



**To: Bay Area UASI Approval Authority**

**From: Mike Sena, Director NCRIC/HIDTA**

**Date: January 11, 2018**

**Re: Item 7: NCRIC Annual Report and Proposed FY18 Allocation**

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**Recommendation:**

Approve \$4,485,200 from the FY18 UASI grant to fund the Fusion Center Project: Information Sharing and Analysis, Infrastructure Protection and Cyber Security.

**Action or Discussion Items:**

Action

**Discussion/Description:**

The Northern California Regional Intelligence Center is the State designated and Federally recognized fusion center for the region that is comprised of the 15 counties from Monterey to Del Norte. The funding for the fusion center is the only required investment that must be included for the region to receive Urban Area Security Initiative (UASI) Grant Program funding.

The NCRIC was created as our region's fusion center by the Northern California High Intensity Drug Trafficking Area (NC HIDTA) Executive Board in 2007. The NCRIC was designed to improve our region's, state's and nation's ability to detect, prevent, investigate, and respond to terrorism and other major criminal threats.

The NCRIC is where suspicious activity reports (SARs) flow daily from a network of thousands of trained public safety and private sector security personnel. NCRIC assigned personnel analyze these reports and, if necessary, enter information that meets our privacy, civil right and civil liberties standards into the FBI's eGuardian system for follow-up by the FBI's Joint Terrorism Task Force (JTTF), which is the agency with leading counterterrorism investigation authorities.

The NCRIC disseminates vetted SAR information, criminal information, and criminal intelligence; provides training; provides technology resources; as well as facilitates communications between federal, state and local public safety agencies, homeland security agencies, and private & public sector critical infrastructure partners to help them identify criminal threats and prevent the consequences of potential violent criminal attacks, including acts of terrorism.

The NCRIC has developed programs to analyze our regions risk by creating and maintaining a database of critical infrastructure and key resources that if disrupted or destroyed would cause catastrophic consequences to our region, state and in some cases the nation. The NCRIC also provides both physical and cyber – threat assessments to improve the security for critical sites and organizations that may be targeted by violent criminals, including terrorists.

The NCRIC also supports criminal investigations by coordinating the collection, analysis and dissemination of information related to individuals that pose a risk of violence to the citizens in our region. Over the past three years the NCRIC Digital Forensic Evidence Lab has been established to process voice and video evidence.

As a multi-jurisdictionally staffed center with many subunits and disciplines the fusion center is dedicated to the mission of information sharing and providing analytical support to both the public safety and private sector critical infrastructure partners within the UASI Area and the Northern Federal District of California. The following information is being provided to give an overview of the fusion centers activity from January 1 to December 12, 2017.

### **TERRORISM LIASION OFFICER OUTREACH PROGRAM - (TLOOP)**

The NCRIC has ten (10) members assigned from various public safety agencies who are dedicated to providing outreach and training to our partners. The TLOOP members are also responsible for reviewing all submitted Suspicious Activity Reports (SAR) and through the Threat Evaluation Unit process follow up on SARs and threats to public safety that require additional information collection and dissemination.

#### **Suspicious Activity Reports (SARs):**

196 of 710 SARs required follow-up from the TLOOP as part of the Threat Evaluation Unit process.

#### **Total Number in our Distribution List:**

11,677 NCRIC Members Approved for Law Enforcement Sensitive Information.

1,952 NCRIC Members Approved for Official Use Only Information.

## **INFORMATION TECHNOLOGY—CYBER**

The NCRIC has four (4) members assigned to IT & Cyber-related functions.

**UPDATE**—In the past year, the NCRIC Cyber Team has drastically increased outreach to government and private sector partners alike. NCRIC Cyber Team members offered cybersecurity briefings and outreach meetings for partners in the healthcare, religious facilities, industrial control system operators, ports, small/medium businesses, and government and law enforcement sectors in the 15 county AOR. NCRIC Cyber Team members have also provided presentations at the National Fusion Center Association (NFCA) national conference and the Cybersecurity for Industrial Control Systems national conference.

NCRIC Cyber Team members currently sit on the NFCA Cyber-Threat Intelligence Network Subcommittee overseeing the national Cyber Intelligence Network; the Coast Guard's San Francisco Bay Area Maritime Security Committee (AMSC) Maritime Cybersecurity subcommittee; the Multi-State Information Sharing and Analysis Center (MS-ISAC) Executive Board; the NFCA Executive Board; and the National Institute of Standards and Technology's (NIST) working group on cybersecurity for law enforcement vehicles. A NCRIC team member was also elected to the International Association of Chiefs of Police-Law Enforcement Intelligence Management/Technology (IACP-LEIM/T) Board this year.

Over the past year, the NCRIC Cyber team conducted the following regional activities:

- **20** Cyber Suspicious Activity Reports (SARs) were processed.
- **10** area organizations received support after experiencing cyberattacks
- **40** written products on cyber topics\* were disseminated.
- **2** phishing assessments were conducted.
- **1** web assessment for an area organization was conducted.
- **1** vulnerability assessment for an area organization was conducted.

\* One of these products now serves as the general guidance on the handling of telephony denial of service (TDoS) attacks against 911 call centers in the state of California.

## **DIGITAL FORENSIC EVIDENCE LABORATORY**

The NCRIC has continued with its support for local, state and federal law enforcement through the creation and staffing of the NCRIC Digital Forensic Evidence Lab (DFEL), which in 2017, handled 331 cases. Senior Analyst Jason Hutchinson received a commendation from the *San Francisco Police Officer's Association* for the partnership and support the DFEL has given to the San Francisco Police Department.

## **RISK MANAGEMENT UNIT**

The NCRIC has (3) members assigned to the Risk Management Unit (RMU), comprised of personnel from the San Mateo Sheriff's Office. The RMU's primary function is to analyze and mitigate threat, risk and vulnerability, provide threat assessments, as well as providing major special event, crime, threat, and disaster support and planning. The RMU played a key role in the NCRIC's support to the North Bay Wild Fire response, providing Real-time Open Source Analysis and producing ten NCRIC Advisory Bulletins providing key updates and Impacts to Critical Infrastructure as well as city and county resources for those impacted by the devastating fires.

The RMU is the NCRIC lead for the National Special Events Data Call. RMU provided substantive input for all the regions events with 44 events being selected to have a Special Event Assessment Rating (SEAR), the highest being New Year's celebrations with a SEAR 2 rating. The NCRIC's involvement in special event support continues to expand with this year being as busy, if not busier than last year. All of the NCRIC teams provide personnel to support major events, with coordination through our Risk Management Unit. The NCRIC provides support for events in our region based on the potential risk of criminal, including terrorism, attack to the event and requests for assistance from federal, state and local agencies to provide real-time information sharing and analytical support. The NCRIC also provided support to federal, state and local law enforcement agencies for major sporting events from the NFL, NBA, NHL, to world soccer events in our area throughout their seasons along with other large scale special events that required large public safety resources.

## **PRIVATE SECTOR OUTREACH**

There are two (2) members assigned to the Private Sector Outreach Program.

*UPDATE-* During calendar year 2017, the NCRIC Private Sector Program (PSP) added 135 new members, for a total membership of 1,134.

The NCRIC Private Sector Engagement Program works closely with owners and operators of critical infrastructure as well as other key organizations and resources to facilitate an effective and efficient information-sharing environment. The current membership of this program comprises vetted members who regularly receive highly valued, sensitive information and intelligence from the NCRIC. The information shared is intended to assist them in their day-to-day responsibilities of protecting their critical infrastructure and key resource facilities. During this reporting period the NCRIC Private Sector Program continued to increase its membership through aggressive outreach efforts and targeted education regarding NCRIC services and support of private sector as well as government efforts to protect critical infrastructure and key resources.

The NCRIC Private Sector Program Director has continued to support several other national projects intended to enhance the private sector engagement capabilities of the fusion center network. These projects include the development and deployment of Global Mission Assurance Portal (GMAP) which is a joint effort with the Program Manager for the Information Sharing

Environment, the Department of Defense (DOD) and the National Network of Fusion Centers to provide fusion centers with DOD supported technology intended to enhance critical infrastructure protection capabilities at the classified level. Another project supported during this rating period was the Center of Best Practices which is an element of the Homeland Security Information Network - HSIN Intelligence Community of Interest (COI). This tool is intended to capture and share fusion center business practices and successes amongst the National Network of Fusion Centers. The NCRIC Private Sector Director has been very instrumental in the development of this resource and provides subject matter expertise in the area of private sector engagement.

The NCRIC Private Sector Director is a member of the National Council of Information Sharing and Analysis Centers (NC-ISACs) and represents the interests of the National Network of Fusion Centers as it relates to private sector engagement. The NCRIC Private Sector Program Director is a member of the instructor cadre for both the Naval Postgraduate School International Maritime Security Course and the International Land Security Course. He also provides educational outreach throughout the year on the topic of fusion centers, suspicious activity reporting and information sharing. The international courses are provided to non-English speaking students which is translated by professional interpreters.

#### **ANALYTICAL SUPPORT (NCRIC- AMT, VAT, Priority Crimes)**

There are seventeen (17) members assigned for various analytical disciplines. Those assigned to the Assessment & Monitoring Team (AMT), a strategic analysis group, conducts analysis in both transnational and domestic terrorist organizations. The Vetting & Awareness Team (VAT) conducts analytical support for other law enforcement's request for information, as well as providing analysis of Suspicious Activity Reports, and vetting for the Joint Terrorism Task Force. The Priority Crimes Unit provides analysis for regional criminal activity and of those who are released from custody under the provisions of Assembly Bill 109 (AB109).

The NCRIC team prepared and processed:

- **75** Special Event Threat Assessments (SETAs) for our regional public safety partners.
- **161** Situational Awareness products regarding criminal threats, including terrorism.
- **733** SARs for de-confliction and determination of a criminal, including terrorism, nexus.
- **807** Requests for Information from law enforcement agencies.
- **437** Requests to produce intelligence background packages for subjects under investigation by federal, state and local law enforcement agencies.
- **162** Investigative case support requests.
- **93** LES and FOUO Partner Update Briefs regarding SARs, regional crime trends and national threat reporting.

## **HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)**

The Northern California High Intensity Drug Trafficking Area (NC HIDTA) has twenty-five (25) members assigned to support investigation and intelligence analysis for drug trafficking organizations in our region. The NC HIDTA team members represent the Investigative Support Center (ISC), the Investigative Equipment Program (IEP), and the Training Program. The NC HIDTA ISC, IEP and Training Program are critical components of the fusion center with analysts and investigative resources able to support major homeland security investigations and major special event support. The NC HIDTA ISC supports seventeen (17) counter-drug task forces in the thirteen (13) county HIDTA area of responsibility, providing analytical case support, de-confliction services, geo-mapping, criminal investigative information requests, financial analysis and case referrals.

The ISC is made up of Intelligence Analysts from the CA National Guard, Drug Enforcement Administration, Federal Bureau of Investigation, and the County of San Mateo. The Investigative Equipment Program lends high-tech equipment to counter-drug initiatives and federal, state and local law enforcement for use in a variety of operations and enforcement activities. The Training Program provided 2,880 law enforcement officers, analysts and management level personnel with training in 46 classes related to investigation, intelligence, and officer safety. The classes offered by the NC HIDTA Training Program are offered to the local, state and federal agencies at no cost.

The results of the hard work of the NC HIDTA ISC, IEP and Training Program, between January 1, 2017 and December 12, 2017 are below as follows:

### Intelligence Services Provided

- Cases Provided Full Analytical Support: 28
- Organized Crime Drug Enforcement Task Force (OCDETF) Cases Supported: 3
- NC HIDTA Request of Information Support: 229
- Investigative Leads Referred for Services: 82
- Financial Suspicious Activity Reports Reviewed: 167

### Deconfliction Services Provided

- Criminal Investigation Event Location Deconflictions Submitted: 7,530
  - Positive Event Deconfliction: 801
- Criminal Case Subject Deconfliction Submitted: 36,962
  - Positive Case Subject Deconfliction: 7,323

### Initiative Seizures

- Total Narcotic Seizures, wholesale street profits denied: \$316,473,385
- Cash Assets Seized: \$8,835,537 million
- In 2016, for every \$1 invested in law enforcement initiatives, the NC HIDTA generated an average return on investment (ROI) of \$181.70 in drug seizures that denied profits from the drug trafficking organizations and \$5.82 in cash and asset seizures for a total ROI of \$187.52 for drug and assets seized

### Investigative Equipment Program

- Equipment Loans with Technician Support: 361

## Training Program

- Courses offered: 46
- Number of Students: 2,880
- Number of Training Hours Provided: 32,096

## **FEDERAL, STATE & LOCAL SUPPORT**

The NCRIC has members assigned from the following Federal, State, and Local agencies:

Federal Agencies represented consist of:

- Federal Bureau of Investigation
- Department of Homeland Security – I&A
- Drug Enforcement Administration

State Agencies represented consist of:

- California Department of Justice
- California Highway Patrol
- California National Guard

Local Agencies represented consist of:

- San Mateo County Sheriff's Office
- San Francisco Police Department
- San Francisco Sheriff's Department
- San Francisco Fire Department
- Marin County Sheriff's Office
- Contra Costa County Sheriff's Office
- Alameda County Sheriff's Office
- Santa Clara County Sheriff's Office
- San Jose Police Department

## **PILOT PROJECTS**

The NCRIC/NCHIDTA were involved in several national and local Pilot Projects in 2017 with some that have developed into national policy and guidance and others that are continuing into 2018:

- The FBI's Enhanced Engagement Strategy, which is a joint FBI, DHS, ODNI Partner Engagement -Information Sharing Environment (PE-ISE), Fusion Center collaborative project focusing on enhancing the analytical cycle and coordination of counterterrorism threat identification, prevention, mitigation and investigation. This Pilot was chaired by a NCRIC member and has resulted in the FBI's adoption of the Enhanced Engagement Strategy to develop a path for fusion centers and the FBI to expand collaboration and capabilities.

- The Fusion Center Privacy Policy Update, was a joint FBI, DHS, PE-ISE, US DOJ collaborative project focusing on the updating of the Privacy Policy templates for all 79 Fusion Centers in the National Network. A NCRIC member represented the NFCA on this project which is set to be completed in early 2018. The NCRIC continues to lead the national coordination to implement this guidance throughout the National Network of Fusion Centers.
- The NC HIDTA consistently supports improved interdiction of dangerous drugs and has developed a pilot project at the San Francisco International Airport to improve the apprehension of those that smuggle deadly contraband. The program will be expanding to at least two additional international airports. The Airport Interdiction Leads and Analysis (AILA) program provides analysis and key judgement recommendations on over 30 tips/leads per day. Events or subjects interdicted by task force officers are cross checked and deconflicted to establish common links and correlations with other national and international investigations. Analysts have been able to identify several drug trafficking organization couriers and the analysis has also initiated many major narcotics investigations. This analysis alone has resulted in developing connections to existing complex national criminal cases.
- The NC HIDTA intelligence analysts created a pilot project that has become a best practice within the NC HIDTA ISC for financial investigations of drug trafficking organizations. ISC intelligence analysts established the Financial Targeting Team (FTT) to identify high value money laundering targets and aggressively address narcotics related financial activity that is reviewed by the High Intensity Financial Crimes Area Review Team, but are not referred for federal investigation and prosecution. The ISC has partnered with a fusion center intelligence analyst to provide local and state law enforcement and prosecutors with the most appropriate money laundering investigative training necessary to accomplish the mission of removing illicit proceeds from money laundering organizations. The FTT analyzes, develops, and refers vetted leads to the local agencies for further investigation. The FTT complements one of the primary goals of the NC HIDTA ISC mission to share actionable intelligence with law enforcement partners to deny the drug trafficking organizations of the illicit proceeds of their criminal enterprises.

### **TRAINING FOR CALENDAR YEAR 2017**

The fusion center provided 63 training classes related to homeland security, narcotics enforcement, law enforcement officer safety and investigative techniques. These training courses were provided or coordinated by the NCRIC and the NC HIDTA in partnership with our allied agencies and organizations.