

~~SECRET~~

Report No. DODIG-2013-119 August 16, 2013

Inspector General

United States
Department of Defense



Better Procedures and Oversight Needed to Accurately Identify
and Prioritize Task Critical Assets

Copy 12 of 28

Classified By: DoD OIG (b) (6)

Derived From: Multiple Sources

Declassify on: 20380105

~~SECRET~~

(U) Additional Copies

(U) To obtain additional copies of this report, contact the Secondary Reports Distribution Unit at auditnet@dodig.mil.

(U) Suggestions for Audits

(U) To suggest or request audits, contact the Office of the Deputy Inspector General for Auditing at auditnet@dodig.mil or by mail:

Department of Defense Office of Inspector General
Office of the Deputy Inspector General for Auditing
ATTN: Audit Suggestions/13F25-04
4800 Mark Center Drive
Alexandria, VA 22350-1500

DEPARTMENT OF DEFENSE

hotline

To report fraud, waste, mismanagement, and abuse of authority.

Send written complaints to: Defense Hotline, The Pentagon, Washington, DC 20301-1900
Phone: 800.424.9098 e-mail: hotline@dodig.mil www.dodig.mil/hotline

(U) Acronyms and Abbreviations

ASD(HD&ASA)	Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs
BEI	Baseline Elements of Information
CAIP	Critical Asset Identification Process
CAMS	Critical Asset Management System
CIP	Critical Infrastructure Program
COCOM	Combatant Command
DCA	Defense Critical Asset
DCIP	Defense Critical Infrastructure Program
DIB	Defense Industrial Base
DISLA	Defense Infrastructure Sector Lead Agent
SICA	Supporting Infrastructure Critical Asset
SMADS	Strategic Mission Assurance Data System
TCA	Task Critical Asset
USCENTCOM	U.S. Central Command
USD(P)	Under Secretary of Defense for Policy
USNORTHCOM	U.S. Northern Command
USSOCOM	U.S. Special Operations Command
USSTRATCOM	U.S. Strategic Command
USTRANSCOM	U.S. Transportation Command

~~SECRET~~



~~SECRET~~

INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500

AUG 16 2013

(U) MEMORANDUM FOR DISTRIBUTION

(U) SUBJECT: Better Procedures and Oversight Needed to Accurately Identify and Prioritize Task Critical Assets (Report No.DODIG-2013-119)

(U) We are providing this report for your review and comment. Defense Critical Infrastructure Program lists of Task Critical Assets reviewed were not accurate or prioritized based on established criteria because of inadequate procedures and oversight of the Task Critical Asset identification and prioritization process. As a result, DoD officials may not make informed risk decisions, including allocating funds to protect critical assets.

(U) We considered management comments on a draft of this report when preparing the final report. DoD Directive 7650.3 requires that recommendations be resolved promptly. The Acting Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs responded for the Under Secretary of Defense for Policy for Recommendations 1.a and 1.b. Comments from the Acting Assistant Secretary were not responsive for Recommendations 1.a and 1.b. Comments from the Acting Assistant Secretary were partially responsive for Recommendation 2.a and were not responsive for Recommendation 2.b. Therefore, we request that the Under Secretary of Defense for Policy and the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs provide comments to the final report by September 16, 2013.

(U) If possible, send a Microsoft Word (.doc) file and portable document format (.pdf) file containing your comments to DoD OIG (b) (6) @dodig.smil.mil. Copies of your comments must have the actual signature of the authorizing official for your organization. We are unable to accept the /Signed/ symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

(U) We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 604-8866 (DSN 664-8866).

A handwritten signature in blue ink that reads "Daniel R. Blair".

Daniel R. Blair
Deputy Inspector General
for Auditing

~~SECRET~~

~~SECRET~~

(U) DISTRIBUTION:

UNDER SECRETARY OF DEFENSE FOR POLICY
ASSISTANT SECRETARY OF DEFENSE FOR HOMELAND DEFENSE AND
AMERICAS' SECURITY AFFAIRS
COMMANDER, U.S. CENTRAL COMMAND
COMMANDER, U.S. STRATEGIC COMMAND
COMMANDER, U.S. SPECIAL OPERATIONS COMMAND
COMMANDER, U.S. TRANSPORTATION COMMAND
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL MANAGEMENT
AND COMPTROLLER
DIRECTOR, JOINT STAFF
NAVAL INSPECTOR GENERAL
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

~~SECRET~~



(U) Results in Brief: Better Procedures and Oversight Needed to Accurately Identify and Prioritize Task Critical Assets

(U) What We Did

(U) Our objective was to determine whether Defense Critical Infrastructure Program (DCIP) lists of Task Critical Asset (TCA) were accurate and prioritized based on established criteria. We reviewed a nonstatistical sample of Tier 1 and Tier 2 TCAs that 11 DoD Components and Defense Infrastructure Sector Lead Agents (DISLAs) identified as of July 2012.

(U) What We Found

(U) DCIP TCA lists were not accurate and prioritized based on established criteria. Specifically none of the 11 DoD Components and DISLAs accurately identified TCAs based on critical asset identification requirements, and 7 of the 11 DoD Components and DISLAs did not always accurately prioritize TCAs in accordance with tier-level and baseline elements of information requirements. Inaccurate identification or prioritization of TCAs occurred because the heads of DoD Components did not establish internal procedures that fully implemented DoD requirements and Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs personnel did not adequately oversee the implementation of these requirements.

(S) OSD JS (b) (1), Sec 1.4(a), 1.4(g), (b) (5), CENTCOM (b) (1), Sec 1.4(a)

(S) OSD JS (b) (1), Sec 1.4(a), 1.4(g), (b) (5)

(U) What We Recommend

(U) We recommend the Under Secretary of Defense for Policy amend DCIP policy to require the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs to perform comprehensive program reviews of DCIP Critical Asset Identification Process implementation across all DoD Components and Defense Infrastructure Sector Lead Agents and develop and implement a DCIP net-centric approach to facilitate asset information sharing among DoD Components and Defense Infrastructure Sector Lead Agents. We also recommend that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs implement a comprehensive program review process to verify that the DCIP Critical Asset Identification Process is working effectively and require the heads of the DoD Components to develop or update policies and procedures to include all of the DCIP requirements in DoD Manual 3020.45, volume 1, October 24, 2008.

(U) Management Comments and Our Response

(U) The Acting Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs responded on behalf of the Under Secretary of Defense for Policy for Recommendations 1.a and 1.b. Comments from the Acting Assistant Secretary were not responsive for Recommendations 1.a and 1.b.

(U) Comments from the Acting Assistant Secretary were partially responsive for Recommendation 2.a and were not responsive for Recommendation 2.b. We request that the Under Secretary of Defense for Policy and the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs address the report recommendations, include methods and timelines to implement planned actions, and provide comments by September 16, 2013.

(U) Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Under Secretary of Defense for Policy	1.a and 1.b	
Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs	2.a and 2.b	

Please provide comments by September 16, 2013.

(U) Table of Contents

(U) Introduction	1
(U) Objective	1
(U) Background	1
(U) Defense Critical Infrastructure Program Criteria Establish Roles and Responsibilities	2
(U) Critical Asset Identification Process Procedures Identify and Prioritize Task Critical Assets	3
(U) Review of Internal Controls	4
(U) Finding. Improvements Needed to Accurately Identify and Prioritize Task Critical Assets	5
(U) Task Critical Assets Not Accurately Identified	5
(U) Improvements Needed to Properly Prioritize Task Critical Assets	7
(U) Effective Procedures Needed to Implement DoD Requirements	10
(U) Risks With Improperly Identifying and Prioritizing DoD's Critical Assets	14
(U) Conclusion	14
(U) Recommendations, Management Comments, and Our Response	15
(U) Appendixes	
A. (U) Scope and Methodology	18
(U) Use of Computer-Processed Data	20
(U) Use of Technical Assistance	20
(U) Prior Coverage	20
B. (U) Critical Asset Identification Process Implementation Example That Applies the Identification Steps	21
C. (S) <small>OSD JS, (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</small>	24
(U) Glossary	26
(U) Management Comments	27
(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs	27

(U) Introduction

(U) Objective

(U) Our objective was to determine whether the Defense Critical Infrastructure Program (DCIP) lists of Task Critical Assets (TCAs)¹ were accurate and prioritized based on established criteria. See Appendix A for a discussion of the scope and methodology.

(U) Background

(U) The President issued Homeland Security Presidential Directive 7, "Critical Infrastructure Identification, Prioritization, and Protection," December 17, 2003. The Directive requires "Federal departments and agencies to identify and prioritize critical infrastructure and to protect them from terrorist attacks." In response to Homeland Security Presidential Directive 7, DoD issued Directive 3020.40, "DoD Policy and Responsibilities for Critical Infrastructure," January 14, 2010, to implement the DCIP. The DCIP establishes a DoD risk management program that seeks to ensure the availability of defense critical infrastructure, which is a combination of TCAs and Defense Critical Assets (DCAs).² The Directive states that the Defense critical infrastructure includes DoD and non-DoD assets that support and sustain military forces and DoD operations worldwide.

(U) The Under Secretary of Defense for Policy (USD[P]) is responsible for establishing and overseeing "the implementation of DCIP policy and guidance for the risk management of defense critical infrastructure, including issuance of strategies, plans, and standards" in accordance with DoD Directive 3020.40. DoD Instruction 3020.45, "Defense Critical Infrastructure Program," April 21, 2008, identifies the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs (ASD[HD&ASA]), under the USD(P), as responsible for providing policy and guidance for the DCIP and overseeing the implementation of a DCIP plan and DoD Component and Defense Infrastructure Sector Lead Agent (DISLA) responsibilities.

(U) Based on DoD Instruction 3020.45, the DCIP risk management process produces information to enhance risk decision making capabilities. This process requires close coordination among all DoD Components (Combatant Commands [COCOMs], Services, and Defense agencies) and DISLAs to identify assets that support DoD missions and

¹ (U) TCAs are assets that support DoD missions at the mission-task level.

² (U) A DCA is an asset of such extraordinary importance to operations in peace, crisis, and war that its incapacitation or destruction would have a very serious, debilitating effect on the ability of the DoD to fulfill its missions.

(U) functions, respectively.³ Joint Staff DCIP personnel compile an aggregate DoD TCA list based on lists from DoD Components and DISLAs; from which, Joint Staff DCIP personnel nominate DCAs to the ASD(HD&ASA) for approval. DoD must protect its high-priority TCAs.

(U) DCIP Criteria Establish Roles and Responsibilities

(U) A series of DoD policies govern roles, responsibilities, and processes related to the audit objective.

- (U) DoD Directive 3020.40 establishes policy and assigns responsibilities for the USD(P), DoD Components, and DISLAs to implement and resource DCIP requirements within their organizations; develop and oversee implementing guidance; and establish necessary lines of communication to promote information sharing requirements.
- (U) DoD Directive 5111.13, "Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs," January 16, 2009, states that under the direction and control of the USD(P), the ASD(HD&ASA) will supervise the DCIP and develop and oversee DCIP policy implementation across DoD Components. The Directive also assigns authority to the ASD(HD&ASA) to communicate directly with heads of the DoD Components to execute the DCIP.
- (U) DoD Instruction 3020.45 "implements and establishes policy in support of the requirements of DoD Directive 3020.40 to manage the identification, prioritization, and assessment of defense critical infrastructure as a comprehensive program." Also, the Instruction establishes the DCIP Risk Management Process and assigns responsibilities for DCIP implementation.
- (U) DoD Manual 3020.45, volume 1, "Defense Critical Infrastructure Program: DoD Mission-Based Critical Asset Identification Process," October 24, 2008, "provides comprehensive procedures for implementation of a defense critical infrastructure identification process across all DoD Components and DISLAs using a mission-focused process that includes all DoD functions." The Manual identifies the nine-step Critical Asset Identification Process (CAIP), provides additional requirements for successful implementation of the process, and states that the CAIP will result in identified TCAs and DCAs.

³ (U) The DoD Components and DISLAs covered in this report are the Army, Navy, Air Force, Marine Corps, U.S. Central Command, U.S. Strategic Command, U.S. Special Operations Command, U.S. Transportation Command, Space Sector, Transportation Sector, and Defense Industrial Base Sector.

(U) CAIP Procedures Identify and Prioritize TCAs

(U) DoD Components and DISLAs use DoD Manual 3020.45, volume 1, and DoD Instruction 3020.45 to help them identify and prioritize TCAs. Under these policies, DoD Components and DISLAs:

- (U) break down missions and functions into required tasks, standards, and capabilities;
- (U) identify the task assets that support the missions to the required standards and capabilities; and
- (U) prioritize the assets identified based on the criticality of the mission and the availability of other assets that could satisfy required standards and capabilities (for example, assets, such as sole source contractors, could become a higher priority to protect rather than assets with multiple substitutes or redundant capabilities).

(U) DoD Manual 3020.45, volume 1, requires that DoD Components identify and prioritize their TCAs; from which, the Joint Staff must evaluate and nominate those TCAs that meet the definition for consideration as DCAs.⁴ The CAIP requires close coordination between two primary groups within DoD (mission owners and resource providers) while performing the following nine steps.

1. (U) Mission Decomposition⁵ and Required Capability Identification
2. (U) Task Asset Identification
3. (U) TCA Nomination and Submission
4. (U) TCA Validation
5. (U) Submission of Validated DoD Component and DISLA TCA Lists to the Joint Staff
6. (U) Joint Staff Compilation and Release of DoD-Wide TCA List
7. (U) Defense Infrastructure Sector Interdependency Analysis Support to TCAs
8. (U) Joint Staff Nomination of Potential DCAs to ASD(HD&ASA)
9. (U) ASD(HD&ASA) Review and Approval of Nominated DCAs

(U) See Appendix B for an example from DoD Manual 3020.45, volume 1, of DoD Components and DISLAs applying the CAIP to identify TCAs. In this example, U.S. Northern Command (USNORTHCOM) used information that asset owners and DISLAs provided to identify TCAs during the CAIP that support a strategic mission-essential task. The CAIP is a role-based process in which DoD Components and DISLAs serve as mission owners and resource providers to identify and assess the criticality of assets that support DoD missions and functions.

⁴ (U) We excluded DCAs from this audit; however, because DCAs are derived from TCAs, we discuss the impact of TCA identification and prioritization on DCA determinations.

⁵ (U) DoD personnel break down missions into the tasks, capabilities, and standards needed to successfully perform a stated mission. This breakdown is referred to as "mission decomposition" in the DCIP. Mission decomposition is the first step in CAIP.

(U) Mission Owners

(U) Mission owners consist of COCOMs, Defense agencies, Military Departments, and Defense infrastructure sectors.⁶ COCOMs, Defense agencies, and Military Departments received their missions from either the President, Secretary of Defense, or applicable laws. DISLAs lead Defense infrastructure sectors. DISLAs do not have assigned missions, but serve as mission owners to characterize their sector functions and systems and to identify TCAs related to their functions (for example, Logistics, Health Affairs, and Financial Services). COCOMs rely on supporting asset owners to identify assets and recommend criticality.

(U) Resource Providers

(U) Resource providers include asset owners and DISLAs. Asset owners (the Services, DoD Field Activities, Defense agencies, the National Guard Bureau, and U.S. Special Operations Command [USSOCOM])⁷ furnish the forces, materiel, and other assets or capabilities to execute a mission. Although DISLAs are not asset owners, they identify to mission owners alternative sector-related capabilities that would not have been identified within a single asset owner's internal analysis. This additional analysis collects data from across DoD and allows a mission owner to assess the criticality of an asset accurately.

(U) Review of Internal Controls

(U) DoD Instruction 5010.40, "Managers' Internal Control Program (MICP) Procedures," July 29, 2010, requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. We identified internal control weaknesses for the heads of the DoD Components and DISLAs (Army, Navy, Air Force, Marine Corps, U.S. Central Command [USCENTCOM], USSOCOM, U.S. Strategic Command [USSTRATCOM], U.S. Transportation Command [USTRANSCOM], and the Defense Contract Management Agency), and the office of the ASD(HD&ASA).

(U) This occurred because the heads of DoD Components and DISLAs did not establish internal procedures that fully implemented all of the CAIP steps, coordination requirements, and tier-level assignment requirements in DoD Manual 3020.45, volume 1, and ASD(HD&ASA) personnel did not adequately oversee the implementation of these requirements. We will provide a copy of the report to the senior officials responsible for internal controls in the offices of the USD(P) and the ASD(HD&ASA).

⁶ (U) The Defense Infrastructure Sectors consist of Personnel, Logistics, Finance, Global Information Grid, Health, Defense Industrial Base, Public Works, Space, Intelligence, and Transportation.

⁷ (U) USSOCOM is the only COCOM that acts as an asset owner because it procures and owns mission assets.

(U) Finding. Improvements Needed to Accurately Identify and Prioritize TCAs

(U) DCIP TCA lists were not accurate and prioritized based on established criteria. Specifically, none of the 11 DoD Components and DISLAs accurately identified TCAs based on critical asset identification requirements, and 7⁸ of the 11 DoD Components and DISLAs did not always accurately prioritize TCAs in accordance with tier-level and baseline elements of information (BEIs) requirements. Inaccurate identification and prioritization of TCAs occurred because:

- (U) the heads of DoD Components and DISLAs did not establish internal procedures that fully implemented all of the CAIP steps, coordination requirements, and tier-level assignment requirements in DoD Manual 3020.45, volume 1, and
- (U) ASD(HD&ASA) personnel did not adequately oversee the implementation of these requirements.



(U) TCAs Not Accurately Identified

(U) None of the 11 DoD Components and DISLAs accurately identified TCAs as prescribed in DoD Manual 3020.45, volume 1. Specifically:

- (U) Navy and Marine Corps Critical Infrastructure Program (CIP) personnel did not apply applicable DoD Manual 3020.45, volume 1, requirements to identify TCAs.
- (U) CIP personnel from the Army, Air Force, USSTRATCOM, USTRANSCOM, USSOCOM, USCENTCOM, and DISLAs for the Defense Industrial Base (DIB) Sector, Space Sector, and Transportation Sector could not show that they

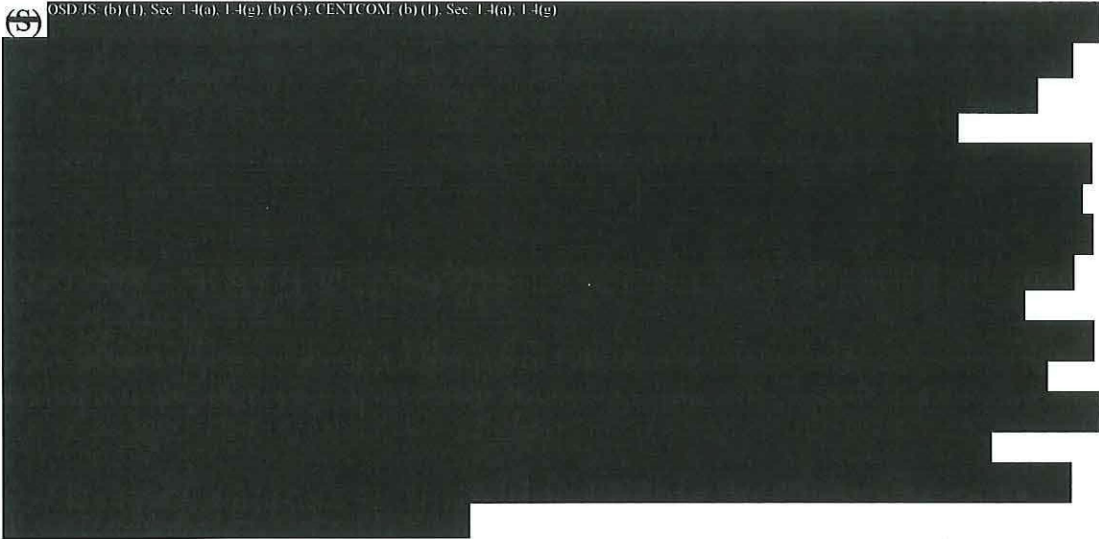
⁸ (U) The seven DoD Components and DISLA include the Army, Navy, Marine Corps, USCENTCOM, USSTRATCOM, USSOCOM, and the Transportation Sector DISLA. The Navy and Marine Corps are included in both categories of inaccurate prioritization.

(U) provided mission decomposition information to asset owners and DISLAs that needed this information to identify supporting assets, as required in CAIP Step 1.

- (U) Air Force and Marine Corps CIP personnel did not provide updated asset information to other DoD Components and DISLAs to allow them to accurately validate TCAs critical to the fulfillment of their assigned missions.

(U) Navy and Marine Corps Did Not Apply All CAIP Steps to Identify TCAs

(S) OSD JS (b) (1), Sec 1.4(a), 1.4(g), (b) (5); CENTCOM (b) (1), Sec 1.4(a), 1.4(g)



(U) Mission Decomposition Information Needed to Begin the CAIP

(U) Resource providers need mission decomposition information, resulting from Step 1 of the CAIP, to accurately identify TCAs that may support their missions. DoD Manual 3020.45, volume 1, requires mission owners at the COCOMs, Military Departments, and DISLAs to decompose their mission essential tasks or sector functions as part of CAIP Step 1. Specifically, the Manual states, “mission owners decompose their assigned missions to the point of identifying the capabilities required to implement each mission. Mission owners must provide this mission decomposition information to resource providers and DISLAs for analysis to begin the CAIP.” USSTRATCOM, USSOCOM and Space Sector CIP personnel stated that they performed mission

(U) decomposition to begin the CAIP but could not support that they provided the information to resource providers and DISLAs as required in CAIP Step 1: Mission Decomposition. Army, Air Force, USTRANSCOM, and USCENTCOM personnel provided documentation supporting that they performed mission decomposition to begin the CAIP. However, these mission owners could not support that they provided this information to the resource providers and DISLAs.

(U) However, these mission owners could not support that they provided this information to the resource providers and DISLAs.

(U) Better Coordination Needed to Update Asset Information

(U) Air Force and Marine Corps CIP personnel did not fully coordinate with other DoD Components and DISLAs as necessary to identify TCAs. DoD Manual 3020.45, volume 1, states that close coordination between mission and asset owners to define mission requirements accurately is required to complete the CAIP successfully. Although USTRANSCOM and USSTRATCOM CIP personnel requested updated asset information to accurately validate TCAs critical to the fulfillment of their assigned missions, Air Force CIP personnel did not provide the information. Additionally, USSTRATCOM personnel stated that Marine Corps CIP personnel did not provide updated asset information to COCOMs and DISLAs when requested, which was needed to accurately validate TCAs critical to their assigned missions.

(U) Improvements Needed to Properly Prioritize TCAs

(U) Of the 11 DoD Components and DISLAs, 7 did not accurately prioritize their TCA lists. Specifically, four of the seven did not accurately prioritize their TCA lists based on the definition of tier-levels in DoD Manual 3020.45, volume 1,⁹ and the justifications in the mission impact statements as follows:

- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), STRATCOM (b) (1), Sec. 1.4(a), 1.4(g) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]

(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), STRATCOM (b) (1), Sec. 1.4(a), 1.4(g) [Redacted]

⁹ (U) There are three Tier ratings for prioritizing TCAs. We focused on the effect of an asset's loss at the DoD, Component, or sector level that may cause a potential mission failure (Tier 1) or may cause potential mission degradation (Tier 2). We excluded Tier 3 assets because the asset loss may cause mission failure below the DoD, Component, or sector level.

(S) Table 1. [Redacted]

(S) DoD Component	(S) [Redacted]
[Redacted]	

OSD JS (b) (1), Sec 1.4(a), 1.4(g), (b) (5); CENTCOM (b) (1), Sec 1.4(a), 1.4(g); STRATCOM (b) (1), Sec 1.4(a)

(S) [Redacted]

(U) The Army, Air Force, USTRANSCOM, USSOCOM, Transportation Sector, and Space Sector mission impact statements showed tier-level designations. The tiers designated for the TCAs corresponded with the mission impact statements' justifications and the appropriate tier-level as defined in DoD Manual 3020.45, volume 1. The mission impact statements reviewed fully described the effect of losing the TCA to the appropriate mission owners, which supported the tier-level designation. However, although the mission impact statements contained language consistent with established criteria, some could be improperly tiered because they were based on inaccurate or incomplete TCA information from other DoD Components and DISLAs. The DIB Sector did not identify any TCAs and, therefore, did not prioritize assets.

(U) In addition, 5¹⁰ of the 7 DoD Components and DISLAs did not document at least 1 of the 5 BEI attributes needed to accurately prioritize TCAs, as shown in Appendix C. According to DoD Manual 3020.45, volume 1, the identification and prioritization/tiering of TCAs will consider the effect of a temporary or permanent loss of an asset on the mission(s) it supports, using the following five BEI attributes:

(1) Mission Owner/Mission Essential Task Owner; (2) Mission Type; (3) Mission Impact Statement; (4) Time to Restore; and (5) Time to Impact Mission. However:

- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5); SOCOM (b) (1), Sec. 1.4(g) [Redacted]
- (S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5) [Redacted]

(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5); CENTCOM (b) (1), Sec. 1.4(a), 1.4(g); SOCOM (b) (1), Sec. 1.4(g) [Redacted]

(U) Of the remaining six DoD Components and DISLAs, two were required to document BEI attributes. This requirement did not apply to the other four DoD Components and DISLAs. Specifically, as asset owners,¹¹ the Air Force, and Space Sector included all five BEI attributes needed to accurately prioritize TCAs. DoD Manual 3020.45, volume 1, states that DoD asset owners must document TCAs in accordance with BEI requirements. The DIB Sector did not identify any TCAs for the sector, and therefore, did not specify the five BEIs. USTRANSCOM, USCENTCOM, and USSTRATCOM were not asset owners and, therefore, were not required to document BEI data for TCAs during the execution of the CAIP. However, these mission owners rely on asset owners to provide accurate information, so they can prioritize their TCAs. Although the DoD Components and DISLAs followed or were exempt from the BEI documentation requirements in DoD Manual 3020.45, volume 1, TCAs could be incorrectly prioritized if they were inaccurately identified earlier in the CAIP.

¹⁰ (U) The five includes Navy and Marine Corps who also did not accurately prioritize their TCA lists based on the definition of tier levels in DoD Manual 3020.45, volume 1.

¹¹ (U) DISLAs perform the asset owner's role in identifying sector TCAs during the CAIP although they do not own assets.

(U) Effective Procedures Needed to Implement DoD Requirements

(U) DoD Components and DISLAs did not accurately identify or prioritize their TCA lists because they did not have procedures in place that fully implemented all of the CAIP, coordination, and tier-level designation requirements in DoD Manual 3020.45, volume 1, and ASD(HD&ASA) personnel did not adequately oversee the implementation of these requirements.

(U) CAIP Steps Not Fully Addressed in Internal Procedures

(U) The Army, Navy, Air Force, Marine Corps, USSTRATCOM, USTRANSCOM, USSOCOM, USCENTCOM, Transportation Sector, Space Sector, and DIB Sector CIP

(U) CIP personnel did not fully implement the CAIP steps because DoD Components and DISLAs did not have processes and procedures or did not update existing procedures to address all of the CAIP steps in DoD Manual 3020.45, volume 1.

personnel did not fully implement the CAIP steps because DoD Components and DISLAs did not have processes and procedures or did not update existing

procedures to address all of the CAIP steps in DoD Manual 3020.45, volume 1. For example, CAIP Step 1 requires that all mission owners decompose their missions and disseminate information to all DoD Components and DISLAs to begin the CAIP. However, none of these DoD Components or DISLAs fully performed this function. For example, the Department of the Navy, Chief Information Officer, did not ensure that Navy CIP personnel had CAIP-specific procedures in their DCIP policies and procedures. Navy CIP personnel stated that they were in the process of writing a procedural instruction but could not provide a completion date. DoD issued Manual 3020.45, volume 1, in 2008, but, as of 2012, the Navy did not have any procedural instructions showing how the Navy would perform CAIP-specific requirements. The Department of the Navy, Chief Information Officer, stated that he would review the Navy's procedures to help CIP personnel identify and prioritize TCAs. Also, Army DCIP guidance did not address identifying non-DoD owned assets that support Army missions. Additionally, Air Force and Marine Corps CAIP instructions included requirements to identify supporting infrastructure critical assets (SICAs). Air Force CIP personnel stated that SICAs were an important part of their risk management process. However, DoD Manual 3020.45, volume 1, discontinued the use of the term "SICA" within the DCIP. Also, DoD Manual 3020.45, volume 1, states that the CAIP will result in identified TCAs. If the Air Force and Marine Corps continue to use SICAs, they may not identify all potential TCAs because the treatment of SICAs are not addressed in the CAIP steps. DoD Components and DISLAs need to develop or update their policies and procedures, including all of the DCIP requirements and CAIP steps in DoD Manual 3020.45, volume 1, to accurately identify critical assets.

(U) DoD Components and DISLAs Did Not Have Procedures to Coordinate Asset Information

(U) DoD Components and DISLAs lacked procedures to facilitate close coordination during the CAIP. DoD Manual 3020.45, volume 1, requires Military Departments to “coordinate with other DoD Component heads and DISLAs as necessary to determine the scope and parameters of their missions, mission essential tasks, and core functions assigned to the organization for execution to identify TCAs.”

However, Air Force CIP personnel did not coordinate or share updated asset information with other DoD Components and DISLAs

(U) Air Force... CIP personnel chose not to share the information in their Air Force Critical Asset Management System (CAMS) until their TCA lists were fully validated, which was a lengthy process.

because CIP personnel chose not to share the information in their Air Force Critical Asset Management System (CAMS) until their TCA lists were fully validated, which was a lengthy process. Also, Marine Corps CIP personnel did not coordinate or share updated asset information with other DoD Components and DISLAs because they updated their assets offline and delayed inputting the updates into their Marine Corps CAMS. The Marine Corps relied on other DoD Components to access their Marine Corps CAMS to obtain asset information that may affect their missions. However, not all DoD Components had an account to access Marine Corps CAMS. Coordination among DoD Components and DISLAs is part of the process to identify TCAs and is significant to the DCIP risk management process that DoD officials use to identify the appropriate actions to take to mitigate risks.

(U) DoD Components and DISLAs captured and coordinated their asset information in individually maintained data systems, including Marine Corps CAMS, Air Force CAMS, and USCENTCOM CAMS. The Army, Navy, USSTRATCOM, USTRANSCOM, USSOCOM, and the DIB Sector used the Strategic Mission Assurance Data System (SMADS). DoD Directive 3020.40 states that the USD(P) must coordinate with the DoD Chief Information Officer and the Chairman of the Joint Chiefs of Staff to “develop and implement...a DCIP net-centric approach to information sharing.” The Marine Corps CAMS, Air Force CAMS, and USCENTCOM CAMS populated asset information to the SMADS twice daily. However, Marine Corps and Air Force personnel did not consistently update asset information in their CAMS since 2008. Therefore, asset information contained in the SMADS was not accurate or current, and DoD Components using the SMADS did not have access to valid, current asset information. Although the DoD Components were not required to use one system to capture and coordinate their asset information, it would be advantageous to have one central repository of information to facilitate asset information sharing.

(U) Procedures Needed to Properly Assign Tier-Levels

(U) DoD Components did not properly assign tier-levels because of inadequate procedures. DoD Manual 3020.45, volume 1, defines the tier-levels based on the possible result of an asset's loss, incapacitation, or disruption as follows.

- (U) Tier 1 TCA - mission or function failure at DoD, DoD Component, or DISLA level.
- (U) Tier 2 TCA - severe mission or function degradation at DoD, DoD Component, or DISLA level.
- (U) Tier 3 TCA - mission or function failure below DoD Components or DISLA level.

(U) Asset owners provide a mission impact statement and BEI data used to mission owners to consider the effect of a "temporary or permanent loss of an asset on the mission(s) it supports," so that the mission owners can properly tier/prioritize TCAs.

(U) Specifically, procedures at 5 of the 11 DoD Components and DISLAs were inadequate to properly tier/prioritize TCAs.

- (U) Navy CIP personnel stated that they could not demonstrate the basis for the tier-level designation because of recent turnover in CIP personnel and the absence of policies, procedures, and historical asset information.
- (U) The new CIP officer at Marine Corps Base Quantico did not have operating procedures to manage the DCIP, including identifying and prioritizing TCAs.
- (U) ^{(CENTCOM (b) (5))} [REDACTED]
- (U) Army CIP personnel stated that they rely on the DIB Sector DISLA and the Army DIB Sector liaison to identify non-DoD owned assets. However, Army policies and procedures did not include a method for identifying these assets to properly assign the tier-level. According to ASD(HD&ASA) personnel, not all non-DoD owned assets are DIB assets. Army CIP personnel also stated that they needed additional guidance from ASD(HD&ASA) personnel on identifying procedural standards and conditions to complete mission decomposition, the first step of the CAIP.
- (U) Transportation Sector CIP personnel stated that they requested, but did not receive, adequate feedback from ASD(HD&ASA) regarding the procedures that they implemented for the CAIP.

(U) Also, USSOCOM officials stated that they did not have BEI information related to

(U) DoD Components and DISLAs need adequate procedures in place that fully implement the CAIP steps, the coordination requirements, and tier-level designation.

mission impact because they were still in the process of completing risk assessments used to identify those BEIs. DoD Components and DISLAs need adequate procedures in place that fully implement the

CAIP steps, the coordination requirements, and tier-level designation requirements in DoD Manual 3020.45, volume 1 to accurately identify and prioritize their assets.

(U) ASD(HD&ASA) Should Adequately Oversee DCIP Implementation

(U) DoD Components and DISLAs did not accurately identify and prioritize their TCA lists because ASD(HD&ASA) personnel did not adequately oversee the DoD Components' implementation of DCIP requirements. Although DoD Components were responsible for identifying and prioritizing TCAs, the Components did not have the authority to require other DoD Components to share DCIP information needed during the CAIP. The ASD(HD&ASA) has this responsibility. DoD Directive 5111.13, "Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs (ASD[HD&ASA])," January 16, 2009, provides the statutory basis and assigns the responsibility for supervising the DCIP to the ASD(HD&ASA). The Directive also grants ASD(HD&ASA) the authority to:

communicate directly with the Heads of the DoD Components...to carry out statutory duties and assigned responsibilities and functions, to achieve unity of effort and ensure the timely sharing of information on matters of mutual importance, including the transmission of requests for advice and assistance.

(U) According to the Directive, the ASD(HD&ASA) must perform these responsibilities under the direction and control of the USD(P). Additionally, DoD Instruction 3020.45 assigned responsibility to the ASD(HD&ASA) to provide policy, guidance, and oversee the implementation of the DCIP.

(U) ASD(HD&ASA) personnel conducted program reviews at 9 COCOMs, 4 Services, 10 Sectors, and the Joint Staff, but did not ensure that their DCIP implementation plans addressed all CAIP steps listed in DoD Manual 3020.45, volume 1. Although ASD(HD&ASA) personnel stated they provided DCIP guidance during their annual conferences, representatives from all of the DoD Components and DISLAs did not always attend. Given the challenges that the DoD Components and DISLAs had implementing the CAIP steps, identifying the effect of the TCAs loss to the mission owner, and sharing or receiving current asset information, DoD Components and DISLAs need further assistance to effectively implement DCIP requirements. The USD(P) should amend DoD policy to require ASD(HD&ASA) personnel to conduct comprehensive performance reviews and address and resolve challenges within the DCIP.

(U) Although ASD(HD&ASA) personnel have the responsibility to supervise the DCIP, they also did not oversee that the heads of the DoD Components effectively implemented DCIP procedures to improve the coordination of TCA information between mission owners, asset owners, and DISLAs throughout the CAIP. Effective oversight would help the DoD Components and DISLAs fully describe the effects of TCA losses to missions, which are needed to accurately identify and prioritize TCAs. ASD(HD&ASA) personnel should implement a comprehensive program review process to assess whether the DCIP CAIP is working effectively to identify and prioritize/tier TCAs.

(U) ASD(HD&ASA) personnel should implement a comprehensive program review process to assess whether the DCIP CAIP is working effectively to identify and prioritize/tier TCAs.

(U) Risks With Improperly Identifying and Prioritizing DoD's Critical Assets

(U) Inaccurate TCA identification and prioritization could lead to inaccurate and incomplete DCA identification. DoD considers a DCA a high priority and critical to the success of its missions. According to DCIP policy, DCAs are a subset of TCAs. The Joint Staff used TCAs listed in the SMADS to identify DCAs. However, not all DoD Components and DISLAs use this system or load their current TCA lists into the system. Therefore, the Joint Staff may not identify all of TCAs that should be considered and nominated for ASD(HD&ASA) personnel to review and approve as a DCA. Also, DoD Manual 3020.45, volume 1, requires ASD(HD&ASA) personnel to evaluate and approve the final DCAs that the Joint Staff nominates. Therefore, the ASD(HD&ASA) might approve an incomplete DCA list and provide a list of DCAs that were not high priority and critical to the success of its missions to DoD Components and DISLAs.

(U) Asset owners and COCOMs manage the risks to defense critical infrastructure supporting DoD missions and functions, which includes TCAs and DCAs. Asset owners and COCOMs provide resources as appropriate to implement DCIP risk management decisions and develop and exercise mitigation plans, respectively. As a result of inaccurate identification and prioritization of TCAs, DoD officials may not make informed risk decisions, including allocating funds to protect critical assets.

(U) Conclusion

(U) DoD Components and DISLAs cannot prioritize TCAs without first correctly identifying them. Correct identification requires the implementation of all DoD Manual 3020.45, volume 1, requirements, including close coordination among DoD Components and DISLAs performing mission owner and asset owner roles, and non-DoD owned asset identification. Individual DoD Components and DISLAs do not have the authority to direct other Components or DISLAs to share information throughout this interdependent process. Therefore, the ASD(HD&ASA) must not only ensure that accurate procedures are in place, but also that timely coordination among mission owners and asset owners occurs. Inaccurate TCA identification could lead to improper TCA prioritization and hinder DoD's ability to assess the effect of an asset's loss, including potential mission degradation or failure.

(U) To illustrate the effect of accurately identifying and prioritizing TCAs on DoD missions, DoD Manual 3020.45, volume 1, provides an example of how the CAIP works. In this example, USNORTHCOM's mission decomposition shows an essential task to provide continuous combat air patrols in 12 designated locations, throughout North America for potentially 30 days or more. This task requires logistics support, including refueling operations. The Logistics Sector identifies that a planned fuel location is the single source of fuel for 1 of the 12 designated locations and the source is dependent on a bridge to transport jet fuel. USNORTHCOM needs this information to manage risks to those assets, so it can provide the continuous combat air patrols needed to defend the North American air space. If the DoD fuel depot and the bridge are not protected and the designated location does not receive jet fuel for potentially 30 days or more, USNORTHCOM cannot respond to potential threats and mission failure is likely to occur. See Appendix B for details on the DoD Components and DISLAs implementing the CAIP steps in the example.

(U) Recommendations, Management Comments, and Our Response

(U) 1.a. We recommend that the Under Secretary of Defense for Policy update DoD Instruction 3020.45, "Defense Critical Infrastructure Program Management," April 21, 2008, to require that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs, perform comprehensive Defense Critical Infrastructure Program reviews to help identify and resolve challenges in implementing the Critical Asset Identification Process across all DoD Components and Defense Infrastructure Sector Lead Agents.

(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs Comments

(U) The Acting (ASD(HD&ASA), responding for the USD(P), agreed with the recommendation. The Acting Assistant Secretary stated that the Office of the ASD(HD&ASA) started updating DoD Instruction 3020.45 and would supplement the Instruction with the existing language in DoD Directive 3020.40 for program reviews. He also provided an estimated completion date of December 2013.

(U) Our Response

(U) Comments from the Acting Assistant Secretary were not responsive. Although the Acting Assistant Secretary agreed with the recommendation, the written comments did not include the specific updates to DoD Instruction 3020.45 that require the ASD(HD&ASA) to perform comprehensive DCIP reviews. Also, the plan to supplement DoD Instruction 3020.45 with language from DoD Directive 3020.40 would not adequately ensure that the ASD(HD&ASA) perform reviews to identify and resolve challenges in implementing the CAIP across all DoD Components and DISLAs. Further, DoD Directive 3020.40 does not include language requiring the ASD(HD&ASA) to perform comprehensive reviews of the DCIP CAIP. Therefore, we ask the USD(P) to

(U) provide additional comments and identify specific actions for updating DoD Instruction 3020.45 to require that the ASD(HD&ASA) perform comprehensive reviews of the DCIP CAIP by September 16, 2013.

(U) 1.b. We recommend that the Under Secretary of Defense for Policy, in coordination with the DoD Chief Information Officer and the Chairman of the Joint Chiefs of Staff, develop and implement a Defense Critical Infrastructure Program net-centric approach to facilitate asset information sharing among the DoD Components and Defense Infrastructure Sector Lead Agents.

(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs Comments

(U) The Acting ASD(HD&ASA) agreed with the recommendation. The Acting Assistant Secretary stated that the Office of the ASD(HD&ASA) would continue to support the DCIP Business Rules Working Group and the Data Exchange Working Group to further foster a collaborative environment between stakeholders. He stated the Chairman of the Joint Chiefs of Staff addressed information sharing and collaboration during an April 2013 Business Rules Working Group meeting.

(U) Our Response

(U) Comments from the Acting ASD(HD&ASA) were not responsive. Although the Acting Assistant Secretary stated that he agreed with the recommendation, the comments did not include USD(P)'s actions to coordinate with the DoD Chief Information Officer and the Joint Chiefs of Staff to develop and implement a DCIP net-centric approach to information sharing as required in DoD Directive 3020.40. Also, supporting related working groups without performing the required coordination will not ensure that DoD Components and DISLAs efficiently and effectively share information while performing the DCIP CAIP. Further, the April 2013 working group meeting notes did not include the sharing of asset information among DoD Components and DISLAs to help them identify and tier critical assets. DoD Directive 3020.40 requires the USD(P) to perform this function. Therefore, we ask the USD(P) to provide additional comments and identify USD(P) actions to develop and implement a DCIP net-centric approach to facilitate information sharing among DoD Components and DISLAs by September 16, 2013.

(U) 2.a. We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs implement a comprehensive program review process to verify that the critical asset identification and prioritization process is working effectively for DoD Components and Defense Infrastructure Sector Lead Agents to identify, prioritize, and coordinate critical asset information that could affect each other's missions or functions.

(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs Comments

(U) The Acting ASD(HD&ASA) agreed with the recommendation. The Acting Assistant Secretary stated that the Office of the ASD(HD&ASA) directed the Joint Staff J-34 to

(U) issue each step of the ongoing CAIP as a Joint Staff Action Process and to require all DoD Components and DISLAs tasked under these steps to submit their results to the J-34. Additionally, the Acting Assistant Secretary stated that Joint Staff J-34 would share the results across the DCIP community. The Acting Assistant Secretary added that CAIP Step 1 results were provided on November 1, 2012, and the OASD(HD&ASA) and Joint Staff J-34 reviewed the submitted data for consistency.

(U) Our Response

(U) Comments from the Acting ASD(HD&ASA) were partially responsive. The Acting Assistant Secretary stated that the OASD(HD&ASA) and Joint Staff J-34 reviewed each CAIP step data for consistency. However, this review did not fully address the recommendation. Also, the planned action does not require all DoD Components and DISLAs to coordinate critical asset information throughout the entire CAIP. Therefore, we ask the ASD(HD&ASA) to provide additional comments and identify actions to implement a comprehensive program review process that verifies the CAIP is working effectively so all DoD Components and DISLAs can identify, prioritize, and coordinate critical asset information that could affect each other's missions or functions by September 16, 2013.

(U) 2.b. We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs require the heads of DoD Components to develop or update policies and procedures to include all Defense Critical Infrastructure Program requirements and critical asset identification process steps in DoD Manual 3020.45, volume 1, "Defense Critical Infrastructure Program: DoD Mission-Based Critical Asset Identification Process," October 24, 2008.

(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs Comments

(U) The Acting ASD(HD&ASA) disagreed with the recommendation. The Acting Assistant Secretary stated that DoD Directive 3020.40 requires comprehensive DCIP implementation plans for all DoD Components and DISLAs. He added that, if needed, the OASD(HD&ASA) could specify CAIP requirements in DoD Instruction 3020.45, but that doing so would deemphasize all other responsibilities.

(U) Our Response

(U) Comments from the Acting ASD(HD&ASA) were not responsive. DoD Directive 3020.40 and DoD Instruction 3020.45 do not include specific requirements for the heads of the DoD Components to develop or update their policies and procedures to include all DCIP CAIP requirements identified in DoD Manual 3020.45, Volume 1. Therefore, we ask the ASD(HD&ASA) to provide additional comments and state actions requiring the heads of DoD Components to develop or update their policies and procedures to include all of the DCIP requirements and CAIP steps covered in the DoD Manual by September 16, 2013.

(U) Appendix A. Scope and Methodology

(U) We conducted this performance audit from April 2012 through May 2013 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

(U) We focused our review on the roles, responsibilities, processes, and procedures for identifying and prioritizing Tier 1 and Tier 2 TCAs. We obtained critical asset information for 11 DoD Components and DISLAs, as of July 2012. Specifically we reviewed DoD Manual 3020.45, volume 1, implementation policies and procedures at:

1. (U) USTRANSCOM
2. (U) USSOCOM
3. (U) USCENTCOM
4. (U) USSTRATCOM
5. (U) Army
6. (U) Navy
7. (U) Air Force
8. (U) Marine Corps
9. (U) DIB Sector
10. (U) Space Sector
11. (U) Transportation Sector

(U) To assess the accuracy of TCA identification and prioritization, we obtained a nonstatistical audit sample of 80 TCAs for the 11 DoD Components and DISLAs. From that sample, we selected the asset locations and performed site visits. We reviewed the 11 DoD Components' and DISLAs' implementation of the CAIP steps and DCIP requirements in DoD Manual 3020.45, volume 1, used to identify and prioritize/tier TCAs. Specifically, we evaluated the implementation of these steps and requirements at the various DCIP offices of primary responsibility for the Secretary of Defense, COCOMs, Services, and DISLAs reviewed. See the table for the sites visited.

(U) Table. DoD Component and DISLA Sites Visited During the Audit

(U) DoD Component/DISLA	(U) Organization	(U) City and State
Joint Staff	Deputy Directorate for Antiterrorism/Homeland Defense (J-34)	Arlington, Virginia
Army	Headquarters Army	Arlington, Virginia
	Fort Detrick	Fort Detrick, Maryland
Navy	Headquarters Navy	Washington, D.C.
Air Force	Bolling Air Force Base (AFB)	Washington, D.C.
	Cape Canaveral	Cape Canaveral, Florida
Marine Corps	Headquarters Marine Corps	Arlington, Virginia
	Marine Corp Base Quantico	Quantico, Virginia
COCOM	USTRANSCOM	Scott AFB, Illinois
	USSTRATCOM	Offutt AFB, Nebraska
	USCENTCOM	MacDill AFB, Florida
	USSOCOM	MacDill AFB, Florida
DISLA	Transportation Sector	Scott AFB, Illinois
	Space Sector	Offutt AFB, Nebraska
	DIB Sector	Philadelphia, Pennsylvania

(U) We conducted interviews with DoD Component and DISLA CIP personnel. We applied CAIP steps and DCIP requirements from DoD Manual 3020.45, volume 1, to the TCAs listed from 2008 through 2012. We excluded CAIP Steps 8 and 9 related to DCA nomination and approval because we did not include DCAs in our review. However, we considered the impact of weaknesses in the CAIP steps on DCAs, which are derived from TCAs. Additionally, we determined whether DoD Components conducted mission decomposition, which is the first CAIP step required to identify critical assets. We obtained and reviewed mission/loss impact statements to determine if organizations adequately justified tier ratings and obtained risk management decision packages to identify associated costs.

(U) Audit Sample

(U) During the planning phase, we determined that the Air Force and Marine Corps did not use the SMADS. We also determined that the SMADS and other data systems that DoD Components and DISLAs used represented only repositories of information. Data systems used contained CAIP results only and did not contain supporting analysis. Additionally, we learned that the data systems did not contain historical data needed to show TCA data from 2009 through 2012. We obtained TCA data from the Services: Army, Marine Corps, Navy, and Air Force. The Services considered their TCA data to represent their respective TCA lists as of July 2012. We also obtained Tier 1 and Tier 2 TCA data from the SMADS, representing TCAs, as of July 2012.

(U) We requested assistance from the DoD Office of Inspector General (OIG) Quantitative Methods Division to construct an audit universe. We then removed duplicate information when possible. We sorted the universe by asset location, number of DCIP stakeholders, and tier. We then selected continental United States sites that had a high number of Tier 1 and Tier 2 TCAs for multiple stakeholders. The nonstatistical sample consisted of 80 TCAs. During fieldwork site visits, we also requested the most current data available for those locations to provide additional supporting evidence and help evaluate the process under audit.

(U) Use of Computer-Processed Data

(U) We did not use computer-processed data.

(U) Use of Technical Assistance

(U) We held meetings with DoD OIG Quantitative Methods Division personnel who assisted us by compiling a TCA universe from multiple sources of data. Because of the complexity of the TCA data, the audit team removed duplicate entries from the universe to select a nonstatistical sample of TCAs. We limited the nonstatistical sample to 11 DoD Components and DISLAs and our results should not be projected across other DoD Components and DISLAs.

(U) Prior Coverage

(U) During the last 5 years, the Government Accountability Office (GAO), the DoD OIG, and the Naval Audit Service issued three reports discussing defense critical infrastructure. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/audit/reports>. Naval Audit Service reports are not available over the Internet.

(U) GAO

(U) GAO Report No. 09-740R, "Defense Critical Infrastructure: Actions Needed to Improve the Consistency, Reliability, and Usefulness of DoD's Tier 1 Task Critical Asset List," July 17, 2009

(U) DoD IG

(U) DoDIG Report No. DODIG-2012-064, "Vulnerability and Risk Assessments Needed to Protect Defense Industrial Base Critical Assets," March 13, 2012

(U) Navy

(U) Naval Audit Service Report No. N2009-0006, "The United States Marine Corps Critical Infrastructure Program," October 29, 2008

(U) Appendix B. CAIP Implementation Example That Applies the Identification Steps

(U) This example from DoD Manual 3020.45, volume 1, is only for understanding the steps of the CAIP. Steps 8 and 9 are not included because they address DCAs, which we did not cover during the audit. In the example, the mission owner, USNORTHCOM, applies the critical asset identification process to identify TCAs in support of its strategic mission essential task, Strategic National 3.4.1, "Provide Strategic Air Defense for North America."

(U) Step 1: Mission Decomposition and Required Capability Identification

(U) USNORTHCOM posts required capabilities for mission essential task SN 3.4.1:

- (U) Continuous combat air patrols in 12 designated locations that must be maintained for the duration of the execution of this mission - potentially 30 days or more.
- (U) The ability to monitor continuously, from the USNORTHCOM operations center in Colorado Springs, Colorado, the air picture over North America out to 200 miles in near-real-time for the duration of the execution of this mission.
- (U) The ability to interface directly with command and control of the combat air patrols in all 12 locations to respond to potential threats for the duration of the execution of this mission.
- (U) The ability to provide continuously position, velocity, time, and navigation data to coordinate air patrols for the duration of the mission execution.

(U) Step 2: Task Asset Identification

- (U) Air Forces North, the Air Force component of USNORTHCOM, in collaboration with the resource provider (Air Force), determines that for 10 of the locations identified under the required capability, it has multiple means of meeting the requirement. As a result, no TCAs will be associated with these locations.
- (U) For the eleventh location, Air Forces North identifies only a single runway at Davis-Monthan Air Force Base, Arizona, as capable of meeting this requirement.
- (U) For the last location near Houston, Texas, Air Forces North identifies that it has the necessary task assets to perform the mission but their installations only have jet fuel reserves for 7 days of operations. Air Forces North coordinates with the logistics sector and identifies a DoD fuel depot in Amarillo, Texas, as the only source capable of providing jet fuel.
- (U) Similarly, the Global Information Grid sector works with the Air Force and the space sector to meet these needs identified in Step 1(2) and Step 1(3).

(U) Step 3: TCA Nomination and Submission

(U) Based on the analysis conducted, resource providers and DISLAs nominate the following TCAs to USNORTHCOM:

- (U) USNORTHCOM's command center visual display unit is the only means to display the air picture continually.
- (U) The Peterson Air Force Base satellite uplink/downlink is the only means for USNORTHCOM to communicate with the aircraft.
- (U) The DoD fuel depot in Amarillo is identified as the only source capable of providing jet fuel to the aircraft in Texas.
- (U) The runway at Davis-Monthan Air Force Base is the only Air Force airfield capable of meeting the eleventh location requirement.

(U) Step 4: TCA Validation

(U) USNORTHCOM validates the submitted TCAs as follows:

- (U) Although it supports multiple strategic missions, the command center visual display unit is validated because its loss severely degrades the capability of USNORTHCOM to monitor the current air picture. Its loss can only be mitigated by radio communications and moving aircraft silhouettes on a map, similar to what was done during World War II, and this backup method is rated by the Combatant Commander as unacceptable.
- (U) The Peterson Air Force Base satellite uplink/downlink is validated because its loss results in mission failure.
- (U) The DoD fuel depot in Amarillo is validated because its loss will cause mission failure.
- (U) Another resource provider, the U.S. Marine Corps, identifies that it has the required resources at Marine Corps Air Station, Yuma, Arizona, to fulfill the needs of the eleventh location requirement, so the Davis-Monthan Air Force Base runway is not validated.

(U) Step 5: Validated TCA Lists submitted to the Joint Staff

- (U) USNORTHCOM submits these three TCAs with their mission impact statement, along with all the TCAs identified in support of other USNORTHCOM missions, to the Joint Staff and the TCA owners.

(U) Step 6: Joint Staff Compilation and Release of the DoD-wide TCA List

- (U) The Joint Staff compiles all submitted TCA lists. It discovers that the DoD fuel depot in Amarillo, Texas, is also a TCA for U.S. Southern Command. Because of these multiple submissions, the TCAs are combined and the full impact on each Combatant Command is included in the mission impact statement.
- (U) The DoD-wide list is made available to appropriate members of the DCIP Community.

(U) Step 7: DISLA Interdependency Analysis Support to TCAs

- (U) Each DISLA reviews the TCAs to search for sector-related interdependencies. In this analysis, the DIB Sector identifies that a critical component of the satellite uplink/downlink has a single source provider and, because of the cost, no spares are maintained on site or stocked by the company. The Transportation Sector identifies a bridge necessary to move jet fuel by truck from Amarillo to Houston, Texas. Loss of this bridge would add such a delay in rerouting these deliveries that mission failure is likely to occur. Both sectors report their results to USNORTHCOM (as mission owner), to the Air Force and the Defense Logistics Agency (as asset owners), and to the Joint Staff and ASD(HD&ASA).

(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)

[Redacted]

<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>	<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>	<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>
---	---	---

OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), CENTCOM (b) (1), Sec. 1.4(a), 1.4(g)

[Redacted]

OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), CENTCOM (b) (1), Sec. 1.4(a), 1.4(g), STRATCOM (b) (1), Sec. 1.4(g)

[Redacted]

<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>	<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>	<p>(S) OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5)</p>
<p>OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), CENTCOM (b) (1), Sec. 1.4(a), 1.4(g)</p>		
<p>OSD JS (b) (1), Sec. 1.4(a), 1.4(g), (b) (5), SOCOM (b) (1), Sec. 1.4(g), CENTCOM (b) (1), Sec. 1.4(a), 1.4(g)</p>		

(U) Glossary

(U) **Asset Owner.** An asset owner is the agency, command, or commercial entity that owns the asset. Asset owners furnish the forces, materiel, and other assets or capabilities to execute a mission.

(U) **Mission Owner.** A mission owner is the organization (for example, Combatant Command) that executes assigned missions. Mission owners evaluate if a TCA is vital to mission accomplishment.

(U) **TCA.** An asset that is of such extraordinary importance that its incapacitation or destruction would have a serious, debilitating effect on the ability of one or more DoD Components or DISLAs to execute the task or mission essential task it supports.

(U) **TCA Lists.** TCA lists are TCAs that DoD Components and DISLAs identified and listed as critical to DoD missions at the mission task level.

(U) **TCA List Accuracy.** TCA list accuracy is based on DoD Components and DISLAs identifying their lists of TCAs in accordance with the defense critical infrastructure and CAIP nine-step procedures identified in DoD Manual 3020.45, volume 1.

(U) **TCA Prioritization.** The prioritization of TCAs is based on a three-tier criticality rating system defined in DoD Manual 3020.45, volume 1, and includes identifying whether redundant capabilities or assets exist. We focused on the top two tiers because they define the effect of an asset's loss at the DoD, Component, or sector level:

- (U) Tier 1 - An asset the loss, incapacitation, or disruption of which could result in mission (or function) failure at the DoD, Military Department, Combatant Command, subunified command, Defense agency, or defense infrastructure sector level.
- (U) Tier 2 - An asset the loss, incapacitation, or disruption of which could result in severe mission (or function) degradation at the DoD, Military Department, Combatant Command, subunified command, Defense agency, or defense infrastructure sector level.
- (U) Tier 3 - An asset the loss, incapacitation, or disruption of which could result in mission (or function) failure below the Military Department, Combatant Command, subunified command, Defense agency, or defense infrastructure sector level.*

* (U) We excluded Tier 3 assets because they represent asset loss that may cause mission failure below the DoD, Component, or sector level.

(U) Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs Comments



HOMELAND DEFENSE &
AMERICAS' SECURITY
AFFAIRS

ASSISTANT SECRETARY OF DEFENSE
2600 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-2600

JUN 11 2013

MEMORANDUM FOR INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE

SUBJECT: Better Procedures and Oversight Needed to Accurately Identify and Prioritize Task Critical Assets (Project No. D2012-D000LA-0154.000)

Thank you for the opportunity to review and comment on this report prior to its publication. We agree with the underlying contention that the DoD Components require greater dedication and attention to this process to improve results. This condition was known to our office prior to the results of this report being published, and corrective actions were already put in place to address these concerns.

The report offers four recommendations to improve this process. We will provide our actions underway or planned to address these recommendations:

1. We recommend that the Under Secretary of Defense for Policy:

a. Update DoD Instruction 3020.45, "Defense Critical Infrastructure Program Management," April 21, 2008, to require that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs perform comprehensive Defense Critical Infrastructure Program reviews to help identify and resolve challenges in implementing the Critical Asset Identification Process across all DoD Components and Defense Infrastructure Sector Lead Agents.

Response: **CONCUR.** The Office of the Assistant Secretary of Defense (OASD) for Homeland Defense and Americas' Security Affairs has already begun updating this Instruction and will supplement in this document the existing language contained in DoD Directive 3020.40 to perform program reviews. Estimated completion is December 2013.

b. In coordination with the DoD Chief Information Officer and the Chairman of the Joint Chiefs of Staff, develop and implement a Defense Critical Infrastructure Program (DCIP) net-centric approach to facilitate asset information sharing among the DoD Components and Defense Infrastructure Sector Lead Agent (DISLAs).

Response: **CONCUR.** OASD will continue to support the DCIP Business Rules Working Group (BRWG) and the Data Exchange Working Group to further foster this collaborative environment between stakeholders with existing systems. The



Chairman of the Joint Chiefs of Staff covered this subject during his April 2013 BRWG meeting. Action completed.

2. We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs:

a. Implement a comprehensive program review process to verify that the critical asset identification and prioritization process is working effectively for DoD Components and Defense Infrastructure Sector Lead Agents to identify, prioritize, and coordinate critical asset information that could affect each other's missions or functions.

Response: **CONCUR.** OASD has directed the Joint Staff J-34 to issue each step of the ongoing Critical Asset Identification Process (CAIP) as a Joint Staff Action Process (JSAP) and to require all DoD Components and DISLAs tasked under these steps submit their results to the J-34 which will then shared with the entire community. OASD and J-34 also conduct reviews of the submitted data for consistency. Step 1 results were provided on November 1, 2012. Additional JSAPs and timelines will be completed for each additional step, as required. Action completed.

b. Require the heads of DoD Components to develop or update policies and procedures to include all DCIP requirements and critical asset identification process steps in DoD Manual 3020.45. Volume I, "Defense Critical Infrastructure Program: DoD Mission-Based Critical Asset Identification Process," October 24, 2008.

Response: **NON-CONCUR.** DoD Directive 3020.40 already established the requirement for comprehensive DCIP implementation plans by all DoD Components and DISLAs that support overall execution of DCIP. If the DoDIG requires, OASD can call out CAIP requirements specifically in the DoD Instruction 3020.45, but this would merely be further singling out a part of an existing requirement which would seemingly deemphasize all other aspects of established responsibilities.

Again, thank you for this opportunity, and we look forward to working with the DoDIG to improve this process.



Todd M. Rosenblum
Acting

cc:
USDP
DJS

~~SECRET~~



Inspector General
Department of Defense

~~SECRET~~