



(U) Power of the Purse Strings

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A very brief tutorial on how the Agency gets its funding from Congress (U)

(U//FOUO) Although SID provides intelligence primarily for the use of the Executive Branch of the government, it is the U.S. Congress that provides oversight and determines the Agency's budget. That is why our dealings with Congress are so important. In this article, we'll look at how SID interacts with Congress on budget issues -- we think you'll be surprised at how much work goes into this effort, most of it invisible to the general SID workforce.

(U//FOUO) Our main contacts in Congress are with the following four committees:

- House Permanent Select Committee on Intelligence (HPSCI)
- Senate Select Committee on Intelligence (SSCI)
- House Appropriations Committee (HAC)
- Senate Appropriations Committee (SAC)

For budgeting purposes, the first two committees are known as "authorizers", while the latter two are the "appropriators". Let's look briefly at the budget process (we'll try to keep it simple!)...

(U) The Budget

(U) "Marking Up" the President's Budget

(U//FOUO) The budget process works like this:

- The President submits a budget to Congress (with SID's portion detailed in a document called the Congressional Budget Justification Book - CBJB) requesting specified amounts of money for NSA and 12 other agencies that are part of the National Foreign Intelligence Program. Every year, NSA's DF3 (Program and Budget Build) puts together the CBJB based on input from SID and the rest of the Agency, excluding IAD.
- The above four congressional committees then review the CBJB and "mark it up"- i.e. they indicate whether they think the funding should be raised, lowered, or left the same. The committee staffers also may request briefings on various projects, to help them gauge the appropriate level of funding.
- The congressional committees then reconcile (this is referred to as "conference") the various versions of their mark ups, which result in the Intelligence Authorization Bill and the Intelligence Appropriation Bill. At that point, it is submitted to the full Congress for a vote and (if passed) sent to the President for signature or veto.

(U) More on the CBJB

(U//FOUO) The compilation of the CBJB is a major project. Personnel from NSA's DF3 coordinate with SID budget managers to gather together cost figures and justifications for every program across the directorate and present the data in a consistent format for the congressional committees. The CBJB is due to the committees on the first Monday in February. Compiling the CBJB is a big endeavor: as an example, the CBJB for 2004 totaled 761 pages, and took 5 months to assemble.

(U) Budget Jargon

(U//FOUO) As with everything else, the budget process has its own vocabulary. Here are a few

terms you may hear:

- **Fence** : When NSA funding is fenced, it means we cannot spend those dollars until we satisfy certain requirements levied on us by Congress. Fences are associated with Congressional Directed Actions (CDAs).
- **With/Without Prejudice** : When a cut is taken "with prejudice", it means that NSA must take the cut from a specified project/program. If a cut is taken "without prejudice", we have the option of funding that program/project at the level we requested and taking that cut from elsewhere in the budget.
- **A not A** : Appropriated not Authorized. This occurs when the Appropriators provide funding for programs, but the Authorizers do not give NSA the authority to spend it.
- **Hollow Authority** : This occurs when the Authorizers give NSA the authority to spend funds, however, the Appropriators do not provide us the with the dollars.
- **Congressional Member/Staffer** : The "member" is the senator or congressman. The "staffer" is just that -- one of his staff. The staffers are led by a "staff director". Sensitive classified information is sometimes shared only with the staff director and members of Congress -- not with the staffers -- to limit distribution as much as possible.

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