31 March 2003, were unlawful or contrary to Executive Order or Presidential Directive, and thus required to be reported pursuant to Section 1.7.(d) of Executive Order 12333.

(U//FOUO) The Inspector General and the General Counsel continue to exercise oversight of Agency activities by means of inspections, surveys, training, review of directives and guidelines, and advice and counsel. These activities and other data requested by the Board or members of the staff of the Assistant to the Secretary of Defense (Intelligence Oversight) are described in the enclosure.

> DEL F. BRENNER Inspector General

VITO T. POTENZA

Acting General Counsel

(U/FOUO)—I concur in the report of the Inspector General and the General Counsel and hereby make it our combined report.

MICHAEL V. HAYDEN

Lieutenant General, USAF

Director, NSA/Chief, CSS

Encl: a/s

This Memorandum is Unclassified **Upon Removal of Enclosure**

DERIVED FROM: NSA/CSSM 123-2 DATED: 24 FEB 98

DECLASSIFY ON: X1

(b) (1) (b) (3)-P.L.

DATED: 24 FEB 98

DECLASSIFY ON: X1

TOP SECRET//COMINT-EC

1. (U) INSPECTOR GENERAL ACTIVITIES

a. (C//SI) During this quarter, the Office of Inspector General (OIG) reviewed various intelligence activities of the National Security Agency/Central Security Service (NSA/CSS) to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities.

(b)(3)-P.L. 86-36 b. (U//FOUO) The NSA OIG completed an inspection of the NSA Division. All Division personnel interviewed reported scheduled periodic reviews of E.O. 12333 and the derivative documents. Most members had long-standing experience in the conduct of NSA operations and were aware of the their intelligence oversight responsibilities. c. (S//TK//REL) Along with inspectors from the the NSA OIG completed an inspection of the (b) (3) - 50 USC 3024(1)The inspection found that the is accomplishing Intelligence Oversight (I/O) training and documentation. Although the initial I/O training and the annual refresher training meet the requirements for educating the general workforce, there is no specific USSID 18 training for personnel working in operations. The inspectors recommended that the I/O Officer develop additional training on procedures governing activities of intelligence components for personnel within the operations organization. The inspectors also recommended that the site's I/O policy for cleared custodial and facility workers needs to be reviewed, resolved, (b)(3)-P.L. 86-36 and formally documented by NSA and d. (S//SI) The OIG has learned of two instances, one in 2001 and one in 2002, when retained and disseminated unminimized U.S. person information in mission order to demonstrate the site's capabilities. The first instance involved a voice cut of the The second instance involved the voice communications of U.S. participants in have now been destroyed and the site has been advised by the NSA OGC to use more benign communications to demonstrate its capabilities. (b) (1) DERIVED FROM: NSA/CSSM 123-2 (b) (3) - P.L. 86 - 36

(b)(3)-18 USC 798 (b) (3) - 50 USC 3024(i)

a. -

2. (U) GENERAL COUNSEL ACTIVITIES

—(C//SI) The NSA Office of General Counsel (OGC) reviewed various intelligence activities of the NSA/CSS to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. The OGC advised Agency elements on a number of questions, including the collection and dissemination of communications of or concerning U.S. persons; the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment; and the applicability of the FISA. With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities. The OGC did not file any reports with the Intelligence Oversight Board during this quarter.

3.

(U) SIGINT ACTIVITIES
(S//SI) Collection Against U.S. Persons (b) (1) (2) -P.L. 86-36
(1) (U) Intentional
-(S//SI) During this quarter, the DIRNSA granted approval for consensual collection against persons, one U.Sowned telephone number, and U.Sowned e-mail addresses, which were
DIRNSA-approved
consensual collection against / U.S. persons was routinely terminated this
quarter.
(S//SI) The Attorney General granted authority to collect the (b) (3) -P.L. 86-36 communications of U.S. persons during this quarter. (b) (3) -18 USC 798 (b) (3) -50 USC 3024 (i)
-(TS//SI)
learned on that an individual
was a naturalized U.S. citizen, not as he had initially
been identified. tasking and collection against his (b)(1) telephone number was stopped all pertinent transcripts were purged from (b)(3)-P.L. 86-3
telephone manber was stopped, an permient transcripts were parged from
the transcript storage database, and all associated reporting was canceled.
tasked telephone number belonged to a U.S. person. has confirmed that there was no dissemination of information from this number and that the number was immediately removed from all databases.
2

_	TOP SECRET//COMINT-ECI TALENT KEYHOLE//NOFORN//X1)-P.L. 86-36
	(TS//SI) During this reporting period, there were instances where
_	issued by were later found to refer to
	parties identified as U.S. persons. The were cancelled
	(b)(1) (b)(3)-P.L. 86-36
-	(TS//SI) processed a voice cut in which one
	side of the conversation could not be heard. Upon further investigation,
	determined that the inaudible communicant in the conversation was a
	U.S. official The intercept and all related numbers
	associated with it were
	deleted and the NSA Office of Primary Interest was advised not to process
	the intercept. (b) (1) (b) (3) -P-L. 86-36
_	(TS//SI//NF)
(tb) (1)	
(b) (3) -P.L. 86-36	
(b) (3) -50 USC 3024	/
	originated messages were detected apparently because of an
	The (b) (3) -P.L. 86-36
	problem has been corrected.
\ \-	(TS//SI) an analyst accessing a raw traffic database was able
	for which he was not cleared. Systems
	administrators subsequently discovered The problem has been
	corrected.
(b)(3)-P.L. 86-36	
	(TS//SI ECI//NF)
•	
1	under a Foreign Intelligence Surveillance Court (FISC) order that
1	The FISC subsequently amended the order to
•	authorize and direct
	(b) (1) (b) (3) -P.L. 86-36
	(b) (3)-50 USC 3024(i)
	(S//SI//NF) This quarter, unintentional retrievals using the
L	raw traffic files resulted in incidents against U.S. persons. All incidents were reported to
(b) (1)	resulted in micidents against 0.5. persons. All incidents were reported to
(b) (3)-P.L. 86-36	
	(b) (3) -P I 86-36

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		(b) (3) -P.L.	86-36
TOP SECKET//COMINT-ECT	13	ALENI KETHOLE/NOFOKN//XI	

responsible oversight officials and corrective actions were taken. All unauthorized traffic collected has been destroyed.

b. (U//FOUO) Dissemination of U.S. Identities

(1) (U) Intentional

(S//SI) In accordance with section 7 of USSID 18, U.S. identities were disseminated. The following table shows the justification and the number of instances of dissemination: In the "Unmasked" column, the U.S. identity was revealed in a serialized end product; in the "User Requested" column, a U.S. identity was released to a user at the user's request.

JUSTIFICATION	Unmasked User Requested TOTAL
7.2.c Necessary	
7.2.c.1 Foreign Official	
7.2.c.2 Disclosure of class. Info	
7.2.c.3 International narcotics	
7.2.c.4 Criminal activity	
7.2.c.7 U.S. Government Official ¹	
TOTAL ²	

86-36

1(S//SI) Of the total U.S. Government officials noted, were disseminated in a total of products covered by Blanket Waivers. These are available upon request

²(S) Each mention of an individual identifier in a single report is counted as one dissemination. Thus, if an individual is mentioned five times in one report, that is tallied as five disseminations.

(S//SI) In support of the counterterrorism mission, the SID released a total of
U.S. telephone numbers,
during this reporting period.
(b) (1)
(b) (3)-P.L. 86-36
(2) (U) Unintentional
(S//SI) During this quarter, SIGINT products were canceled because they contained the identities of U.S. persons, organizations, or entities.
Additionally, SIGINT products that did not contain any U.S. identities

4
- TOP SECRET//COMINT-ECI TALENT KEYHOLE//NOFORM/X3)-P.L. 86-36

TOP SECRET//COMINT-ECI___TALENT KEYHOLE//NOFORN//X1) P. L. 86-36

were cancelled because they contained information derived from U.S. person communications.

(3) (U) Raw Traffic Dissemination Outside the SIGINT Production Chain

	Production Chain	
-	(TS//SI) The OIG has learned that	
		, released
	nonpublished SIGINT during briefings	In (b)(3)-P.L. 86-36
	some cases, the information was later released in published product	and thus
	was evaluated for foreign intelligence information and minimization	<u>. </u>
	purposes; however, not all materials were subject to this review.	has
	been advised that it must follow standard procedures for providing	1)
		3)-P.L. 86-36
b)(3)-P.L. 86-36		3)-50 USC 3024(i)
-	(S//SI) three personn	
		had
	unauthorized access to raw traffic databases. They were extracting of	
	targets and forwarding the data to without account	0
	the dissemination. Access was terminated and alternative procedure	
	put in place for providing with the information it needs	5.
	(S//SI)-A contractor in the	(b) (1)
	accessed raw SIGINT	(b)(3)-P.L. 86-36
	approximately times during this period. He did not query for da	ata, but
	examined sessions that were collected based on	
	An analyst later determined that the contractor should not have	e had
	access to this data. The contractor's access was immediately restricte	
	through the authentication procedures required to gain access.	
	(S//SI) a contractor serving as a system administrato	
•	the Kunia Regional Security Operations Center (KRSOC) accessed a	
	traffic database using another user's account. The SA was not author	
	enter the user's account and had not been briefed for proper handling	
	traffic data and access to raw traffic databases. The KRSOC counseled	
)(1)	regarding proper security procedures and added a new interface, rer	noving
)(3)-P.L. 86-36	·	
	(U/ FOUO) One individual who is not in the SIGINT Production Ch	nain had
	access to raw SIGINT data	(b) (3)-P.L. 86-36
	Specifically, the individual's e-mail address was mistakenly added to	the alias
	for the Summaries. The summaries contain	, are anas
	information from computer network exploitation (CNE) operations.	On
	the individual contacted and indicated that he	

TOP SECRET//COMINT-EC /TALENT KEYHOLE//NOFORN//X1	
been receiving the Summaries in error. He further indicated that he had been deleting them unread. Upon receipt of his message, immediately removed his e-mail address from the alias.	
(C//SI)	
Staff was alerted to the fact that thehad been making raw SIGINT accessible to a number of individuals without oversight mechanisms. To prevent improper access, new account request procedures were developed and put in place. (b) (3) -P.L. 86-36 (b) (3) -P.L. 86-36 (b) (3) -P.L. 85-36 (c) (3) -P.L. 85-36	i)
used by	
employees were inadvertently The has notified representatives, who are working with NSA SID	
(S//SI/TK) The newly assigned Chief of identified activity over NSANet among certain NSA contractor personnel at the	
Much of this interaction has been an attempt to circumvent restrictions on the release of SIGINT technical data and raw SIGINT to non-SIGINT production elements. The Chief has made considerable progress in curtailing the activity and has established measures to eliminate the interaction in the future.	
4. (U) OTHER ACTIVITIES (b) (1) (b) (3) -P.L. 86-36 (b) (3) -50 USC 3024 (i)
(U) Integrees in Analysis and Production	
(S//SI//NF)- During this quarter, (b)(1) b)(3)-P.L	86-36
In all cases, these individuals were provided with USSID 18 training. Organizations having integrees at NSA included the (1)(3)-P.L.	86-36

TOP SECRET//COMINT ECI TALENT KEYHOLE//NOFORN//XI
(b) (1) (b) (1) (b) (3) -P.L. 86-36 (b) (3) -P.L. 86-36 (b) (3) -50 USC 3024 (i)
(S//SI) via the
requested that NSA acquire voice gists and
transcripts for all calls made to and from
was in contact with known to be living and When it
became known that intended to meet with
requested NSA assistance with
intercepting their plans, for the purpose of arresting the individual upon arrival
Immediately after NSA account managers were informed of the
request and learned additional details of the case, they notified the NSA OGC.
Although collection assets were activated before the OGC was notified, no data was collected before the collection was stopped by the OGC because the
collection satisfied law enforcement rather than foreign intelligence
requirements.
—(C) As a result of this incident, several new procedures were developed and implemented:
1) (C) SID law enforcement account managers provide guidelines for dealing with law enforcement field personnel to deployment. They are provided with contact information for NSA representatives to at NSA Headquarters and specific guidelines for requesting information and technical support from NSA. 2) (C) The to NSA developed and disseminated a memorandum to that delineated procedures for requesting NSA support. 3) (C) NSA OGC provides with a tailored, formal briefing on NSA authorities and restrictions. This training includes NIST-authorized downgrading and sanitizations of SIGINT, tasking of NSA/CSS national assets to satisfy requirements and special exceptions, such as targeting of non-U.S. persons' communications for a law enforcement purpose. (S//SI//NT) During the quarter, NSA received requests of assistance from law enforcement agencies. NSA also received a request from the Department of Justice under Section 105a of the National Security Act of 1947, which allows NSA to provide support to law enforcement if the target is foreign
and is located overseas. In accordance with standard practices for such requests,
the SID forwarded the results directly to the OGC for vetting before
dissemination. NSA support included (b) (1) (3) -P.L. 86-36
(b) (3)-18 USC 798 (b) (3)-50 USC 3024(i

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•	TOP SECRET//COMINT-ECI TALENT KEYHOLE//NOFORN//XI	86-36	
b) (1) b) (3) -P. b) (3) -18	. 86-36		
b) (3) –18 b) (3) –50	USC 798 USC 3024(i)		
	(U// FOUO) In our quarterly report of 25 March 2003, we reported that the NSA Office of Security had provided and training last		
	fall at the request of In response to a		
	query from the D/ATSD(IO), the following additional details are provided: (II//FOLIO)	(1)	
	(U// FOUO)	(3)-P.L.	86-36
		」) (1)	
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	(b)\(1) (b)\(3)-P.L. 86-36
	(U) Working Aids
	(U) All SID personnel at NSA Headquarters and in the Extended
	Enterprise have access to the document, "U. S. Identities in SIGINT," and other guidance documents either in hard copy or via NSANet. Its personnel are
	cognizant of NSA/CSS Directive 10-30 and review it as necessary to ensure
	compliance with the directive.
	(U// FOUO) NSA redesigned its home web (b) (3) -P.L. 86-36
	page to include an Intelligence Oversight link. As part of their quarterly training, personnel are required to access the site, read
	its contents and complete the form at the end signifying they completed the
	required training.
	(U) Databases
	-(S//SI) Numerous branches in
ļ	consistent with OGC guidance, to avoid USSID-18 violations. (b)(3)-P.L. 86-36
	Only information that is essential to understanding the intelligence is included.
[
ſ	Additionally, many Offices of Primary Interest in order to ensure that they are not
ı	collected against or named in product.

SECURITY CLASSIFICATION

NSA STAFF PROCESSING FORM

DIRECTOR STILL		IG-10160-0	UMBER 03
D/DIR, D SECRETARIAT	ACTI	ON APPROVAL	EXREG SUSPENSE
SUBJECT Quarterly Report to the Intelligence Oversight Board	X	SIGNATURE	KCC SUSPENSE
on NSA Activities—Second Quarter FY03 (U// FOUO)		INFORMATION	ELEMENT SUSPENSE
DISTRIBUTION			

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RECOMMENDATION: (U//FOUO) Director sign the enclosed memorandum.

(b)(3)-P.L. 86-36

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J	Joel F. Brenner	nnet 3544s	I F. Brenner 151 3544s		\		
G(IO)		5/29/03	3544s			\	
RIGINATOR		<u> </u>	,	ORG.	PHONE (Secure) 963-2984	DATE PREPARE 29 MAY 2	
FORM A6796 FEB 94 NSN: 7540-FM-001-5465			гкорі: NSAJCSSI February 1998 FY ON: X1	123-2	SECURITY CLASSIFICAT		JENT KEYH

NSA STAFF PROCESSING	NSA	STA	FF	PRO	CESSI	NG	FORM
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TO NSA IG, NSA GC	E	XREG CONTROL NUMBER		CC-101-03	UMBER	
SIGINT Director	() 12	24 Ar. 03	ACTI	ON APPROVAL	EXREG SUSPENSE	
(U) SID Quarterly (March 2003 - Adder		rce Report, 1 January to	31 X	SIGNATURE	KCC SUSPENSE ELEMENT SUSPENSE	
DISTRIBUTION					· · · · · · · · · · · · · · · · · · ·	
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(b) (1)

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				POC	\		963-8175
Chief. Oversight & Compliance			e l	ORG.	PHONE (Secure) 963-8170	DATE PREPA 23 April	