Statement for the Record by

Stephanie L. O'Sullivan

Nominee for the Position of

Principal Deputy Director of National Intelligence

Before the Senate Select Committee on Intelligence

United States Senate

3 February 2011

Madam Chairman, Vice Chairman Chambliss, and distinguished members of the Committee, it is an honor to appear before you today as the President's nominee for the position of Principal Deputy Director of National Intelligence (PDDNI). I also want to thank you for your time and consideration of my nomination and of my record in public service.

That service encompasses almost thirty years spent in, or supporting our country's Intelligence Community. During that time I have served in private industry, the Department of Defense, and the Central Intelligence Agency. I have delivered systems and new capabilities in every intelligence discipline. I have worked across the intelligence cycle from research to operations and learned the value of innovation in each of them. I have worked across the Intelligence Community in partnerships that produced more than either party could have alone and experienced the potential that can be found in an integrated enterprise. I fully comprehend both the challenge and the grave responsibility bestowed upon the Director of National Intelligence (DNI) and if confirmed, would strive to meet the challenges and fulfill the responsibilities of the office.

The DNI is charged with protecting our country through the provision of timely, objective, and accurate intelligence to policymakers and the effective management and integration of the Intelligence Community. The DNI is also responsible for ensuring that the Intelligence Community, as it fulfills its obligations, complies with the direction of the President and with our country's laws and Constitution.

In order to implement these responsibilities, the DNI integrates intelligence capabilities and products, sets priorities, and allocates resources. The DNI also leads the community in initiatives designed to improve its effectiveness and efficiency. The PDDNI assists the DNI in carrying out his or her duties and responsibilities. The PDDNI supports the DNI's policies to include integrating intelligence, leading the U.S. Intelligence Community, and protecting U.S. national security. The PDDNI also acts and exercises the powers of the DNI upon the absence or disability of the DNI.

If I am confirmed, I look forward to supporting Director Clapper's goals to better integrate the Intelligence Community and ensure the Community is efficient in both its structure and operations.

Given the threats and challenges facing the Intelligence Community, it has never been more important for the DNI to exercise strong and effective leadership. As a nation, we are facing a daunting number of threats ranging from terrorism, to the development and proliferation of Weapons of Mass Destruction, to cyber security. In the face of these competing imperatives, the ability of the DNI to adjudicate and set priorities is essential.

DNI leadership is also needed to address the management challenges faced by the Intelligence Community. The DNI's leadership will be required in defining a path forward for information sharing that recognizes, and appropriately balances, the inherent risks without jeopardizing the gains we have achieved through deeper integration. DNI leadership on efficiency and effectiveness initiatives will be key to optimizing the Intelligence Community's budget and resources in the face of inevitable

constraints. Finally the DNI has one additional leadership duty, to lead the men and women of the Intelligence Community. Working with our Congressional oversight committees, the DNI must both support their efforts to protect our country and challenge them to give their best.

Accomplishing all of this will require that the DNI has a strong and effective leadership team. DNI Clapper has generally defined responsibilities within his leadership team such that the PDDNI will serve as the Chief Operating Officer for the Intelligence Community as well as the Office of the DNI (ODNI). Internally the PDDNI will be focused on the management and oversight components of the DNI's office, while the Deputy Director for National Intelligence for Intelligence Integration (DDNI/II) focuses on the ODNI components responsible for integrating analysis and collection. Externally, the DDNI/II is focused on supporting the National Security Staff and policymakers, while the PDDNI will be focused on the Intelligence Community components and the DNI's oversight and reporting responsibilities. If confirmed as PDDNI, I would also have full visibility into, and understanding of, intelligence matters such that I would be prepared to act for the DNI in his absence.

I believe that the DNI has assembled a leadership team that builds on the strength of our community. I believe that my own background in technology, development and acquisition, and clandestine operations, as well as my experience at CIA will complement the DNI's own experience and that of his leadership team.

I will close by addressing the Intelligence Community's imperative to support

Congressional oversight. I believe in and value the Congressional oversight process,
and if confirmed as PDDNI, I will fully support the Intelligence Community's notification
and reporting obligations to our oversight committees in Congress. The oversight
process is the basis by which the Intelligence Community maintains the trust and
confidence of Congress and the people we serve. Keeping the congressional oversight
committees currently and fully informed of significant intelligence activities, anticipated
intelligence activities and intelligence failures is fundamental to the system of checks
and balances embedded in our government and the only way an intelligence
organization can effectively operate within our open society. Moreover, oversight is a
valuable contribution to improving the quality of intelligence and the effective, efficient
operation of the Intelligence Community. If confirmed, I will ensure that the Intelligence
Community is meeting its statutory responsibilities to fully and currently inform the
Congressional oversight committees of intelligence activities.

Thank you again for the opportunity to appear before you today. I am happy to answer your questions.