

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: December 5, 2011

FROM: Executive Director David Marquis

SUBJECT: National Security
Delegations of Authority

ACTION REQUESTED: Board approval of the proposed National Security Delegations of Authority.

DATE ACTION REQUESTED: December 15, 2011

OTHER OFFICES CONSULTED: Office of General Counsel

VIEWS OF OTHER OFFICES CONSULTED: Concur

BUDGET IMPACT, IF ANY: None

RESPONSIBLE STAFF PERSON: Director James "TaB" Patrick, Division of Strategic and Continuity Planning

SUMMARY: Regulatory changes in implementation guidance for federal agency national security preparation have resulted in a need to establish a new category of delegations of authority. Specific changes included the following:

- Presidential Executive Order 13526 (Order) prescribes a uniform system for classifying, safeguarding, and declassifying national security information, including information relating to defense against transnational terrorism. Section 4.1 of the Order directs each agency to establish controls to ensure that classified information is used, processed, stored, reproduced, transmitted, and destroyed under controlled conditions that provide adequate protection and prevent access by unauthorized persons. Further, the agency head is directed to ensure that classified information that is electronically accessed, processed, stored or transmitted is protected in accordance with national policy issuances identified in Committee on National Security Systems issuances and Intelligence Community Directive 503. Section 5.1 of the Order authorizes the agency head to delegate implementation authority to a senior agency official. Additional implementation guidance is contained in National Defense rules concerning classified national security information, codified at 32 CFR Part 2001.
- National Security Presidential Directive – 51/ Homeland Security Presidential Directive - 20, issued on May 9, 2007 prescribes a comprehensive national policy for assuring the continuity of Federal Government structures and operations. Paragraph 19, subparagraphs (a) through (e), defines the responsibilities of the head of the

agency. In general, these materials describe a program to ensure that an agency's primary and mission-essential functions will continue on an uninterrupted basis in the event of a national emergency. The implementation guidance for this directive authorizes the agency head to delegate implementation authority to a senior agency official.

Staff recommends that the NCUA Board delegate the authority to implement these programs to senior agency officials as described in a new category of National Security delegations, developed in accordance with the foregoing guidance and set forth in Attachment 1.

RECOMMENDED ACTION: NCUA Board approve the attached proposed National Security Delegations of Authority.

ATTACHMENT: National Security Delegations of Authority

Delegations of Authority

	<u>Authority</u>	<u>Delegations</u>
NATIONAL SECURITY		
SEC 1	Authority to grant temporary security clearances to agency personnel in emergency situations where time and expediency of action do not allow for the security background investigation to be completed. The Board shall be immediately notified of any action taken pursuant to this delegation.	Chairman
SEC 2	Authority to certify agency facilities for the storage and protection of classified national security information and equipment in accordance with the procedures contained within 32 CFR Part 2001, Subpart E. The Board shall be immediately notified of any action taken pursuant to this delegation.	Executive Director
SEC 3	Authority to sign all documents relating to the establishment of a system to control access to classified national security information in the possession of the agency, including technical, physical, and personnel control measures, to assure that such access is provided only to authorized persons. The Board shall be immediately notified of any action taken pursuant to this delegation.	Executive Director
SEC 4	Authority to take required actions to ensure that classified information electronically accessed, processed, stored or transmitted is protected in accordance with applicable national policy issuances identified in Committee on National Security Systems Issuances and Intelligence Community Directive 503. The Board shall be immediately notified of any action taken pursuant to this delegation.	Executive Director

SEC 5	Authority to prescribe special provisions for the dissemination, transmission, safeguarding, and destruction of classified information during certain emergency situations. The Board shall be immediately notified of any action taken pursuant to this delegation.	Executive Director
SEC 6	Authority to direct and administer the agency's Classified National Security Information self-inspection program. The Board shall be immediately notified of any action taken pursuant to this delegation.	Executive Director
SEC 7	Authority to direct and administer the agency's Classified National Security Information security education and training program.	Executive Director
SEC 8	Authority to sign all documents adopted and issued by or on behalf of the Board to establish and implement a National Continuity Program, including elements dealing with continuity of operations, continuity of government, and enduring constitutional government. The Board shall be immediately notified of any action taken pursuant to this delegation.	Continuity Coordinator ¹
SEC 9	Authority to plan, program, and budget for continuity capabilities consistent with National Security Presidential Directive – 51/ Homeland Security Presidential Directive – 20. The Board shall be immediately notified of any action taken pursuant to this delegation.	Continuity Coordinator
SEC 10	Authority to plan, conduct, and support annual tests and training to evaluate program readiness and ensure adequacy and viability of continuity plans and communications systems. The Board shall be immediately notified of any action taken pursuant to this delegation.	Continuity Coordinator
SEC 11	Authority to plan, program, and budget for continuity and communication requirements as established in National Security Presidential Directive – 51/ Homeland Security Presidential Directive – 20. The	Continuity Coordinator

¹ National Security Presidential Directive – 51/Homeland Security Presidential Directive – 20 requires all departments and agencies to appoint a Continuity Coordinator; currently this is the Deputy Executive Director.

Board shall be immediately notified of any action taken pursuant to this delegation.