NSA STAFF PROCESSING FORM

TO: DIRECTOR
THRU: D/DIR, D SECRETARIAT
DISTRIBUTION

SUBJECT: (U//FOUO) Quarterly Report to the Intelligence Oversight Board on NSA Activities—Third Quarter FY05

ACTION
☐ APPROVAL
☐ SIGNATURE
☐ INFORMATION

EXREG CONTROL NUMBER
24223
KCC CONTROL NUMBER
IG-10525-05

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) Director sign the enclosed memorandum.

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

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

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4 August 2005

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DERIVED FROM: NSA/CSSPM 1-52
DATED: 22 November 2004
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SECURITY CLASSIFICATION
TOC-SEC/COMIC/NSIFORM/708091123
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 30 June 2005 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.

JOEL F. BRENNER
Inspector General

ROBERT L. DEITZ
General Counsel

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

KEITH B. ALEXANDER
Lieutenant General, U. S. Army
Director, NSA/Chief, CSS

Encl:
Quarterly Report with NSA/CSS Policy 1-23

This Memorandum is Unclassified
Upon Removal of Enclosure

DERIVED FROM: NSA/CSSPM 1-52
DATED: 23NOV04
DECLASSIFY ON: 2029123
1. (U) INSPECTOR GENERAL ACTIVITIES

a. (U//FOUO) 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 (EOs), Attorney General (AG) procedures, and Department of Defense (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. (U//FOUO) Along with inspectors from the ___________, the NSA OIG completed a joint inspection of the ___________. The inspection team found that some personnel who did not have access to the Sensitive Compartmented Information Facility (SCIF) had not received initial intelligence oversight training. NSA OIG will monitor this deficiency through correction.

c. (U//FOUO) The OIG conducted an inspection of the NSA/CSS Representative Pacific (NCRPAC). Three Intelligence Oversight (IO) training weaknesses were documented and quickly rectified. USSID SP0018 (formerly USSID 18) training was added to the training program, recording keeping was automated and the web-based training was standardized for all NCPAC divisions.

d. (U//FOUO) A special study of the NSA/CSS ___________ revealed deficient training accountability. Only 61% of the ___________ workforce had received the required IO training in 2004, and as of the study publication, training compliance has risen to 84% for 2005. The ___________ lacks a formal tracking and follow-up system to ensure 100% training compliance. NSA OIG will monitor this deficiency through correction.

e. (U//FOUO) A follow-up inspection of the ___________ and NSA/CSS Representative ___________ found that the training and documentation weaknesses cited in our 13 September 2004 report have been strengthened. Training and documentation procedures have been standardized and managed by an appointed IO Program Manager.
2. (U) GENERAL COUNSEL ACTIVITIES

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, EOs, AG 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 (USP); the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment; and the applicability of the Foreign Intelligence Surveillance Act (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

a. (S//SI) Collection Against U.S. Persons

(1) (U) Intentional

a. (TS//SI) During this quarter, the Director of the National Security Agency (DIRNSA) granted approval for consensual collection against U.S. persons. DIRNSA also approved non-consensual collection of U.S. companies. U.S. Citizens held captive.

The DIRNSA-approved consensual collection against U.S. persons was routinely terminated this quarter.

b. (S//SI) The AG granted authority to collect the communications of U.S. persons during this quarter.

(2) (U) Unintentional

a. (S//SI/NI) This quarter, there were instances in which analysts inadvertently collected against U.S. persons while pursuing foreign intelligence tasking. All of the incidents were reported to responsible oversight officials; and
corrective actions were taken. With one exception noted below, all unauthorized traffic collected has been destroyed.

[1] (U//FOUO) There were instances of inappropriate tasking.

a. (TS//SI) An investigation into the delay in database selection term detasking is ongoing. division notified the that while collecting on an authorized target, communicants were recognized to be U.S. persons. The termination of the selectors associated with the U.S. persons was directed, but the detasking of the selectors when the error was discovered. At that time, the selection terms were removed and the collection was terminated. Some of the communications collected contain A The OIG will report the investigation outcome upon completion.

b. (S//SI) A foreign target entered and remained in the United States for three days before tasking was completely terminated. tasking was removed from No collection resulted from the inappropriate targeting.

c. (TS//SI) During an internal review personnel found that a U.S. person who had signed a USSID SP0018 consensual collection request was targeted beyond the authorized tasking period. No collection resulted from the detasking failure. This violation prompted a review of the

[2] (TS//SI)

[3] (TS//SI) Human error resulted in the continued tasking of an Attorney General authorized counterterrorism target while he was in the United States Once identified the telephone number was detasked. No collection occurred and no reports were issued. In response to the violation,
[4] (TS//SI) While tasking was entered against
were mistakenly entered as search terms. This resulted in the intercept
of approximately _____ pieces of Digital Network Intelligence (DNI) traffic
some of which may have contained U.S. person communications.
Tasking was terminated, the _____ modified, and the DNI traffic collected
was deleted.

[5] (U//FOUO) A Joint Communications Security (COMSEC) analyst
monitored a ______ conference call without prior
authorization. ______
and scheduling information for a conference call. The analyst monitored the conference
call without prior approval. The unauthorized collection was discovered ______
and all unauthorized collection data was destroyed.

[6] (S//SI) As reported in the 14 March 2005 submission, collection of U.S.
person communications occurred after the expiration of the Attorney General’s
authorization ______ An inquiry revealed that ____ numbers had
been tasked, but at the time of detasking______
The error was found ______ when
the ______ A check of______ at that time revealed the oversight, and ______ were detasked immediately. No intercept resulted from the
unauthorized tasking.

[7] (S//SI) Poorly designed database queries, _____ and typing mistakes,
resulted in the collection of U.S. person information in ______ instances. In each of
the instances, the query was promptly terminated, and all data retrieved was
immediately deleted. The analysts involved were counseled and training was
mandated for all ______ account holders at one site.

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

(1) (U) Intentional

(S//SI) In accordance with section 7 of USSID SP0018, U.S. identities were
disseminated ____ times during this quarter. The following table shows the
justification and the number of instances of dissemination: In the “Unmasked by
Analyst” column, the U.S. identity was revealed in a serialized end product; in the
“Unmasked at User Request” column, a U.S. identity was released to a user at the user’s request.

<table>
<thead>
<tr>
<th>JUSTIFICATION</th>
<th>Unmasked by Analyst</th>
<th>Unmasked at User Request</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2.c Necessary</td>
<td></td>
<td></td>
<td>(b) 1</td>
</tr>
<tr>
<td>7.2.c.1 Foreign Official</td>
<td></td>
<td></td>
<td>(b) 3</td>
</tr>
<tr>
<td>7.2.c.3 International Narcotics</td>
<td></td>
<td></td>
<td>(b) 6</td>
</tr>
<tr>
<td>7.2.c.4 Criminal Activity</td>
<td></td>
<td></td>
<td>(b) 6</td>
</tr>
<tr>
<td>7.2.c.7 U.S. Government Official</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(2) (U) Unintentional

a. (S//SI) During this quarter, the Signals Intelligence Directorate (SID) cancelled [Redacted] SIGINT products because they contained the identities of U.S. persons, organizations, or entities; those products that contained information derived from communications of U.S. persons were not reissued.

b. (TS/SCI) [Redacted] released [Redacted] reports containing the identities of U.S. persons or based on the communications of persons later identified as U.S. persons. In both instances [Redacted] cancelled the reports, which were either not reissued or were reissued with the proper minimization.

c. (S//SI/FOUO) [Redacted] was involved in receiving and disseminating [Redacted] reports that contained U.S. person information. At the request of [Redacted], [Redacted] was the conduit to obtain and forward [Redacted] reports. [Redacted] analyst failed to screen the reports for U.S. person information as required by NSA/CSS “U.S. Identities in SIGINT”. NSA/CSS requested that [Redacted] cancel the reports and reissue if necessary after minimization. The reports were removed from the NSA/CSS files.

(3) (U) Raw Traffic Dissemination — SIGINT Production Chain

a. (S//SI) [Redacted]
b. (TS/SCI) Unauthorized Access. Personnel assigned to the ____________ are (b)(1) given access to NSA's raw SIGINT databases for the duration of their tenure with (b)(3)-P.L. 86-36 employee's access was not suspended when he left the program, and he subsequently used that access while _______________ to retrieve database information. The employee's access to the NSA Network, including all databases and tools, has been suspended.

(c) (TS/SCI) a collaboration request containing raw traffic was sent to ____________ An analyst in the NSA/CSS ____________ did not recognize the raw traffic, and learned from the Target Office of Primary Interest (TOPI) that the email contained unminimized data after it had been sent. The ____________ immediately contacted ____________ to have the email deleted and requested that no further action be taken regarding the request. Training is scheduled to reorient ____________ analysts to restrictions on and the handling procedures for handling raw traffic.

4. (U) Other Activities

(a) (U//FOUO) FISA Incidents

(1) (TS/SCI//NF) an error resulted in a large influx of NSA authorized and unauthorized data

NSA's office was alerted to the error

6

(b)(1)

(b)(3)-P.L. 86-36
Although the data continues to be sorted, there are no indications that reporting resulted from the collection. The OIG will track this incident through completion of the data screening and destruction of the unauthorized information.

NSA immediately removed the target from [redacted] and the associated [redacted] this action prevented the data from being processed and available to NSA analysts. Through intervention by the NSA OGC, the target was removed from tasking [redacted].

c. (U//FOUO) Misuse of the U.S. SIGINT System

(TS//SI) Local oversight identified the misuse of the U.S. SIGINT System. [redacted] a [redacted] auditor found and reported that an analyst abused the NSA collection system [redacted] by conducting unauthorized queries against a raw traffic database for personal reasons. NSA/CSS OIG has begun an investigation into the incident, the results of which will be reported upon completion.

d. (U) Assistance to Law Enforcement

(S//SI) During this quarter, the SID responded to [redacted] requests for analytical, technical, and linguistic assistance from law enforcement or other government agencies, including requests from [redacted] Command.

e. (U) Working Aids

(U//FOUO) The SID Office of Oversight and Compliance maintains "U.S. Identities in SIGINT" and a matrix of dissemination authorities on its web page for use by the NSA/CSS Enterprise. The E.O., NSA/CSS Policy Number 1-23, DoD Regulation 5240.1-R, and USSID SP0018 are also available on-line.