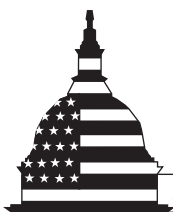


November 2010

# PERSONNEL SECURITY CLEARANCES

Progress Has Been  
Made to Improve  
Timeliness but  
Continued Oversight  
Is Needed to Sustain  
Momentum



G A O

Accountability \* Integrity \* Reliability

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## Why GAO Did This Study

In light of long-standing problems with delays and backlogs, Congress mandated personnel security clearance reforms through the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA). These included requirements related to timeliness, reciprocity, and the creation of a single database to house personnel security clearance information. In 2008, Executive Order 13467 established the Performance Accountability Council. GAO was asked to review the extent to which executive branch agencies (1) investigate and adjudicate personnel security clearance applications in a timely manner, (2) honor previously granted security clearances, and (3) share personnel security clearance information in a single, integrated database. GAO reviewed and analyzed Performance Accountability Council timeliness data for fiscal year 2009 and the first three quarters of fiscal year 2010. GAO also examined key clearance reform documents and conducted interviews with executive branch agencies, including members of the Intelligence Community, to discuss the three stated objectives.

## What GAO Recommends

GAO recommends that the Performance Accountability Council collaborate with executive agencies to develop a plan to improve timeliness for those agencies not yet achieving the 60-day timeliness objective and metrics to track reciprocity. In commenting on this draft, the Performance Accountability Council concurred with all recommendations.

View [GAO-11-65](#) or key components. For more information, contact Brenda S. Farrell at (202) 512-3604 or [farrellb@gao.gov](mailto:farrellb@gao.gov).

# PERSONNEL SECURITY CLEARANCES

## Progress Has Been Made to Improve Timeliness but Continued Oversight Is Needed to Sustain Momentum

## What GAO Found

Significant overall progress has been made to improve the investigation and adjudication of personnel security clearance applications in a timely manner. This is largely attributable to the Department of Defense (DOD), whose clearances comprise a vast majority of governmentwide initial clearances. IRTPA establishes an objective for all agencies to make a determination on at least 90 percent of all applications for a personnel security clearance within an average of 60 days. The majority of clearances are processed in line with the IRTPA 60-day objective. Certain agencies, however, continue to face challenges for meeting timeliness objectives. Out of the 14 agencies included in GAO's review, DOD, the Department of Energy, and the National Geospatial-Intelligence Agency met the IRTPA 60-day timeliness objective in the first three quarters of fiscal year 2010. Timeliness among the other executive branch agencies ranged from 62 to 154 days. IRTPA and the recent Intelligence Authorization Act for Fiscal Year 2010 also require annual reporting on the progress made towards meeting objectives, including a discussion of impediments related to timeliness and quality. While the Performance Accountability Council has taken steps to assist in implementation of reform efforts, it has not reported on the impediments to meeting timeliness objectives for specific agencies not yet achieving this goal.

Executive branch agency officials stated that they often honor previously granted personnel security clearances (i.e., grant reciprocity), but the true extent of reciprocity is unknown because governmentwide metrics do not exist. IRTPA generally requires that all personnel security clearance investigations and determinations be accepted by all agencies, with limited exceptions when necessary for national security purposes. Agency officials stated that they grant reciprocity, but some noted that they have taken steps to obtain additional information before granting reciprocity. For example, officials stated that they may request copies of background investigation reports before they will honor a security clearance because information available in databases contain limited, summary level detail. Agency officials also reported that steps must be taken to conduct suitability determinations to ensure an applicant's character is appropriate for the position. The extent to which reciprocity is occurring is unknown because no metrics exist to consistently and comprehensively track reciprocity.

Although there are no plans to develop a single, integrated database, steps have been taken to upgrade existing systems and increase information sharing. The Performance Accountability Council has opted to leverage existing systems in lieu of the single, integrated database required by IRTPA. Officials assert that a single database is not a viable option due to concerns related to privacy, security, and data ownership. Therefore, a single search capability of existing databases is being used to address the IRTPA requirement. For example, information from two primary databases can now be accessed from a single entry point, allowing executive branch agencies to share clearance information with one another. The Intelligence Community agencies share information through a separate database.

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## Abbreviations

DOD	Department of Defense
e-QIP	electronic Questionnaires for Investigations Processing
GAO	Government Accountability Office
IRTPA	Intelligence Reform and Terrorism Prevention Act of 2004
ODNI	Office of the Director of National Intelligence
OMB	Office of Management and Budget
OPM	Office of Personnel Management

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United States Government Accountability Office  
Washington, DC 20548

November 19, 2010

The Honorable Anna G. Eshoo  
Chairwoman  
Subcommittee on Intelligence Community Management  
Permanent Select Committee on Intelligence  
House of Representatives

The Honorable Rush D. Holt  
House of Representatives

Personnel security clearances allow government and industry personnel to gain access to classified information that, through unauthorized disclosure, can in some cases cause exceptionally grave damage to U.S. national security. The July 2010 and subsequent October 2010 reported unauthorized leak, of almost 500,000 classified documents posted to the Internet, related to the ongoing wars in Afghanistan and Iraq highlights the inherent risks involved when granting an individual a security clearance. Following the terrorist attacks on September 11, 2001, the nation's defense and intelligence needs grew, prompting increased demand for personnel with security clearances. Accompanying this increase in demand for clearances have been problems of delays and backlogs in the personnel security clearance process. In 2005, GAO first designated the Department of Defense's (DOD) personnel security clearance program a high-risk area because of these delays and backlogs.<sup>1</sup> We continued that designation in our 2007 and 2009 updates to our high-risk list because delays continued and we found problems with the quality of investigation and adjudication documentation.<sup>2</sup> For example, in our previous work, we noted that the average time to complete the fastest 90 percent of initial clearances for military and DOD civilians was 124 days.<sup>3</sup> We have initiated additional work to assess DOD's personnel security clearance program and plan to issue our next high-risk report in January 2011.

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<sup>1</sup>GAO, *High-Risk Series: An Update*, [GAO-05-207](#) (Washington, D.C.: January 2005).

<sup>2</sup>GAO, *High-Risk Series: An Update*, [GAO-07-310](#) (Washington, D.C.: January 2007); and *High-Risk Series: An Update*, [GAO-09-271](#) (Washington, D.C.: January 2009).

<sup>3</sup>GAO, *DOD Personnel Clearances: Comprehensive Timeliness Reporting, Complete Clearance Documentation and Quality Measures Are Needed to Further Improve the Clearance Process*, [GAO-09-400](#) (Washington, D.C.: May 19, 2009).

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In light of long-standing concerns regarding delays in processing clearances and other issues, Congress set objectives and established requirements for improving the clearance process in section 3001 of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA).<sup>4</sup> IRTPA established objectives for timeliness, requirements for reciprocity (i.e., an agency's acceptance of a background investigation or clearance determination completed by any authorized investigative or adjudicative agency), and an integrated, secure database to house clearance information. In 2007, DOD and the Office of the Director of National Intelligence (ODNI) formed the Joint Security Clearance Process Reform Team, known as the Joint Reform Team, to improve the security clearance process governmentwide.<sup>5</sup> In the following year, Executive Order 13467 was issued, establishing a Suitability and Security Clearance Performance Accountability Council (Performance Accountability Council) that is responsible for driving the implementation of reform and accountable to the President for achieving the reform effort's goals. We have previously noted that top leadership must be committed to organizational transformation.<sup>6</sup> To this end, committed executive leadership has worked to reform the personnel security clearance process by improving timeliness and developing quality measures. However, four years after IRTPA was enacted, the House Permanent Select Committee on Intelligence, Subcommittee on Intelligence Community Management, concluded that the federal government's progress with respect to IRTPA requirements for reciprocity and a single integrated database had fallen short of the goals established in IRTPA.<sup>7</sup>

Congressional oversight through hearings held by the Subcommittee on Intelligence Community Management in February, July, and September 2008, and October 2009, has helped focus attention on the need for

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<sup>4</sup>Pub. L. No. 108-458, §3001 (2004) (codified at 50 U.S.C. 435b). While IRTPA was a far-reaching act with many broad implications, our references to it throughout this report pertain solely to section 3001, unless otherwise specified.

<sup>5</sup>This team also now includes representatives of the Office of Management and Budget and Office of Personnel Management.

<sup>6</sup>GAO, *High-Risk Series: An Update*, [GAO-09-271](#) (Washington, D.C.: January 2009).

<sup>7</sup>H.R. Rep. No. 110-916 (2008).

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security clearance reform.<sup>8</sup> In addition, the Intelligence Authorization Act for Fiscal Year 2010 requires reports by the President on the security clearance process, including information on timeliness and quality.<sup>9</sup> In this context and building on our body of work examining personnel security clearance issues, you asked us to examine the ongoing reform effort with an emphasis on whether the current reform efforts were expediting the processing of clearances and enhancing reciprocity.<sup>10</sup> Specifically, this report provides information on the extent to which select executive branch agencies (1) investigate and adjudicate initial personnel security clearance applications for civilians, military, and industry personnel in a timely manner; (2) honor previously granted personnel security clearances and the challenges, if any, that exist related to reciprocity; and (3) share personnel clearance information in a single, integrated database.

In conducting this review, we focused our scope on DOD, seven agencies within the Intelligence Community,<sup>11</sup> and a non-probability sample of six additional executive branch agencies<sup>12</sup> that use the Office of Personnel Management (OPM) to conduct background investigations.<sup>13</sup> The total sample of executive branch agencies represents 25 different DOD and non-

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<sup>8</sup>In the last 3 years, GAO has also testified on security clearance reform before (1) the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia of the Senate Committee on Homeland Security and Governmental Affairs, (2) the Subcommittee on Government Management, Organization, and Procurement, House Committee on Oversight and Government Reform, and (3) the Subcommittee on Readiness, House Committee on Armed Services.

<sup>9</sup>Pub. L. No. 111-259, § 367 (2010).

<sup>10</sup>[GAO-09-400](#); and *Personnel Security Clearances: An Outcome-Focused Strategy Is Needed to Guide Implementation of the Reformed Clearance Process*, [GAO-09-488](#) (Washington, D.C.: May 19, 2009).

<sup>11</sup>We met with officials from the Central Intelligence Agency, Defense Intelligence Agency, Federal Bureau of Investigation, National Geospatial-Intelligence Agency, National Reconnaissance Office, National Security Agency, and the Department of State.

<sup>12</sup>We met with officials from the Departments of Energy, Health and Human Services, Homeland Security, Justice, the Treasury, and Veterans Affairs.

<sup>13</sup>We selected agencies based on their ability to meet a combination of one or more of the following criteria: (1) utilizes Office of Personnel Management to conduct security clearance investigations, (2) conducts an average of 5,000 cases per year, (3) is an Intelligence Community agency, or (4) is a member of the Performance Accountability Council. Because this is a non-probability sample, our findings do not generalize to the agencies that we did not include in our review.



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DOD organizations.<sup>14</sup> According to data contained in the Performance Accountability Council's 2010 report to Congress on clearances granted in calendar year 2009, the 14 agencies we selected in our timeliness review account for approximately 98 percent of initial clearance cases governmentwide annually.<sup>15</sup> To assess the extent to which executive branch agencies investigate and adjudicate initial personnel security clearance applications for civilians, military, and industry personnel in a timely manner we conducted interviews with relevant officials to discuss aspects of timeliness, including variations in agency timeliness, progress made, and challenges faced. We analyzed the timeliness objectives specified in IRTPA and the timeliness data contained in the Performance Accountability Council's 2010 report to Congress on clearances granted in calendar year 2009.<sup>16</sup> We obtained and reviewed quarterly data on executive branch agencies, including Intelligence Community agencies, provided by the Performance Accountability Council Subcommittee on Performance Management and Measures, which covered the first through third quarters of fiscal year 2010.<sup>17</sup> These data were current as of August 2010. We also obtained and reviewed quarterly data for the executive branch agencies provided by OPM for the same time periods. The Performance Accountability Council reported agency timeliness data using two distinct methodologies. First, they calculated IRTPA timeliness by

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<sup>14</sup>Department of Defense: Air Force, Army, Navy, Defense Industrial Security Clearance Office, Defense Intelligence Agency, Defense Office of Hearings and Appeals, Washington Headquarters Services, Joint Chiefs of Staff Central Adjudication Facilities, Business Transformation Agency, Defense Personnel Security Research Center, Office of the Under Secretary of Defense for Intelligence, and the National Security Agency; Intelligence Community: National Geospatial-Intelligence Agency, National Reconnaissance Office, Central Intelligence Agency, Federal Bureau of Investigation, Department of State Bureau of Intelligence and Research, and Office of the Director of National Intelligence; and additional executive branch agencies: Health and Human Services, Department of Energy, Department of Homeland Security, Department of the Treasury, Department of Justice, Office of Personnel Management, and Department of Veterans Affairs.

<sup>15</sup>Performance Accountability Council, *Security and Suitability Process Reform Strategic Framework* (Washington, D.C.: February 2010). This report was created under the Performance Accountability Council by the Joint Reform Team.

<sup>16</sup>Performance Accountability Council, *Security and Suitability Process Reform Strategic Framework* (Washington, D.C.: February 2010).

<sup>17</sup>Our analysis of timeliness data does not include the following elements of the agencies in our review: Department of Homeland Security: Homeland Security Headquarters, Immigration and Customs Enforcement, U.S. Secret Service, U.S. Customs and Border Protection, select positions in the U.S. Coast Guard; Department of Justice: Bureau of Alcohol, Tobacco, Firearms and Explosives; and Department of the Treasury: Bureau of the Public Debt, Bureau of Engraving and Printing.

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analyzing investigation and adjudication data separately, calculating the average timeliness of the fastest 90 percent of investigations and adjudications based on the fiscal quarter that the phase was reported as complete, and combining the timeliness data for the averages of investigations with the averages for adjudications by agency. The second methodology used by the Performance Accountability Council addressed only cases that were completed in the specific period. Under this methodology, the Performance Accountability Council calculated the “end-to-end” timeliness, which they defined as the time for an individual case to go through the initiation, investigation, and adjudication phases of the process. GAO utilized this second methodology to review and analyze the agency timeliness data that is contained in this report. The Performance Accountability Council excludes certain cases that could impact overall timeliness from its analysis. For example, IRTPA establishes a timeliness objective for the fastest 90 percent of cases, which allows agencies to exclude the slowest 10 percent of cases from the reported averages. We interviewed knowledgeable officials about the accuracy and completeness of the data to determine the reliability of the data. We determined that these data were sufficiently reliable for our purposes.

To assess the extent to which executive branch agencies honor previously granted security clearances and the challenges, if any, that exist related to reciprocity, we reviewed the requirements specified in IRTPA and analyzed Executive Orders, Office of Management and Budget (OMB) memorandums, ODNI documents, and agency guidance related to reciprocity. We also analyzed existing and planned metrics developed by the Performance Accountability Council to track the extent to which reciprocity is honored. We met with security officials and adjudicators from DOD, the Intelligence Community, and a non-probability sample of executive branch agencies. We supplemented our analyses with information obtained from a roundtable discussion that we conducted with representatives of Intelligence Community agencies to examine the challenges these agencies face related to information sharing and granting reciprocity. For the purposes of our report, we define reciprocity as an agency’s acceptance of a background investigation or clearance determination completed by another authorized investigative or adjudicative agency. We excluded from the scope of our work issues related to access to facilities, detailed employees, or access to classified information.

To determine the extent to which select executive branch agencies share personnel clearance information in a single, integrated database, we

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conducted interviews with officials from OPM, DOD, and Intelligence Community agencies and reviewed OPM database enhancement plans that described recent developments in information sharing. We selected OPM, DOD, and agencies within the Intelligence Community because they own the three main security clearance databases that are used in the security clearance process.<sup>18</sup> To determine the challenges associated with sharing clearance information in a single, integrated database, we reviewed the Joint Reform Team's Enterprise Information Technology Strategy and interviewed agency security managers and adjudicators who use the existing security clearance database systems.

We conducted this performance audit from October 2009 through November 2010 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 objectives. More detailed information on our scope and methodology is provided in appendix I.

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## Results in Brief

Significant overall progress has been made to improve the investigation and adjudication of personnel security clearance applications in a timely manner. This is largely attributable to DOD, whose clearances comprise a vast majority of governmentwide initial clearances. IRTPA established an objective for each authorized adjudicative agency to "make a determination on at least 90 percent of all applications for a personnel security clearance within an average of 60 days from the date of receipt of the completed application by an authorized investigative agency" by December 17, 2009.<sup>19</sup> Although the majority of clearances are processed in line with the IRTPA 60-day objective, agencies continue to face challenges for meeting timeliness objectives. According to the Performance

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<sup>18</sup>These databases included DOD's Joint Personnel Adjudication System, OPM's Central Verification System, and the Intelligence Community's Scattered Castles.

<sup>19</sup>Pub. L. No. 108-458, § 3001 (2004) (codified at 50 U.S.C. § 435b). According to IRTPA, this period shall include a period of not longer than 40 days to complete the investigative phases of the clearance review and a period of not longer than 20 days to complete the adjudicative phase of the clearance review. These measures apply to initial personnel security clearances (i.e., cases in which individuals who enter positions in government or industry that require a clearance do not have a clearance or have not been granted reciprocity).

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Accountability Council's February 2010 annual report to Congress, five of the 14 agencies we included in our review met the IRTPA 60-day objective in the first quarter of fiscal year 2010.<sup>20</sup> We found that four agencies met the objective in the second quarter and seven agencies met the objective in the third quarter.<sup>21</sup> The Department of Defense, the Department of Energy, and the National Geospatial-Intelligence Agency met the IRTPA 60-day timeliness objective in all three quarters. We found a number of challenges to agencies meeting IRTPA timeliness objectives, including personnel limitations, variances among the agencies in adopting information technology caused by resource constraints, and additional agency-specific requirements that must be met before granting a security clearance. Agency officials with whom we spoke explained that there is a variance in agencies' adoption of the Electronic Questionnaires for Investigations Processing (e-QIP). According to these officials, e-QIP has sped up investigation timeliness for agencies that have adopted this technology because it provides OPM with more complete and better quality data earlier in the process. Agency officials also discussed the delays in adjudicative timeliness due to the need to follow up on investigations performed by OPM. Finally, timeliness for the Intelligence Community is affected by unique issues related to conditions of employment that require polygraphs or psychological evaluations that extend beyond the standard background investigation. IRTPA also requires the executive branch to submit an annual report, through 2011, to the appropriate congressional committees on the progress made toward meeting its requirements, including timeliness data and a discussion of any impediments to the smooth and timely functioning of its requirements.<sup>22</sup> While the Performance Accountability Council, responsible for driving implementation of the reform effort and ensuring accountability, has taken steps to assist in implementation of reform efforts, it has not reported on the impediments to meeting timeliness objectives or plans to address impediments. As a result, decision makers may not have a complete picture of the progress made or the impediments to meeting timeliness

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<sup>20</sup>Performance Accountability Council, *Security and Suitability Process Reform Strategic Framework* (Washington, D.C.: February 2010).

<sup>21</sup>IRTPA's new timeliness objectives became effective as of December 17, 2009, midway through the first quarter of the fiscal year. This analysis is based on the methodology used by the Performance Accountability Council that counts the fastest end-to-end cases based only on completed cases adjudicated by the respective agencies in the specified quarter of the fiscal year.

<sup>22</sup>The Intelligence Authorization Act for Fiscal Year 2010 extended this reporting requirement beyond 2011. Pub. L. No. 111-259, § 367 (2010).

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objectives. We recommend that the Deputy Director of Management, OMB, in the capacity as Chair of the Performance Accountability Council, direct the Performance Accountability Council to collaborate with the agencies that are not meeting timeliness objectives to take the following actions: (1) identify challenges to timeliness, (2) develop mitigation strategies to enable each agency to comply with the IRTPA timeliness objectives, (3) set timelines for accomplishing the required actions, (4) monitor agency progress, and (5) report on these plans and progress in the annual reports to Congress.

Agency officials stated that they routinely take steps to honor previously granted security clearances; however, there are no governmentwide metrics to comprehensively track when and why reciprocity is granted or denied. IRTPA generally requires that all security clearance investigations and determinations be accepted by all agencies, with limited exceptions when necessary for national security purposes.<sup>23</sup> Further, ODNI guidance signed out in October 2008 amplifies this reciprocity requirement, stating that, except in limited circumstance, all Intelligence Community elements should “accept all in-scope security clearance or access determinations.”<sup>24</sup> Similarly, OMB issued guidance requiring agencies to reciprocally accept clearances when the prior clearance is current and there is no new derogatory information, among other things.<sup>25</sup> However, agency officials stated that in some cases, they find it necessary to take additional steps to address limitations with available information before granting a reciprocal clearance. For example, because no single, integrated database exists and information currently being shared between agencies may be insufficient, agencies request additional information, such as copies of the original background investigation. Similarly, because of the different types of background investigations required by individual agencies, agencies may perform additional investigative work or request a new background investigation. In addition, agency officials identified broader challenges to granting reciprocity, such as the need to conduct suitability determinations or determine whether a prior clearance investigation and adjudication meets standards. All federal agencies are required to conduct

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<sup>23</sup>Pub. L. No. 108-458, § 3001(d) (2004) (codified at 50 U.S.C. 435b(d)).

<sup>24</sup>ODNI, Intelligence Community Policy Guidance 704.4, *Reciprocity of Personnel Security Clearance and Access Determinations* (Oct. 2, 2008).

<sup>25</sup>Office of Management and Budget, *Memorandum for Deputies of Executive Departments and Agencies: Reciprocal Recognition of Existing Personnel Security Clearance* (Dec. 12, 2005).

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basic suitability determinations to ensure that the applicant's character or conduct is appropriate for the position in question. However, some agencies have specific requirements to determine suitability before reciprocating a security clearance, according to agency officials with whom we spoke. While the Performance Accountability Council has identified reciprocity as a governmentwide strategic goal, we found that there is no clear evidence to show the extent to which reciprocity is granted because agencies lack comprehensive, standardized metrics to track reciprocity. We previously reported that developing metrics for assessing and regularly monitoring all aspects of the clearance process could add value in current and future reform efforts as well as supply better information for greater congressional oversight.<sup>26</sup> However, we found that agencies do not consistently document the additional steps they have taken prior to granting a reciprocal clearance. For example, the Navy keeps electronic documentation, the Department of Energy and the Department of the Treasury keep paper documentation, and the Army and the Air Force do not maintain any documentation on the additional steps taken to accept a previously granted security clearance. Consequently, there is no consistent tracking of the amount of staff time spent on the additional actions that are taken to honor a previously granted security clearance. In addition, we found agencies do not consistently and comprehensively track the extent to which reciprocity is granted. While OPM has a metric to track reciprocity, this metric captures limited information, such as numbers of requested and rejected investigations, but not the number of cases in which a previously granted security clearance was or was not honored. Similarly, the metrics proposed by the Performance Accountability Council do not track the extent to which reciprocity is or is not ultimately honored. Without comprehensive, standardized metrics to track reciprocity, and documentation of the process, decision makers lack a complete picture of the extent to which reciprocity is granted and the challenges to honoring security clearances. We recommend that the Deputy Director of Management, OMB, in the capacity as Chair of the Performance Accountability Council, develop comprehensive metrics to track reciprocity and report the findings from the expanded tracking to Congress.

Although IRTPA required the establishment of a single, integrated database, executive branch agencies have opted to focus on leveraging

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<sup>26</sup>GAO, *Personnel Clearances: Key Factors to Consider in Efforts to Reform Security Clearance Processes*, [GAO-08-352T](#) (Washington, D.C.: Feb. 27, 2008).

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existing systems rather than establish a new database. IRTPA required that, not later than 12 months after the date of enactment of the act, the Director of the Office of Personnel Management and the Director of the Office of Management and Budget establish and commence operating and maintaining a single, integrated database of personnel security clearance information.<sup>27</sup> Based on our analyses of a series of recent reports that the Joint Reform Team, under the Performance Accountability Council, issued between 2008 and 2010, and interviews conducted with OPM and ODNI officials, we found that there are no plans to create a new single, integrated database. OPM, DOD, and ODNI officials with whom we spoke explained that establishing a single, integrated database is not a viable option due to concerns related to privacy, security, and data ownership. Therefore, the Performance Accountability Council is focusing on using a single search capability of existing databases as the means by which they intend to address the IRTPA requirement. Although there are no plans to create a new governmentwide database, we found that non-intelligence agencies in our review are sharing information about personnel who hold or are seeking security clearances through two main databases that can be accessed through a single entry point. These two primary databases are used by non-intelligence agencies to store investigative and adjudicative information and according to the Performance Accountability Council, they account for decisions on about 90 percent of all security clearance holders in the federal government.<sup>28</sup> Data is stored in either OPM's Central Verification System or DOD's Joint Personnel Adjudication System. Data from the two databases can be searched from a single entry point in the Central Verification System. In contrast, the Intelligence Community agencies share information with one another through a separate classified database known as Scattered Castles. According to Performance Accountability Council officials, the Performance Accountability Council is participating in an effort to explore ways to enhance information sharing between the Intelligence Community agencies and the non-Intelligence Community agencies. For example, a working group has been established to study alternatives to support a single-access point from which non-intelligence agencies can obtain clearance information and plans to complete its review in December 2010.

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<sup>27</sup>Pub. L. No. 108-458, §3001(e) (2004) (codified at 50 U.S.C. § 435b(e)).

<sup>28</sup>Performance Accountability Council, *Suitability and Security Process Reform: Strategic Framework* (Washington, D.C., February 2010).

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In oral and written comments on a draft of this report, the OMB, ODNI, and OPM concurred with all of our recommendations. In particular, ODNI noted that it was already taking steps through the Performance Accountability Council to implement each recommendation. OMB, ODNI, DOD, and OPM also provided technical comments, which we incorporated into this report, as appropriate.

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## Background

Personnel security clearances are required for access to certain national security information, which may be classified at one of three levels: confidential, secret, or top secret. A top secret clearance is generally also required for access to Sensitive Compartmented Information or Special Access Programs.<sup>29</sup> The level of classification denotes the degree of protection required for information and the amount of damage that unauthorized disclosure could reasonably be expected to cause to national security. Unauthorized disclosure could reasonably be expected to cause (1) “damage,” in the case of confidential information; (2) “serious damage,” in the case of secret information; and (3) “exceptionally grave damage,” in the case of top secret information. To ensure the trustworthiness and reliability of personnel in positions with access to classified information, government agencies rely on a multiphased personnel security clearance process that includes the application submission phase, investigation phase, and adjudication phase.

- **The application submission phase.** A security officer from an agency (1) requests an investigation of an individual requiring a clearance; (2) forwards a personnel security questionnaire (standard form 86) using OPM’s e-QIP system or a paper copy of the standard form 86 to the individual to complete; (3) reviews the completed questionnaire; and (4) sends the questionnaire and supporting documentation, such as fingerprints, to OPM or the investigation service provider.
- **The investigation phase.** Federal investigative standards and OPM’s internal guidance are used to conduct and document the investigation of

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<sup>29</sup>Sensitive Compartmented Information is classified intelligence information concerning or derived from intelligence sources, methods, or analytical processes that is required to be protected within formal access control systems established and overseen by the Director of National Intelligence. A Special Access Program is a program established for a specific class of classified information that imposes safeguarding and access requirements that exceed those normally required for information at the same classification level.



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the applicant.<sup>30</sup> The scope of information gathered in an investigation depends on the level of clearance needed and whether an investigation for an initial clearance or reinvestigation for a clearance renewal is being conducted.<sup>31</sup> For example, the federal standards require that investigators collect information from national agencies, such as the Federal Bureau of Investigation, for all initial and renewal clearances. For an investigation for a confidential or secret clearance, investigators gather much of the information electronically. For an investigation for a top secret clearance, investigators gather additional information through more time-consuming efforts, such as traveling to conduct in-person interviews to corroborate information about an applicant's employment and education. After the investigation is complete, the resulting investigative report is provided to the agency. According to the Performance Accountability Council's Strategic Framework, for the purposes of IRTPA timeliness reporting, investigative time is the time in days from the receipt date of the completed personnel security package by the investigative service provider to the date the final investigative file is forwarded to the adjudicative facility if sent electronically.

- **The adjudication phase.** Adjudicators from an agency use the information from the investigative report to determine whether an applicant is eligible for a security clearance. To make clearance eligibility decisions, federal requirements specify that adjudicators consider guidelines in 13 specific areas that elicit information about (1) conduct that could raise security concerns and (2) factors that could allay those security concerns and permit granting a clearance. According to the Performance Accountability Council's Strategic Framework, for the purposes of IRTPA timeliness reporting, adjudicative time is the time in days from the date the final investigative file is forwarded (or received electronically) to the adjudicative unit to the date of the adjudicative decision.

Separate from, but related to, security clearances, are suitability determinations. Executive branch agencies conduct additional suitability investigations for individuals to ensure that they are suitable for

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<sup>30</sup> According to the Performance Accountability Council's Strategic Framework, the federal government conducts almost 900,000 national security investigations a year.

<sup>31</sup> If a clearance holder has a long-term need to access classified information, the clearance must be renewed: top secret, 5 years; secret, 10 years; and confidential, 15 years.

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employment in certain positions.<sup>32</sup> For example, the Department of Justice conducts additional suitability checks to ensure applicants for jobs with the Drug Enforcement Agency have not used drugs. In addition, Health and Human Services conducts additional suitability investigations on applicants for jobs working with children. Similarly, the Intelligence Community requires a polygraph evaluation, among other things, to determine suitability for most positions.

In light of long-standing delays and backlogs in processing security clearances, Congress set goals and established requirements for improving the clearance process in the Intelligence Reform and Terrorism Prevention Act of 2004. In 2005, GAO designated DOD's personnel security clearance program as a high risk area.<sup>33</sup> As can be seen in figure 1, a number of steps have been taken to reform the process, including:

- **Role of the Office of Management and Budget in security clearance process.** In June 2005, the President issued an executive order as part of the administration's efforts to improve the security clearance process and implement the statutory clearance requirements in IRTPA.<sup>34</sup> This order tasked the Director of OMB with a variety of functions in order to ensure that agency processes relating to determining eligibility for access to classified national security information were appropriately uniform, centralized, efficient, effective, timely, and reciprocal. These actions included taking a lead role in preparing a November 2005 plan to improve the timeliness of personnel security clearance processes governmentwide.
- **Formation of the Joint Reform Team.** The Joint Security Process Reform Team, also known as the Joint Security and Suitability Reform Team or Joint Reform Team, formed in June 2007, was established by the

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<sup>32</sup>Determinations of suitability for government employment in positions in the competitive service and for career appointment in the Senior Executive Service include consideration of aspects of an individual's character or conduct that may have an impact on the integrity or efficiency of their service. Exec. Order No. 13467, *Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information*, at 1.2(I) (June 30, 2008) (citing 5 C.F.R. Part 731).

<sup>33</sup>[GAO-05-207](#); [GAO-07-310](#); and [GAO-09-271](#).

<sup>34</sup>Exec. Order No. 13381, *Strengthening Processes Relating to Determining Eligibility for Access to Classified National Security Information* (June 27, 2005). This order was revoked by Exec. Order No. 13467, *Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information* (June 30, 2008).

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Director of National Intelligence and Under Secretary of Defense for Intelligence through a memorandum of agreement to execute joint reform efforts to achieve IRTPA timeliness goals and improve the processes related to granting security clearances and determining suitability for government employment. Agencies included in this governmentwide reform effort are ODNI, DOD, OMB, and OPM. The Joint Reform Team continues to work on the reform effort under the Performance Accountability Council by providing progress reports, recommending research priorities, and overseeing the development and implementation of an information technology strategy, among other things. Since its formation, the Joint Reform Team under the Performance Accountability Council:

(1) Submitted an initial reform plan to the President on April 30, 2008. The plan proposed a new process for determining clearance eligibility that departs from the current system in a number of ways, including the use of a more sophisticated electronic application, a more flexible investigation process, and the establishment of ongoing evaluation procedures between formal clearance investigations. The report was updated in December 2008 to include an outline of reform progress and further plans.

(2) Issued an Enterprise Information Technology Strategy to support the reformed security and suitability process in March 2009. According to the report, the Joint Reform Team is pursuing an approach that leverages existing systems and capabilities, where applicable, and developing new tools where necessary.

- **Formation of the Performance Accountability Council.** Executive Order 13467 established the leadership structure for security and suitability reform headed by the Suitability and Security Clearance Performance Accountability Council as the entity responsible for aligning security and suitability, holding agencies accountable for implementation, and overseeing progress toward the reformed vision.<sup>35</sup> This executive order directed, among other things, that executive branch policies and procedures be aligned and use consistent standards, to the extent possible, for investigating and adjudicating whether an individual is (1) suitable for government employment, (2) fit to be a contract employee, or (3) eligible for access to classified information. The Performance

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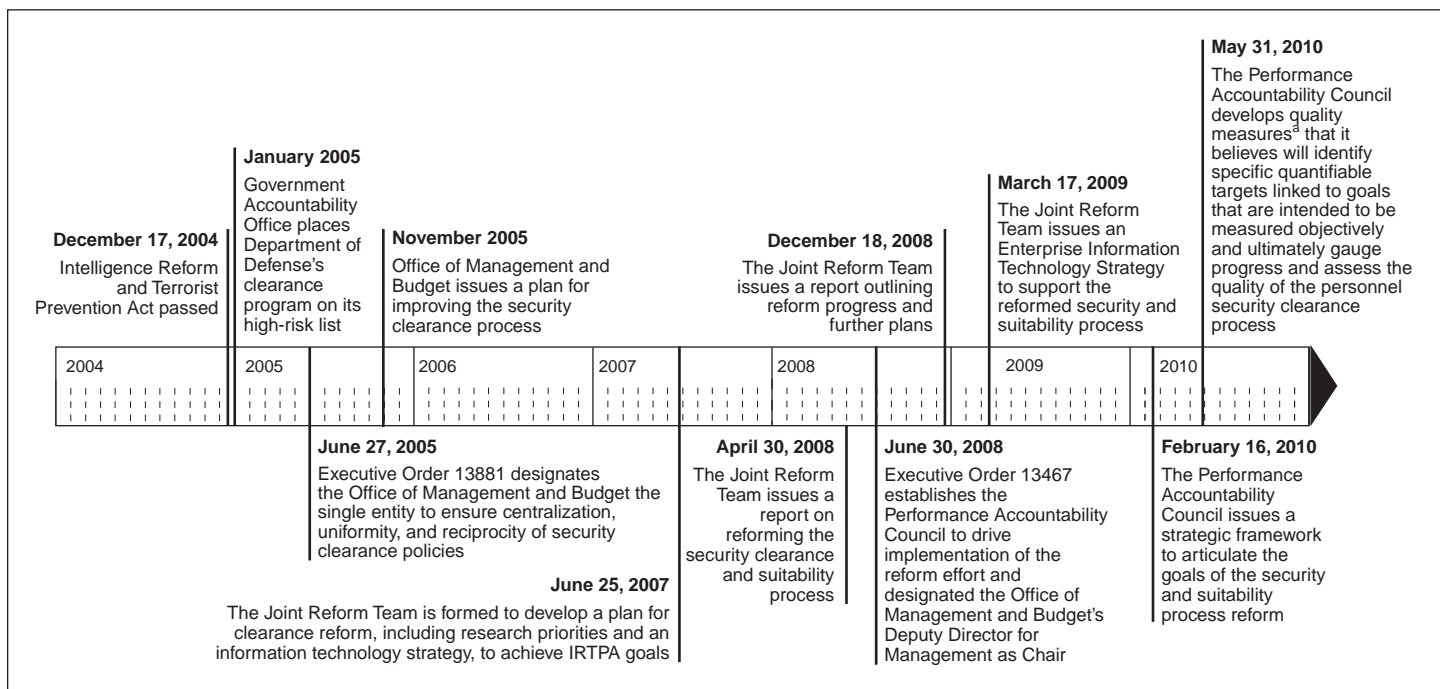
<sup>35</sup>Exec. Order No. 13467, *Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information* (June 30, 2008).

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Accountability Council is accountable to the President to achieve reform goals and also oversees newly designated Security and Suitability Executive Agents. The executive order designated the Director of National Intelligence as the Security Executive Agent, the Director of OPM as the Suitability Executive Agent, and the Deputy Director for Management at OMB as the chair of the council with the authority to designate officials from additional agencies to serve as members. The council currently comprises representatives from 11 executive agencies. In May 2010, the Performance Accountability Council proposed quality measures to address the different phases of the application process including validating need, e-application, investigation, and adjudication. The measures also include the responsible organization, population covered, collection method, and whether it is a current or future measure.

- **Strategic Framework.** The Performance Accountability Council issued a Strategic Framework in February 2010 to articulate the goals of the security and suitability process reform. The Strategic Framework sets forth a mission and strategic goals, performance measures, a communications strategy, roles and responsibilities, and metrics to measure the quality of security clearance investigations and adjudications.

**Figure 1: Key Events Related to the Security Clearance Reform Effort**



Source: GAO analysis.

<sup>a</sup>The Quality Measures are proposed measures.

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## Significant Overall Progress Has Been Made to Improve Timeliness, but Some Executive Agencies Continue to Face Challenges in Meeting Timeliness Objectives

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### Timeliness Varies Across Agencies

The government has reported that significant overall progress has been made to improve the investigation and adjudication of personnel security clearance applications in a timely manner. This is largely attributable to DOD, whose clearances comprise a vast majority of governmentwide initial clearances. IRTPA required the executive branch to develop a plan under which, to the extent practical, each authorized adjudicative agency would be required to make a determination on at least 90 percent of initial security clearances within an average of 60 days by December 17, 2009.<sup>36</sup> Within this 60-day period, IRTPA also includes periods of 40 days for investigations and 20 days for adjudications.<sup>37</sup> As can be seen in figure 2, according to the Performance Accountability Council's February 2010 annual report to Congress,<sup>38</sup> during the first quarter of fiscal year 2010, two agencies—the National Geospatial-Intelligence Agency and the National Reconnaissance Office—met the timeliness requirement for investigations, seven agencies—the Departments of Defense, Energy, Health and Human Services, the Defense Intelligence Agency, the National Security Agency, the Federal Bureau of Investigation, and the Department of State—met the

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<sup>36</sup>Pub. L. No. 108-458, §3001 (2004). IRTPA timeliness objectives apply only to initial personnel security clearances. Initial clearances involves cases in which individuals who enter positions in government or industry that require a clearance do not have a clearance or have not been granted reciprocity to honor a previously granted clearance.

<sup>37</sup>Effective December 17, 2009, this IRTPA objective replaced the IRTPA requirement that determinations on 80 percent of initial clearances be made within an average of 120 days or less (90 days for investigations and 30 days for adjudications).

<sup>38</sup>Performance Accountability Council, *Security and Suitability Process Reform Strategic Framework* (Washington, D.C.: February 2010).

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timeliness objectives for adjudications, and five agencies—the Department of Defense, Department of Energy, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, and the Department of State—met the 60-day IRTPA timeliness objective.<sup>39</sup> Furthermore, we found that one of the agencies included in our review—the National Geospatial-Intelligence Agency—met all of the IRTPA timeliness objectives for the second and third quarter, while the Defense Intelligence Agency met all of the IRTPA timeliness objectives in the second quarter and DOD, which comprises the vast majority of clearances, and the Federal Bureau of Investigation, met all of the IRTPA timeliness objectives in the third quarter of fiscal year 2010.

We also found that timeliness varied widely among executive branch agencies. During the first three quarters of fiscal year 2010, the average for the fastest 90 percent of cases adjudicated by the 14 agencies included in our review ranged from 22 to 96 days for investigation timeliness, 2 to 59 days for adjudication timeliness, and 30 to 154 days for IRTPA timeliness.<sup>40</sup> Agency officials that we spoke with largely attributed the wide variation between these agencies to variances in the adoption of information technology. According to OPM officials, timeliness varies for the agencies that use OPM as the investigative service provider due, in part, to differences in agency adoption of information technology, such as the e-QIP that speeds up investigation timeliness by providing OPM with more complete and better quality data earlier in the process.<sup>41</sup> With regard to adjudication timeliness, five of the agencies we included in our review have developed electronic delivery, electronic adjudication, or case

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<sup>39</sup>This analysis is based on the methodology used by the Performance Accountability Council that counts the fastest end-to-end cases based only on completed cases adjudicated by the respective agencies in the specified quarter of the fiscal year.

<sup>40</sup>According to DOD officials, DOD's system for tracking and reporting security clearance case information does not differentiate between initial secret/confidential clearances and renewal secret/confidential clearances. Therefore, the Performance Accountability Council timeliness reports on initial clearances include DOD secret/confidential renewal cases.

<sup>41</sup>Under Exec. Order No. 13467, *Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information*, sec. 2.3(c)(iv)) (June 30, 2008), the Director of National Intelligence, as the Security Executive Agent, has the authority to designate agencies to conduct investigations. Agencies are required to use OPM as the investigative service provider for initial clearances unless the Director of National Intelligence has provided them with delegated authority to conduct their own investigations.

management and workflow tools to improve timeliness, while others have not.

**Figure 2: Timeliness for the First Three Quarters of Fiscal Year 2010: Average of the Fastest 90 Percent of Initial Clearance Cases for Select Executive Branch Agencies**

		Investigations (40 days)			Adjudications (20 days)			Combined (60 days)		
		First quarter	Second quarter	Third quarter	First quarter	Second quarter	Third quarter	First quarter	Second quarter	Third quarter
No delegated authority <sup>a</sup>	Department of Defense <sup>b</sup>	42 days	45 days	✓	✓	✓	✓	✓	✓	✓
	Department of Homeland Security	48 days	51 days	49 days	48 days	59 days	57 days	96 days	110 days	106 days
	Department of Energy	47 days	45 days	44 days	✓	✓	✓	✓	✓	✓
	Department of Justice	60 days	68 days	63 days	42 days	44 days	28 days	102 days	112 days	91 days
	Department of the Treasury	54 days	56 days	52 days	54 days	27 days	46 days	108 days	83 days	98 days
	Department of Health and Human Services	52 days	53 days	47 days	✓	✓	✓	65 days	70 days	✓
	Department of Veterans Affairs	54 days	78 days	70 days	31 days	✓	26 days	85 days	93 days	96 days
Delegated authority <sup>a</sup>	Defense Intelligence Agency	55 days	✓	49 days	✓	✓	29 days	64 days	✓	78 days
	National Security Agency <sup>c</sup>	70 days	59 days	49 days	✓	✓	✓	80 days	68 days	✓
	National Geospatial-Intelligence Agency	✓	✓	✓	31 days	✓	✓	✓	✓	✓
	Central Intelligence Agency	78 days	85 days	96 days	49 days	47 days	58 days	127 days	132 days	154 days
	Federal Bureau of Investigations	76 days	75 days	✓	✓	✓	✓	82 days	78 days	✓
	National Reconnaissance Office	✓	✓	✓	31 days	58 days	36 days	✓	85 days	62 days
	Department of State	43 days	47 days	48 days	✓	✓	✓	✓	64 days	✓

Source: Performance Accountability Council data.



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Note: The data provided by the Performance Accountability Council was provided in August 2010. We assessed the reliability of the data and determined that the data are sufficiently reliable for the purposes of our report.

<sup>a</sup>Agencies without delegated authority rely on OPM to conduct their background investigations while agencies with delegated authority have been authorized to conduct their own background investigations. As such, timeliness data for agencies without delegated authority is a reflection of OPM's timeliness.

<sup>b</sup>DOD cases account for a vast majority of clearances. The Performance Accountability Council timeliness reports on initial clearances include DOD secret/confidential renewal cases. A prior GAO review and OPM officials' estimates of DOD clearance timeliness in fiscal year 2009 indicated that confidential and secret level clearances, whether initial or renewal, generally took the same amount of time to investigate. Furthermore, the Defense Personnel Security Research Center—a Department of Defense entity dedicated to improving the effectiveness, efficiency, and fairness of the DOD personnel security system—issued a working paper that showed that average adjudication timeliness did not substantially differ between initial and renewal secret clearance cases for DOD using first, second, and third quarter data for fiscal year 2008.

<sup>c</sup>According to National Security Agency officials, due to the nature of the National Security Agency's initiation and investigation requirements, reported investigation times include additional steps, such as suitability determination investigations.

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## Agencies Have Made Efforts to Improve Timeliness for Processing Security Clearances

The requirements established by IRTPA have resulted in a governmentwide focus on improving the timeliness of initial security clearances through the Performance Accountability Council. In addition, several of the agency officials with whom we spoke reported that their agencies prioritize timeliness for security clearances. For example, several agency officials noted that the passage of IRTPA was an important factor leading to continued senior level leadership commitment, involvement, and oversight over timeliness reform through the Performance Accountability Council. Moreover, IRTPA's annual reporting requirements have provided more information about agency timeliness to Congress, allowing for more oversight and increasing transparency and accountability. However, IRTPA does not set timeliness requirements for suitability determinations, Homeland Security Presidential Directive-12 investigations,<sup>42</sup> and security clearance renewals. According to agency officials we spoke to, their agencies often prioritize initial security clearances for processing.

Governmentwide efforts to improve the timeliness of personnel security clearance processing have focused on technology solutions. For example, the Joint Reform Team and the Performance Accountability Council have encouraged agencies to utilize information technology solutions, such as e-QIP, electronic delivery, and electronic adjudication capabilities to

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<sup>42</sup>Homeland Security Presidential Directive-12 (HSPD-12), *Policies for a Common Identification Standard for Federal Employees and Contractors* (August 27, 2004).

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enhance automation.<sup>43</sup> E-QIP facilitates more complete collection of a subject's information upfront in the process and reduces errors, which lowers, on average, the time it takes for investigators to clarify the information provided. Electronic delivery reduces the adjudicative phase by eliminating delays in receiving investigative reports related to mail and courier services, such as the need at certain agencies to irradiate all incoming mail. Electronic adjudication systems use automation to review investigative reports for missing information and adjudicate the cases, under certain conditions, within seconds. Agency officials indicated that as agencies have adopted these capabilities, timeliness improved. In addition, OPM, which performs approximately 94 percent of initial clearance investigations for the federal government, has also taken steps to improve timeliness. For example, according to OPM officials, OPM also made information technology enhancements to improve its processes, such as enabling electronic delivery.

Aside from these governmentwide efforts, some agency officials stated that their agencies have taken steps to improve adjudication timeliness. DOD, for example, developed and implemented an electronic case management system—the Clearance Adjudication Tracking System—within several of its Central Adjudication Facilities.<sup>44</sup> In 2009, the Army began electronically adjudicating secret clearances through the Clearance Adjudication Tracking System, which was a significant factor in improving the Army's adjudicative average timeliness. For example, according to the Performance Accountability Council's Strategic Framework, the average of the fastest 90 percent of initial clearance adjudications for the Army fell from 187 days in the second quarter of fiscal year 2009 to 10 days in the first quarter of fiscal year 2010. The Department of Energy also took steps to enhance timeliness. For example, in addition to utilizing electronic delivery and e-QIP, the Department of Energy developed corrective action

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<sup>43</sup>Electronic delivery systems enable investigative service providers to electronically transmit completed investigative files to adjudicative agencies. Electronic adjudication capabilities determine if the subject meets the adjudicative guidelines based on investigative reports. These capabilities enable adjudicative determinations for cases that do not contain issues that may affect an individual's eligibility to access classified information or systems to be made. Currently, electronic adjudication systems are only approved to adjudicate secret or confidential clearance cases.

<sup>44</sup>Case management workflow tools, such as DOD's Case Adjudication Tracking System, are used by adjudicators to document the completeness of investigative files, manage the adjudication process, and document decisions made and actions taken regarding a case. The Clearance Adjudication Tracking System provides both electronic delivery and electronic adjudication capabilities.

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plans, implemented case prioritization procedures, and created a tiered adjudication structure to clear easier cases quickly while utilizing a complex case review board to address complex cases in a timely manner. In addition, the Department of Energy built timeliness performance into adjudicator evaluations, reduced the number of people involved with deciding cases, and increased manpower to meet workload requirements.

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### Agencies Continue to Face Several Challenges to Meeting Timeliness Objectives

Despite the actions that have been taken to improve timeliness, agency officials with whom we spoke identified several remaining challenges to meeting IRTPA's timeliness objectives. These challenges include agency-specific issues, such as resource constraints and manpower limitations. For example:

- **Resource constraints** are a limiting factor for several agencies in implementing certain information technology capabilities, such as electronic delivery, case management, and workflow tools. For example, Defense Intelligence Agency officials indicated that they are constrained in implementing a key information technology that provides electronic delivery, case management, and workflow tool capabilities. Furthermore, some agencies, especially those with relatively small clearance caseloads, find it difficult to justify large investments to develop and implement information technology systems.
- **Personnel limitations**, such as personnel shortages or increased workloads, were also identified by several agency officials as an ongoing challenge. Some agency officials stated that their agencies already have or expect to experience personnel shortages. For example, officials from the Department of Homeland Security stated that a lack of resources is the primary issue for not meeting the timeliness objectives, but the Department of Homeland Security headquarters is currently backfilling 10 vacant adjudicator positions, which should help to alleviate the problem. In addition, some agency officials stated that their agency staff is subject to workload increases, such as periods of increased agency hiring, spikes in security clearance renewal cases, or additional duties related to corollary requirements. For example, in 2008, Homeland Security Presidential Directive-12 directed the implementation of a common governmentwide identification standard for federal employees and contractors, under which federal agencies have been required to begin issuing common identification and access badges for all individuals, including contractors, who need access to government facilities or computer networks. These badge requirements, while different from those required for security clearances, expanded the pool of staff needing investigations and adjudicative determinations. These issues are

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particularly challenging in places where staff already perform clearance processes as a collateral duty.

We found other challenges to meeting timeliness objectives that were the result of systemic issues involving interagency and intergovernmental activities. Agencies are often unable to control certain processes in order to meet timeliness objectives when they are dependent on information or action from other governmental entities. For example:

- **Information-sharing** between agencies is an ongoing challenge that can manifest itself in several ways. First, investigative agencies are not in direct control of the timeliness and completeness of Federal Bureau of Investigation, state, and local law enforcement fingerprint and criminal investigation checks. For example, the results of Federal Bureau of Investigation criminal investigation checks often are returned with a classification listed as “No Pertinent,” which indicates that there is no pertinent information relevant to making a clearance eligibility determination. Some agency officials with whom we spoke indicated that this type of response leaves adjudicators with incomplete information due to the potential that the designation is either the result of a subjective judgment from an outside party as to what they believe is relevant information or a placeholder to indicate that more information is potentially available, but pending or not releasable. Second, officials said the lack of digitization of records at certain federal, state, and local agencies can be a challenge to gathering information for timely completion of investigations and adjudicative decisions. When personnel files, for example, are not stored, catalogued, and made searchable through electronic means, agencies are limited by manual checks. Finally, delays and incomplete information may occur in obtaining information from intelligence agencies. For example, some agency officials with whom we spoke stated that since they do not have direct access to clearance-related information and databases for agencies in the Intelligence Community, they rely upon manual requests for information.
- **Investigation services quality and cost** is an ongoing challenge to meeting timeliness objectives, according to agencies officials. For example, officials representing the Departments of Homeland Security, Energy, the Treasury, Justice, and four DOD component agencies<sup>45</sup> that

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<sup>45</sup>These DOD component agencies include the Joint Chiefs of Staff, Army, Navy, and the Defense Office of Hearings and Appeals. The Defense Intelligence Agency, who adjudicates certain cases for the Joint Chiefs of Staff and Washington Headquarters Services, provided similar comments.

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utilize OPM as their investigative service provider cited challenges related to deficient investigative reports as a factor that slows agencies' abilities to make adjudicative decisions. The quality and completeness of investigative reports directly affects adjudicator workloads, including whether additional steps are required before adjudications can be made, as well as agency costs. For example, some agency officials we spoke with noted that OPM investigative reports do not include complete copies of associated police reports and criminal record checks. According to ODNI and OPM officials, OPM investigators provide a summary of police and criminal reports and assert that there is no policy requiring inclusion of copies of the original records. However, ODNI officials also stated that adjudicators may want or need entire records as critical elements may be left out. For example, according to Defense Office of Hearings and Appeals officials, in one case, an investigator's summary of a police report incorrectly identified the subject as a thief when the subject was actually the victim. If the Defense Office of Hearings and Appeals had access to actual police documents, officials believe the adjudication process would be more efficient. We noted in our prior work that documentation was incomplete for most OPM-provided investigative reports based on independent review of about 3,500 investigative reports.<sup>46</sup> We also noted in our previous work that incomplete investigative documentation may lead to increases in the time it takes to complete the clearance process and the overall costs of the process.<sup>47</sup> Several agency officials stated that in order to avoid further costs or delays they often choose to perform additional steps internally to obtain missing information, clarify or explain issues identified in investigative reports, or gather evidence for issue resolution or mitigation.

Finally, a significant challenge to meeting timeliness objectives specific to Intelligence Community agencies involve addressing the requirements that are unique to these agencies. For example, since most positions in Intelligence Community agencies require top secret clearances with Sensitive Compartmented Information access, intelligence agencies rely almost exclusively on Single Scope Background Investigations that are required for these types of clearances. These investigations have higher requirements for the types and numbers of sources of information required compared to investigations for secret or confidential clearances. According to agency officials, these higher requirements take longer, on average, to investigate and adjudicate. In addition, timeliness for

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<sup>46</sup>GAO-09-400.

<sup>47</sup>GAO-09-400.

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intelligence agencies is often complicated by the unique issues presented by extensive suitability determination processes and precise conditions of employment that may include medical exams, psychological evaluations, drug testing, and polygraph exams. Polygraph exams, for example, may generate additional leads that require further investigative work. Moreover, agency officials also stated that scheduling a polygraph with an individual, especially if they live far from agency offices, may add months to investigation timelines.

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**Performance  
Accountability Council  
Has Not Reported on  
Impediments to Meeting  
Timeliness Objectives or  
Plans to Address  
Impediments**

While the Performance Accountability Council, responsible for driving implementation of the reform effort and ensuring accountability, has taken steps to assist in implementation of reform efforts, it has not reported on the impediments to meeting timeliness objectives or plans to address impediments. IRTPA's security clearance reform provision requires annual reports to the appropriate congressional committees—through 2011—on the progress made during the preceding year toward meeting its requirements, including timeliness data and a discussion of any impediments to the smooth and timely functioning of its requirements. However, in its most recent report to Congress, the Performance Accountability Council did not provide information on the impediments agencies face in meeting timeliness objectives or plans to address impediments. While the Office of the Director of National Intelligence, in its capacity as Security Executive Agent, has performed a limited number of oversight audits, according to officials at four agencies we met with, the Performance Accountability Council has not met with them to identify the impediments to meeting the timeliness objectives. The Performance Accountability Council has focused its efforts on DOD in part due to DOD's security clearance program's designation as one of GAO's high-risk areas, as well as the fact that DOD clearances comprise the overwhelming majority of initial clearance cases that are processed annually. We found that due to the relative size of DOD's clearance program, DOD's progress towards meeting IRTPA's timeliness objectives is a significant factor in reducing the average time required for initial security clearance processing for the government as a whole. Furthermore, Performance Accountability Council officials stated that they will begin conducting one-on-one meetings with individual agencies in September 2010 to enhance communication, assist in implementation planning, and provide a feedback mechanism for agency stakeholders to communicate information and needs to the Joint Reform Team.

The Performance Accountability Council is in a position to identify certain trends and commonalities, such as those challenges related to resource

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constraints, manpower limitations, information-sharing, investigation services quality and cost, and Intelligence Community specific issues. However, absent complete reporting on the impediments on meeting timeliness objectives, Congress may not have visibility over agency compliance and decision makers may not have a complete picture of the progress made or the impediments to meeting timeliness objectives. This potential lack of agency transparency and accountability may impact continued efforts to improve timeliness and prevent scrutiny over agencies that are not meeting timeliness objectives.

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## Executive Agencies Often Grant Reciprocity, Although Challenges Exist to Measuring and Tracking Reciprocity

### Executive Agency Officials Reported That They Routinely Honor Another Agency's Security Clearance, but Additional Steps May Be Taken before Granting Reciprocity

Officials representing executive branch agencies, including those within the Intelligence Community, stated that they routinely grant reciprocity (i.e., accept a background investigation or clearance determination completed by another authorized investigative or adjudicative agency). IRTPA generally requires that all security clearance investigations and determinations be accepted by all agencies, with limited exceptions when necessary for national security purposes. We have reported in the past that, according to the government's plan for addressing problems in the personnel security clearance process, security clearances are not fully accepted governmentwide.<sup>48</sup> A recent congressional committee report also suggests that even among the elements of the Intelligence Community, there are impediments and sometimes lengthy delays in granting clearances to employees detailed from one agency to another.<sup>49</sup> However, in October 2008, the ODNI issued guidance on the reciprocity of personnel

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<sup>48</sup>GAO, *DOD Personnel Clearances: Government Plan Addresses Some Longstanding Problems with DOD's Program, But Concerns Remain*, [GAO-06-233T](#) (Washington, D.C.: Nov. 9, 2005).

<sup>49</sup>H.R. Rep. No. 110-916 (2008).

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security clearances.<sup>50</sup> The guidance requires, except in limited circumstances, that all Intelligence Community elements “accept all in-scope security clearance or access determinations.” Further, OMB guidance<sup>51</sup> requires agencies to honor a clearance when: (1) the prior clearance was not granted on an interim or temporary basis, (2) the prior clearance investigation is current and in-scope,<sup>52</sup> (3) there is no new derogatory information, and (4) there are no conditions, deviations, waivers, or unsatisfied additional requirements (such as polygraphs) if the individual is being considered for access to highly sensitive programs.<sup>53</sup> Moreover, officials representing two agencies in our review noted that it is in their best interest to accept a prior clearance because reciprocity saves time, money, or manpower.

Although officials agreed that they routinely honor another agency’s security clearance, we found that some agencies find it necessary to take additional steps to address limitations with available information. Officials representing 18 of the 21 organizations we met with to discuss reciprocity reported that they must address limitations, such as insufficient information in the databases or variances in the scope of investigations, before granting reciprocity. For example:

- **Insufficient information.** Although there is no single, integrated database, security clearance information is shared between OPM, DOD,

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<sup>50</sup>ODNI, Intelligence Community Policy Guidance 704.4, *Reciprocity of Personnel Security Clearance and Access Determinations* (Oct. 2, 2008).

<sup>51</sup>Office of Management and Budget, *Memorandum for Deputies of Executive Departments and Agencies: Reciprocal Recognition of Existing Personnel Security Clearances* (Dec. 12, 2005); Office of Management and Budget, *Memorandum for Deputies of Executive Departments and Agencies: Reciprocal Recognition of Existing Personnel Security Clearances* (July 17, 2006).

<sup>52</sup>Intelligence Community Standard 2008-700-1 defines scope as the time period to be covered and the sources of information to be contacted during the prescribed course of a personnel security investigation. OMB considers significant scope deficiencies to be deviations. Therefore, agencies are not required to honor a previous clearance that is not “in-scope”. Furthermore, challenges identified in this section of the report may not apply to “out-of-scope” clearances.

<sup>53</sup>According to Intelligence Community Policy Guidance Number 704.4, conditions, deviations, and waivers are defined as: (1) condition: access eligibility granted or continued with the provision that additional security measures shall be required; (2) deviation: access eligibility granted or continued despite either a significant gap in coverage or scope in the investigation or an out-of-date investigation; (3) waiver: access eligibility granted or continued despite the presence of substantial issue information that would normally preclude access.



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and, to some extent, Intelligence Community databases. OPM has taken steps to ensure certain clearance data necessary for reciprocity is available to adjudicators. For example, in April 2010, OPM held an interagency meeting to determine new data fields to include in their shared database to more fully support reciprocity. However, we found that the shared information available to adjudicators contains summary-level detail that may not be complete. As a result, agencies may take steps to obtain additional information, which creates challenges to immediately granting reciprocity. For example, to accept a clearance granted by an intelligence agency, a non-intelligence agency must access information from the intelligence agencies' Scattered Castles database. However, according to officials representing the Department of the Treasury, the Department of Justice, and the Joint Chiefs of Staff, the Scattered Castles database does not always provide enough detail to immediately grant reciprocity. According to these officials, the Scattered Castles summary screen is not detailed enough or does not include key information, such as the steps taken to mitigate negative issues. As a result, additional information, such as copies of the original background investigation, must be sought directly from intelligence agencies to verify and provide supporting detail to the information available in Scattered Castles. Similarly, to accept a clearance granted by a non-intelligence agency, an intelligence agency must access information from non-intelligence agency databases. Officials representing Intelligence Community agencies with whom we spoke noted, for example, that they must contact DOD to determine if an actual clearance was granted and verify the current status of the applicant because such detail is not available in DOD's Joint Personnel Adjudication System. Similarly, officials representing the Department of Justice told us that while OPM's Central Verification System shows the existence of conditions, deviations, and waivers, Department of Justice officials follow up as appropriate with the agency that granted the clearance.

- **Variances in the scope of investigations.** We found that the scope of background investigations varies by level of clearance, which may lead to duplicative work. For example, a person with a secret-level clearance may have had one of several types of background investigations and the scope of the background investigation may vary depending on the type of clearance sought. Further, officials from two agencies we spoke with told us that they typically require a certain type of background investigation and when a subject's clearance is based on a different type of investigation, they may take additional steps to fill in the missing gaps to ensure the scope is consistent with their expectations. Officials representing other agencies included in our review told us that when the subject's existing background investigation is different from the required

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investigation type, the agency will request a new background investigation. For example, officials at one agency stated that positions of public trust sometimes have higher suitability information requirements than information available from confidential/secret background investigations. Similarly, officials at another agency stated that because there are two types of investigations for secret/confidential clearances based on whether the person is military or contractor or government civilian, the agency may not be able to accept an investigation if it is the wrong one for that particular position. When an entirely new investigation is performed, we found that the current system may lead to duplicative work, limiting reciprocity. In a 2008 report to the President, the Joint Reform Team, under the Performance Accountability Council, proposed revised investigative standards to, among other things, reduce the types of initial investigations from 15 to 3.<sup>54</sup> While originally planned for release in December 2010, the Performance Accountability Council extended plans to issue a new version of the revised Federal Investigative Standards to calendar year 2011.

In addition to addressing limitations with available information, agency officials identified broader challenges to granting reciprocity. Officials representing 14 of the 21 agencies included in our review of reciprocity reported that challenges, such as the need to conduct suitability determinations or determine whether a prior clearance investigation and adjudication meets their quality expectations, must be addressed before granting reciprocity. For example:

- **Conducting suitability determinations.** All federal agencies may be required to conduct basic suitability determinations to ensure the applicant's character or conduct is appropriate for the position in question, but some agencies take additional actions to determine suitability before they reciprocate a security clearance. For example, the Department of Justice must take steps to ensure that applicants for jobs with the Drug Enforcement Administration have not used drugs, according to agency officials. Similarly, the Intelligence Community requires a polygraph evaluation, among other things, to determine suitability for most positions, according to intelligence officials. We also found that agencies have varying standards for determining suitability of applicants before reciprocating a security clearance. For example, Department of Health and Human Services officials said they will not accept a prior security clearance until it makes a favorable determination of suitability.

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<sup>54</sup>Joint Security and Suitability Reform Team, *Security and Suitability Process Reform* (December 2008).

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Similarly, the Department of Justice will only accept another agency's clearance and hire the applicant on a probationary period pending a favorable suitability determination. As a result of the variances in determining suitability, OPM, as the Suitability Executive Agent for all executive agencies, and the Joint Reform Team have issued guidance in line with Executive Order 13488, which mandates, to the extent practicable and with certain exceptions, reciprocal recognition of prior favorable suitability determinations.<sup>55</sup> For example, OPM issued a memorandum for the Heads of Executive Departments and Agencies that explains how to implement the Executive Order.<sup>56</sup>

- **Determining whether a prior clearance investigation and adjudication meets standards.** Most agency officials we spoke with stated that since there is no governmentwide standardized training and certification process for investigators and adjudicators, a subject's prior clearance investigation and adjudication may not meet the standards of the inquiring agency. Although OPM has developed some training, security clearance investigators and adjudicators are not required to complete a certain type or number of classes. As a result, the extent to which investigators and adjudicators receive training varies by agency. For example, according to ODNI officials, all DOD adjudicators working at DOD Central Adjudication Facilities must take a basic 2-week adjudicator course and subsequently the 1-week advanced course after some time on the job. However, according to officials we spoke with, the Air Force has an additional requirement for adjudicators to attend a 3-week training course while the Defense Industrial Security Clearance Office relies on on-the-job training. Other agencies have different requirements. For example, the Department of Energy relies on a mandatory annual security refresher. Consequently, as we have previously reported, agencies are reluctant to be accountable for investigations and/or adjudications conducted by other agencies or organizations.<sup>57</sup> To achieve fuller reciprocity, clearance-granting agencies seek to have confidence in the quality of prior investigations and adjudications. The annual reports to Congress indicate

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<sup>55</sup>Exec. Order No. 13488, *Granting Reciprocity on Excepted Service and Federal Contractor Employee Fitness and Reinvestigating Individuals in Positions of Public Trust* (Jan. 16, 2009).

<sup>56</sup>Memorandum from John Berry, Director, Office of Personnel Management, to Heads of Executive Departments and Agencies, *Guidance on Implementing Executive Order 13488: Granting Reciprocity on Excepted Service and Federal Contractor Employee Fitness and Reinvestigating Individuals in Positions of Public Trust* (Sept. 24, 2009).

<sup>57</sup>[GAO-08-352T](#)

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that the Performance Accountability Council is taking steps to make investigations and adjudications more consistent across the government by standardizing the training of investigators and adjudicators.<sup>58</sup> For example, the reports describe the development of core courses, as well as a formalized certification for investigators and adjudicators. According to senior leaders of the reform effort, these steps will facilitate reciprocal acceptance of clearance decisions governmentwide.

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**In the Absence of Consistent Metrics and Reporting Requirements, the Extent to Which Reciprocity Is Granted Is Unknown**

Although agency officials have stated that reciprocity is regularly granted, agencies do not have complete records on the extent to which previously granted security clearance investigations and adjudications are honored governmentwide. While the Performance Accountability Council has identified reciprocity as a governmentwide strategic goal, we found that agencies do not consistently and comprehensively track when reciprocity is granted, and lack a standard metric for tracking reciprocity. For example, Department of Justice and Department of Energy officials said they track both when reciprocity is granted and reasons for denying a previously granted security clearance, while Navy and Department of the Treasury officials said they only document when reciprocity is granted and not when reciprocity is denied. The Navy checks a box in its electronic database, and the Department of Energy and the Department of the Treasury manually track when reciprocity is honored. In contrast, the Army and Air Force do not track reciprocity at all, according to agency officials. Moreover, it is unclear the extent to which agencies that do track reciprocity are reporting the data to oversight agencies, such as ODNI, or sharing information on reciprocity with each other.<sup>59</sup>

OPM and the Performance Accountability Council have developed quality metrics for reciprocity, but the metrics do not measure the extent to which reciprocity is being granted. We previously reported that developing metrics for assessing and regularly monitoring all aspects of the clearance process could add value in current and future reform efforts as well as supply better information for greater congressional oversight.<sup>60</sup> While the existing metrics are a positive step, more is needed to comprehensively

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<sup>58</sup> [GAO-09-488](#).

<sup>59</sup> Executive Order 13467 established the Director of the National Intelligence as the Security Executive Agent and requires the ODNI to ensure reciprocal recognition of eligibility for access to classified information among the agencies.

<sup>60</sup> [GAO-08-352T](#)

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capture the extent to which reciprocity is being granted. For example, OPM created a metric in early 2009 to track reciprocity, but this metric measures limited information. OPM's metric measures the number of investigations requested from OPM that are rejected based on the existence of a previous investigation and does not track the number of cases in which reciprocity was or was not successfully honored. The Performance Accountability Council developed quality metrics, including metrics to track reciprocity, in response to a March 2010 congressional inquiry. For example, the Performance Accountability Council proposes as a metric the average percentage of cases for which prior database checks are conducted as reported by executive branch agencies. However, this metric does not account for agencies that checked other databases and relies on agency self-reporting rather than a systematic method of data collection. Although the metric helps to create an overall picture of reciprocity, it does not track which cases were and were not reciprocated. Similarly, the other metrics included in the Performance Accountability Council's proposal, such as the number of duplicate requests for investigations, percentage of applications submitted electronically, number of electronic applications submitted by applicant but rejected by OPM as unacceptable due to missing information or forms, and percentage of fingerprint submissions determined to be "unclassifiable" by the Federal Bureau of Investigation, provide useful information, but do not track the extent to which reciprocity is or is not ultimately honored.

Without comprehensive, standardized metrics to track reciprocity and consistent documentation of the findings, decision makers will not have a complete picture of the extent to which reciprocity is granted or the challenges that agencies face when attempting to honor previously granted security clearances

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## Although There Are No Plans to Develop a Single, Integrated Database, Steps Have Been Taken to Upgrade Existing Systems and Increase Information Sharing

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### The Executive Branch Has Opted to Leverage Existing Systems in Lieu of a Single, Integrated Database

Tasked with establishing a single, integrated database, the executive branch has opted to focus on leveraging existing systems rather than establish a new database. IRTPA required that not later than 12 months after the date of enactment of the act, the Director of the Office of Personnel Management and the Director of the Office of Management and Budget establish and commence operating and maintaining a single, integrated database of security clearance information. This database was to house information regarding the granting, denial, or revocation of security clearances or access pertaining to military, civilian, and contractor personnel, from all authorized investigative and adjudicative agencies.<sup>61</sup> Information from this database would be used to validate whether a person has or had a clearance, potentially including such information as the type of investigation that was conducted and the date of the investigation, thereby assisting responsible officials in determining whether a new investigation is required. However, the Performance Accountability Council is not pursuing a single, integrated database according to our analysis of a series of recent reports that the Joint Reform Team, under the Performance Accountability Council, issued between 2008 and 2010.<sup>62</sup> For example, according to the Enterprise Information Technology Strategy, the Performance Accountability Council has opted to pursue an approach that leverages existing systems and

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<sup>61</sup>Pub. L. No. 108-458, § 3001(e) (2004).

<sup>62</sup>Joint Security and Suitability Reform Team, *Security and Suitability Process Reform* (Washington, D.C.: April 2008 and updated December 2008); Joint Security and Suitability Reform Team, *Enterprise Information Technology Strategy* (Washington, D.C.: Mar. 17, 2009); and Performance Accountability Council, *Security and Suitability Process Reform: Strategic Framework* (Washington, D.C., February 2010).

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involves the development of new tools when necessary.<sup>63</sup> According to the Strategic Framework, which was included with the most recent annual report to Congress, the reform efforts are focused on leveraging OPM's existing system—the Central Verification System—to enable access to records on investigations and adjudications.<sup>64</sup> Agency officials from both OPM and ODNI confirmed that there are no plans to create a new single, integrated database. Instead, the focus will be on using a single search capability of existing databases as the means by which they intend to address the IRTPA requirement. According to an OPM official with whom we spoke, a single database would not provide any additional functionality over the single-search capability that they are pursuing.

OPM, DOD, and ODNI officials with whom we spoke explained that establishing, operating, and maintaining a single, integrated database is not a viable option due to concerns related to privacy, security, and data ownership. First, DOD and OPM mentioned privacy concerns, which involve the unintentional disclosure of personal identifying information, such as name and Social Security number.<sup>65</sup> Second, merging the different systems into one database raises security concerns. For example, according to an ODNI official, since the Intelligence Community's database is classified and separate from the databases used by non-intelligence agencies, even an aggregation of unclassified information from its database could lead to unintentional disclosure of personal identifying information that could compromise security. Moreover, breaches in the system could also compromise security. For example, some officials mentioned an enhanced threat from hackers if there were consolidation of multiple information technology systems. Finally, according to DOD officials, there are issues related to data ownership and the copying and transferring of information between systems that are owned by different agencies. For example, according to OPM officials, OPM can not provide information from investigations it did not conduct to another agency. When investigations are conducted by agencies with delegated authority,

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<sup>63</sup> Joint Security and Suitability Reform Team, *Enterprise Information Technology Strategy* (Washington, D.C., Mar. 17, 2009).

<sup>64</sup> Performance Accountability Council, *Security and Suitability Process Reform: Strategic Framework* (Washington, D.C., February 2010).

<sup>65</sup> According to OMB Memorandum M-07-16, dated May 22, 2007, "Personally Identifiable Information" refers to information which can be used to distinguish or trace an individual's identity (e.g., name, social security number, biometric records), alone or when combined with other personal or identifying information that is linked or linkable to a specific individual (e.g., date and place of birth, mother's maiden name).

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the reports are owned and maintained by the investigating agency. Requests for these investigative records must be referred to the owning agency.

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### Information from Two Primary Databases Can Be Accessed from a Single Entry Point

Although there are no plans to create a new governmentwide database, non-intelligence agencies in our review are sharing information about personnel who hold or are seeking security clearances through two main databases that can be accessed through a single entry point. Two primary databases are used by non-intelligence agencies to store investigative and adjudicative information and according to the Performance Accountability Council, they account for decisions on about 90 percent of all security clearance holders in the federal government. Data are stored in either OPM's Central Verification System or DOD's Joint Personnel Adjudication System. The Central Verification System includes security clearance data for all non-Intelligence Community, non-DOD executive branch agencies. The Joint Personnel Adjudication System is a repository for security clearance information on both DOD civilian and military personnel, as well as determinations of contractor clearance eligibility and access for the National Industrial Security Program. Data from the two databases can be searched and obtained from a single entry point in the Central Verification System.<sup>66</sup>

The Central Verification System was upgraded in spring 2010 and now provides access to more information than was previously accessible. Specifically, the upgraded system provides users with a summary of information on:

- **Characteristics of clearances reported to the system.** This summary includes information on active, inactive, and denied clearances, as well as information on whether there is a condition, deviation, or waiver.<sup>67</sup>

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<sup>66</sup> DOD data available through this single entry point includes name, Social Security number, date and type of investigation, and clearance eligibility.

<sup>67</sup> According to Intelligence Community Policy Guidance Number 704.4, conditions, deviations, and waivers are defined as (1) condition: access eligibility granted or continued with the provision that additional security measures shall be required; (2) deviation: access eligibility granted or continued despite either a significant gap in coverage or scope in the investigation or an out-of-date investigation; (3) waiver: access eligibility granted or continued despite the presence of substantial issue information that would normally preclude access.



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- **Characteristics of investigations reported to the system.** This summary includes information on pending, closed, and discontinued investigations, as well as requests that were deemed unacceptable due to inadequate or inaccurate information.
  - **Suitability and fitness.** This summary provides information on adjudication decisions for suitability for federal employees and fitness for excepted service and contract employee determinations.<sup>68</sup>
  - **Homeland Security Presidential Directive-12 Personal Identification Verification Credentials.**<sup>69</sup> This summary includes information on the status of credentials issued to the subject indicating whether the credentials are active, suspended, revoked, administratively withdrawn, or other.
  - **Polygraph data.** This summary includes information on the type of polygraph conducted, including Counter-Intelligence or Expanded Scope, but does not include results from examinations.<sup>70</sup>
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Intelligence Community Agencies Share Information through a Separate Database and Are Exploring Alternatives to Expand Information Sharing with Non-intelligence Agencies

According to ODNI officials and Intelligence Community Directive 704, the Intelligence Community agencies share information with one another through a separate classified database known as Scattered Castles. Scattered Castles is a repository for records from all intelligence agencies by which each agency uploads relevant information from individual agency databases. All personnel who have access to Sensitive Compartmented Information are listed in Scattered Castles. This system is not linked to OPM's Central Verification System due to concerns about protecting classified information. According to ODNI officials, the system has not been linked to non-intelligence databases due to the need to

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<sup>68</sup>OPM guidance for implementing Executive Order 13488 defines Excepted Service positions as those positions: (1) not in the competitive service; (2) not in the career senior executive service; (3) and not in the Intelligence Community unless covered by OPM appointing authorities.

<sup>69</sup>The Homeland Security Presidential Directive-12, issued on August 27, 2004, requires that United States government agencies collaborate to develop a federal standard for secure and reliable forms of identification for all U.S. government employees and contractors needing regular physical access to federal facilities.

<sup>70</sup>According to ODNI and DOD officials, Counter-Intelligence polygraphs address issues such as foreign contacts and media disclosure. Expanded Scope polygraphs address questions not reported on the application forms about criminal activity, computer misuse, and falsification of applications.

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protect information on covert personnel. However, officials representing Intelligence Community agencies stated that they do enter some information from the Joint Personnel Adjudication System into Scattered Castles.

Although the Intelligence Community maintains a separate database, we found that most of the non-intelligence agencies included in our review had some access to Scattered Castles. For example, five non-intelligence, non-DOD agencies included in our review had some access through a Sensitive Compartmented Information Facility located in their agency.<sup>71</sup> All of the military departments, as well as the Joint Chiefs of Staff, also had some access.<sup>72</sup> Moreover, according to agency officials, DOD adjudicators with the appropriate clearance and need to know will have access to a Sensitive Compartmented Information Facility with access to Scattered Castles when DOD collocates all of its clearance adjudication facilities at Fort Meade in Maryland as part of the DOD base realignment and closure process in 2011.

According to Performance Accountability Council officials, the Performance Accountability Council is participating in an effort to explore ways to enhance information sharing between the Intelligence Community agencies and the non-intelligence agencies. A working group has been established to study alternatives to support a single access point from which to search clearance information and plans to complete its review in December 2010. According to an ODNI official, alternatives currently being considered include a help desk staffed with employees from the Intelligence Community who would have access to the Joint Personnel Adjudication System, Central Verification System, and Scattered Castles and could, upon request, provide the results of Scattered Castles searches to non-Intelligence Community agencies.

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## Conclusions

Continued personnel security clearance reform relies on strong, committed executive leadership to sustain the momentum created by the current reform effort. This type of leadership commitment, in turn, helps

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<sup>71</sup>The non-intelligence, non-DOD agencies include the Department of Energy, Department of Justice, Department of the Treasury, Department of Homeland Security, Department of Health and Human Services, and Department of Veterans Affairs.

<sup>72</sup>Army Central Adjudication Facility officials said that their access was based on a case by case basis.

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provide oversight and accountability for the improvement processes. Key to these efforts has been the Performance Accountability Council, which has provided direction for clearance reform across the federal government. As a result of the Performance Accountability Council's actions, federal agencies have made progress in moving closer to the objectives and requirements outlined in IRTPA. Under the Performance Accountability Council's leadership, timeliness data—particularly at DOD—have improved, steps have been taken to improve information sharing, and there has been focus on honoring reciprocity of existing clearances. However, while agencies are moving closer to meeting the objectives and requirements of IRTPA, continued oversight and accountability for personnel security clearance reform is still needed. Specifically, executive branch agencies that are currently not meeting timeliness objectives may need help in identifying challenges and developing plans with appropriate timelines to overcome these obstacles. The recent activities undertaken by the Performance Accountability Council to assist the agencies in developing plans to implement the reformed approach is a step in the right direction. Continued reporting required by the Intelligence Authorization Act for Fiscal Year 2010 will also help ensure that momentum gained through the reform efforts will continue. However, without developing more comprehensive metrics to track reciprocity, executive branch agencies will not have a complete picture of the degree to which reciprocity is honored.

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## Recommendations for Executive Action

To improve the overall personnel security reform efforts across the federal government, we recommend that the Deputy Director of Management, Office of Management and Budget, in the capacity as Chair of the Performance Accountability Council, take the following actions:

- Collaborate with the agencies that are not meeting timeliness objectives to take the following five actions:
  - Identify challenges to timeliness;
  - Develop mitigation strategies to enable each agency to comply with the IRTPA timeliness objectives;
  - Set timelines for accomplishing the required actions;
  - Monitor agency progress; and

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- Report on these plans and progress in the annual reports to Congress.
  - Develop comprehensive metrics to track reciprocity and then report the findings from the expanded tracking to Congress.

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## Agency Comments and Our Evaluation

We provided a draft of our report to OMB, ODNI, and OPM. In response to this draft, we received oral comments from OMB and written comments from ODNI and OPM. All three agencies concurred with all of our recommendations. OMB, ODNI, DOD (through ODNI), and OPM also provided us with technical comments, which we incorporated in this report, as appropriate. ODNI and OPM's written comments are reprinted in their entirety in appendixes II and III, respectively.

In oral comments, OMB generally concurred with both of our recommendations directed to OMB's Deputy Director of Management in the capacity as Chair of the Performance Accountability Council. OMB noted the report's thoroughness and that it highlighted the significant progress that has been made to improve the timeliness of security clearance determinations. In response to our recommendations, OMB described some of the steps that the Performance Accountability Council was taking to address the recommendations. Regarding our first recommendation, OMB noted that the Performance Accountability Council was committed to the timeliness and reciprocity goals of IRTPA and that it was working with agencies currently not meeting the IRTPA timeliness goals by taking steps to assist these agencies. Regarding our second recommendation to develop additional performance measures to track reciprocity, OMB stated that the Performance Accountability Council is working to develop these additional metrics.

In written comments, ODNI and OPM both noted the significant overall progress that has been made in the reform efforts. Specifically, ODNI noted that DOD, with the majority of clearances, achieved timeliness goals for adjudications for fiscal year 2010. As we noted in our report, significant overall progress has been made, largely attributable to DOD because the department represents a vast majority of the initial clearances.

In agreeing with and providing comments related to our recommendations, ODNI described a number of ongoing and future actions related to our recommendations. For example, ODNI stated that it is working through the Joint Reform Team to assist executive agencies that are not meeting IRTPA objectives to develop mitigation strategies and will report these strategies to Congress in its February 2011 IRTPA Annual

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Report. Similarly, ODNI stated that it will continue to work with the Performance Accountability Council's Performance Management and Measures subcommittee to develop additional measures for reciprocity, timeliness, and quality, which will also be included in its annual report to Congress. We are encouraged to see a continued commitment by executive leaders of the security clearance reform effort and if implemented in accordance with our recommendations, the ODNI's actions appear to be a positive step in helping sustain the momentum of security clearance reform.

In addition to agreeing with our recommendations, OPM provided four specific comments:

- First, OPM provided comments on the timeliness data provided by the Performance Accountability Council that we used to frame agency compliance with IRTPA timeliness objectives. Specifically, OPM stated in its written comments that some of the Performance Accountability Council's timeliness data for the second and third quarters of fiscal year 2010 varies with the data that OPM collects and reports to the Performance Accountability Council. We acknowledge that in some instances there are discrepancies between the timeliness data provided by OPM and the timeliness data that the Performance Accountability Council provided to us. In some cases, OPM asserts that timeliness data for investigations is marginally better than reported by the Performance Accountability Council and in other instances, is marginally worse. However, none of the discrepancies reported by OPM affects our findings as it relates to agency compliance with IRTPA timeliness objectives for the period reported. Agencies we note in figure 2 continue to either meet or not meet the IRTPA timeliness goals. As we note in our methodology, for the purposes of this report, we ultimately selected and relied on data provided by the Performance Accountability Council's Subcommittee on Performance Management and Measures. The Performance Accountability Council is responsible for collecting and reporting agency timeliness data to Congress and providing oversight to agencies regarding the timeliness of personnel security clearance processes. The data were provided by the Performance Accountability Council in August 2010. We conducted a series of data reliability interviews with knowledgeable officials with the Performance Accountability Council's subcommittee and concluded that the data provided were sufficiently reliable for our purposes.
- Second, OPM also provided comments related to a section of our report on investigation services quality and cost. Specifically, OPM noted in its comments that they felt some policies are ambiguous and that there are customer misperceptions of the sufficiency of OPM investigations.

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Further, OPM noted that there is no policy requiring police and criminal records to be included in its investigative reports. The ODNI provided a similar technical comment and we made changes, as appropriate, to reflect this point. However, related to OPM's comment on agency misperception of the sufficiency of OPM investigations, we spoke with, and note in our report, several agencies stated challenges related to deficient investigative reports provided by OPM. According to these agencies—including DOD, which constitutes the vast majority of personnel security clearances in the federal government—the deficiencies in investigative reports slows their agencies ability to make adjudicative decisions. In fact, as we note in this report and based on our prior work, documentation was incomplete for most OPM-provided investigative reports based on independent review of about 3,500 investigative reports provided to DOD.<sup>73</sup>

- Third, OPM suggested modifications to our discussion of quality metrics on reciprocity. In its comments, OPM noted that some of the metrics may have been developed prior to the Performance Accountability Council's response to a March 2010 congressional inquiry. We disagree with OPM's characterization of the accuracy of this section and its suggested modification for two reasons: 1) the Performance Accountability Council submitted proposed metrics to congress in May 2010 in response to the congressional inquiry we already note. Our evidence is derived from this letter to congress for which the Performance Accountability Council—including OPM—and GAO are signatories; and 2) OMB, in its capacity as chair of the Performance Accountability Council, stated in its technical comments that referring to the proposed metrics as originating from the Performance Accountability Council was appropriate.
- Finally, OPM noted in its comments pertaining to data ownership, that OPM can not provide information from investigations it did not conduct to another agency it did not own. Instead, OPM noted that requests for these investigative records must be referred to the owning agency. As a result, we incorporated changes based on this comment as appropriate.

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As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 12 days from the report date. We will then send copies of this report to the Senate Appropriations Committee, Senate Committee on Homeland Security and Governmental Affairs, Senate Select Committee on Intelligence, Senate Armed Services Committee, House Appropriations Committee, House

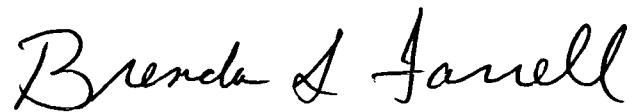
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<sup>73</sup> [GAO-09-400](#).

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Oversight and Government Reform Committee, and House Armed Services Committee and to members of the Performance Accountability Council, including the Director of the Office of Management and Budget, Office of the Director of National Intelligence, Secretary of the Department of Defense, and the Director of the Office of Personnel Management. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-3604 or [farrellb@gao.gov](mailto:farrellb@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix IV.

A handwritten signature in black ink that reads "Brenda S. Farrell". The signature is written in a cursive, flowing style.

Brenda S. Farrell  
Director, Defense Capabilities and Management

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# Appendix I: Scope and Methodology

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## Scope

In conducting our review of the ongoing efforts to reform the personnel security clearance process, the scope of work included the Office of Personnel Management (OPM), the Department of Defense (DOD), and the Office of the Director of National Intelligence (ODNI) as members of the Performance Accountability Council. Our review included select members of the Intelligence Community, including the Under Secretary of Defense for Intelligence, the Central Intelligence Agency, Defense Intelligence Agency, Federal Bureau of Investigation, National Geospatial-Intelligence Agency, National Reconnaissance Office, National Security Agency, and the Department of State. Our review also included six additional executive branch agencies, including the Departments of Energy, Health and Human Services, Homeland Security, Justice, the Treasury, and Veterans Affairs. These agencies were selected based on the volume of initial personnel security clearances they process per year for civilians, military, and industrial personnel, and their use of OPM to conduct background investigations.

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## Methodology

To assess the overall personnel security clearance reform efforts, as well as each of our objectives, we obtained relevant documentation and interviewed key federal officials from the following organizations:

- Office of Personnel Management;
- The Department of Defense;
- The Office of the Under Secretary of Defense for Intelligence,
- Department of the Army, Central Clearance Facility,
- Department of the Navy Central Adjudication Facility,
- Department of the Air Force Central Adjudication Facility,
- Defense Industrial Security Clearance Office Central Adjudication Facility,
- Defense Intelligence Agency,
- National Security Agency,
- Defense Office of Hearings and Appeals,



- Defense Personnel Security Research Center,
- Business Transformation Agency,
- Joint Chiefs of Staff, and
- Washington Headquarters Services.
- Office of the Director of National Intelligence;
- Department of Energy;
- Department of Health and Human Services;
- Department of Homeland Security;
- Department of Justice;
- Department of the Treasury; and
- Department of Veterans Affairs.

We conducted a roundtable discussion with members of the Intelligence Community, including officials from the Office of the Director of National Intelligence, the Under Secretary of Defense for Intelligence, the Central Intelligence Agency, Defense Intelligence Agency, Federal Bureau of Investigation, National Geospatial-Intelligence Agency, National Reconnaissance Office, National Security Agency, and the Department of State to discuss broader challenges the Intelligence Community faces regarding timeliness, information sharing, and reciprocity.

To assess the extent to which executive branch agencies investigate and adjudicate initial personnel security clearance applications in a timely manner, we analyzed the timeliness objectives specified in the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA) and reviewed the self-reported timeliness data contained in the Performance Accountability Council's Security and Suitability Process Reform Strategic Framework<sup>1</sup> provided by the Performance Accountability Council Subcommittee on Performance Management and Measures for the first three quarters of

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<sup>1</sup>Performance Accountability Council, *Security and Suitability Process Reform Strategic Framework* (Washington, D.C.: February 2010).

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fiscal year 2010. The data provided by the Performance Accountability Council was provided in August 2010. Further, we obtained and reviewed timeliness data provided by OPM for agencies that utilize OPM as the investigative service provider for the first three quarters of fiscal year 2010. While IRTPA sets timeliness objectives for 90 percent of cases, the Performance Accountability Council excludes certain cases from its analysis before calculating and reporting on agency timeliness. For example, OPM officials stated that cases that are returned to OPM for additional work, such as work to address missing scope items, are excluded from timeliness data. Due to the additional investigative work involved with these cases and the additional time required for agencies to negotiate the terms of the requests, these cases take longer to complete. Furthermore, the Performance Accountability Council excludes certain cases involving industrial personnel. DOD's Defense Industrial Security Clearance Office adjudicates clearances for industrial personnel. When the Defense Industrial Security Clearance Office cannot mitigate issues and has decided that a denial or revocation is warranted, they submit the cases to the Defense Office of Hearings and Appeals. Timeliness information on cases pending with Defense Office of Hearings and Appeals is excluded from DOD's timeliness data. Moreover, by not including end-to-end timeliness information on cases that require additional work in the query for calculating the fastest 90 percent of cases, the Performance Accountability Council is excluding many of the cases that took the longest to complete and, therefore, the average for agency timeliness may be reduced. We assessed the reliability of the data by reviewing the existing data and interviewing agency officials knowledgeable about how the data was collected, stored, and reported, as well as the quality assurance steps that were taken to ensure completeness and accuracy. We determined these data were sufficiently reliable for purposes of our audit. Additionally, we supplemented this data reliability analysis with information obtained through our interviews with executive branch agencies about their timeliness performance in fiscal year 2010 to date. These agencies were selected based on the volume of security clearances processed annually, among other things.<sup>2</sup>

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<sup>2</sup>We met with officials from the Departments of Energy, Health and Human Services, Homeland Security, Justice, the Treasury, and Veterans Affairs. We selected agencies based on their ability to meet a combination of one or more of the following criteria: (1) utilizes OPM to conduct security clearance investigations, (2) conducts an average of 5,000 cases per year, (3) is an Intelligence Community agency, or (4) is a member of the Performance Accountability Council. Because this is a non-probability sample, our findings do not generalize to the agencies that we did not include in our review.

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To assess the extent to which executive branch agencies accept previously granted security clearances and the challenges, if any, that exist related to reciprocity, we reviewed the requirements specified in IRTPA and analyzed Executive Orders, OMB memorandums, ODNI policy guidance and directives, congressional reports, and individual agency guidance related to reciprocity. We also analyzed existing and planned metrics developed by the Performance Accountability Council to track the extent to which reciprocity is honored. We met with security officials, managers, and adjudicators from DOD, the Intelligence Community, and a non-probability sample of additional executive branch agencies. We supplemented this analysis with information obtained from a roundtable discussion that we conducted with representatives of Intelligence Community agencies to examine the challenges these agencies face as it relates to granting reciprocity. Because the scope of this engagement is limited to security clearances, we did not analyze the extent to which agencies reciprocally accept prior suitability investigations and adjudications. For the purposes of our report reciprocity is an agency's acceptance of a background investigation or clearance determination completed by another authorized investigative or adjudicative agency. We excluded from the scope of our work issues related to access to facilities, detailed employees, or classified information.

To assess the extent to which executive branch agencies share personnel clearance information in a single, integrated database, we reviewed and analyzed the Joint Reform Team's Enterprise Information Technology Strategy, the Performance Accountability Council's 2010 Strategic Framework, and the two most recent Joint Reform Team Security and Suitability Process Reform reports.<sup>3</sup>

We interviewed knowledgeable officials within OPM, ODNI, and DOD to determine what, if any, limitations, barriers, or challenges existed in creating a single, integrated database. In addition, we received demonstrations of both OPM and DOD's databases and interviewed officials to determine how they shared information about personnel who hold or are seeking security clearances in the absence of a single, integrated database.

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<sup>3</sup>Joint Security and Suitability Reform Team, *Security and Suitability Process Reform* (Washington, D.C.: April 2008 and updated December 2008); Joint Security and Suitability Reform Team, *Enterprise Information Technology Strategy* (Washington, D.C.: Mar. 17, 2009); and Performance Accountability Council, *Security and Suitability Process Reform: Strategic Framework* (Washington, D.C., February 2010).

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We conducted this performance audit from October 2009 through November 2010 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 objectives.

# Appendix II: Comments from the Office of the Director of National Intelligence

DIRECTOR OF NATIONAL INTELLIGENCE  
WASHINGTON, DC 20511

NOV 08 2010

Gene L. Dodaro  
Acting Comptroller General of the United States  
U.S. Government Accountability Office  
Washington, DC 20548

Dear Mr. Dodaro:

Thank you for the opportunity to respond to your proposed report entitled *Personnel Security Clearances: Progress Has Been Made to Improve Timeliness but Continued Oversight is Needed to Sustain Momentum* (GAO-11-65). This report is a fair and thorough assessment of the Personnel Security Clearance reform effort's progress to date. I have enclosed my feedback on your report's observations and recommendations. The Office of the Director of National Intelligence received input on your report from the Department of Defense, the Office of Personnel Management, and the Intelligence Community round table participants.

As GAO noted, significant overall progress has been made to improve the timeliness of personnel security clearance investigations and adjudications. The reform effort, led by the Performance Accountability Council, continues to implement reforms designed to provide consistent timeliness, improve quality and enable reciprocity to the fullest extent practical across Executive Branch agencies. We look forward to working with you in the future as we continue the reform process.

Sincerely,

  
James R. Clapper

Attachment  
1. GAO Draft Report

cc: Ms. Brenda Farrell

Office of the Director of National Intelligence Response

**GAO Draft Report:** *Personnel Security Clearances:  
Progress Has Been Made to Improve Timeliness but Continued  
Oversight is Needed to Sustain Momentum (GAO-11-65)*

**GAO Observation:** Significant progress has been made to improve the timeliness of investigation and adjudication of personnel security clearances, which was attributable to Department of Defense (DOD) whose clearances comprise about 90% of government-wide clearances. Although the majority of clearances are processed within the IRTPA 60-day objective, individual agency timeliness varies and they continue to face a number of challenges for meeting timelines objectives, including personnel limitations, variances among agencies in adopting information technology caused by resources constraints, and additional agency-specific requirements that must be met before granting a security clearance.

**ODNI Response:** I agree with GAO's observation that significant timeliness improvements have been made which are due in large part to implementation of reformed electronic, automated personnel security processes. It should be further noted that DOD, with the volume majority of clearances, achieved adjudicative timeliness well under the 20 day goal for the entire fiscal year which allowed for the combined Executive Branch investigation/adjudication timeliness to fall within the 60 days prescribed by IRTPA.

**GAO Recommendation 1:** GAO recommends that the Performance Accountability Council collaborate with executive agencies that are not yet achieving the 60-day timeliness objective to take the following actions: 1) identify challenges to timeliness, 2) develop mitigation strategies to enable each agency to comply with IRTPA timeliness objectives, 3) set timelines for accomplishing the required actions, 4) monitor agency progress, and 5) report on these plans and progress in the annual report to Congress.

**ODNI Response:** Concur. The Security Executive Agent, through Joint Reform Team (JRT) efforts, collaborates in a variety of ways with all executive agencies to assist them in improving timeliness, reciprocity, quality, and other strategic goals outlined in IRTPA. Agencies submitted timelines for reform in March 2009 via a JRT-developed plan of actions and milestone (POA&M) template. The JRT monitors agency progress against their original plans, as well as challenges to implementation and mitigation strategies if the agency is behind schedule, through the agency-submitted quarterly updates and reports progress to the Performance Accountability Council.

In addition, the JRT is conducting agency-focused site visits to assist agencies by addressing issues GAO identified for action. The JRT will use these meetings to help agencies further define the challenges to timeliness and reform implementation and to develop tailored mitigation plans to achieve reform goals. To provide Congress additional insight to these activities, the Security Executive Agent will address agency challenges and mitigation strategies in the February 2011 IRTPA Annual Report.

**GAO Recommendation 2:** GAO recommends that the Performance Accountability Council develop comprehensive, standardized metrics to track reciprocity and report the findings from the expanded tracking to Congress.

**ODNI Reponse:** The Security Executive Agent, in partnership with the Performance Accountability Council's Performance Management and Measures subcommittee, continues to develop additional performance measures for reciprocity, timeliness, and quality. The Security Executive Agent will include such measures in its annual report to Congress.

# Appendix III: Comments from the Office of Personnel Management



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

November 1, 2010


Ms. Brenda S. Farrell  
Director, Defense Capabilities and Management  
U.S. Government Accountability Office (GAO)  
Washington, DC 20548

Dear Ms. Farrell:

Thank you for the opportunity to respond to the proposed report entitled *Personnel Security Clearances: Progress has Been Made to Improve Timeliness but Continued Oversight is Needed to Sustain Momentum* (GAO-11-65). The U.S. Office of Personnel Management (OPM) is pleased to see that the report recognizes the progress that has been made in the security clearance process and agrees with the recommendations that GAO has made at the end of its report. Our comments to the proposed report are enclosed for your review and consideration.

Please do not hesitate to contact Merton Miller, Deputy Associate Director for External Affairs of OPM's Federal Investigative Service at 202-606-1042 or Tania Shand, Director of OPM's Congressional and Legislative Affairs at 202-606-1300, if you have any further questions or wish to discuss our comments.

Sincerely,

  
John Berry  
Director

Enclosure



**Recommended Adjustments to the Draft Statement of Fact, GAO's Review of  
Personnel Security Clearance Reform (GAO-11-65)**

1. Page 20, Figure 2, revise to include percentage of OPM workload and correct data: DoD (92.5%)– Second Quarter - replace “45” with “42”, DHS (3.5%), DOE (1.2%) – Second Quarter and Third Quarter – replace “45” and “44” with “42” and “42” respectively, DOJ (0.8%)– Third Quarter – replace “63” with “65”, Treasury (0.2%)– Second Quarter – replace “56” with “55”, HHS (0.3%), VA (0.0%) – Second Quarter and Third Quarter– replace “78” and “70” with “81” and “63” respectively.

**Rationale:** Accuracy. Adding workload percentage and correcting timeliness data will improve accuracy and clarity for the reader. This timeliness data provided by ODNI is not consistent with OPM's data. The inconsistency between OPM and ODNI's data is based upon the ODNI's inability to identify the fastest 90% “Initial” population. ODNI identifies the fastest 90% of the Top Secret population and then identifies the fastest 90% of the Secret/Confidential population and combines the two to determine the average timeliness of the 90% of that population. ODNI also combines data from the Intelligence Community that would not be included in OPM's data. Additionally, the timeliness data reflected in the chart is reflective of investigations with adjudication actions reported during those periods versus the investigation “closing” timeliness as reported by OPM and responsive to the Intelligence Reform and Terrorism Act of 2004. The data for the non-delegated agencies represented in this chart is accurately provided by OPM, and accepted by ODNI and approved by OMB on a quarterly basis. Given that GAO is not questioning the accuracy of the data provided by OPM, these adjustments to the GAO data are appropriate.

2. Page 24, first paragraph, revise as follows: **“Investigation services quality and cost.”** Officials representing agencies that use OPM as their investigative service provider cited challenges related to deficient investigative reports as a factor that slows agencies abilities to make adjudicative decisions.–For example, some agencies noted that OPM investigative reports do not include complete copies of associated police reports and criminal record checks. We noted in our prior work that documentation was incomplete for most OPM-provided investigative reports based on independent review of about 3,500 investigative reports. We also noted in our previous work that incomplete investigative documentation may lead to increases in the time it take to complete the clearance process and in the overall costs of the process. *In response, OPM officials stated that ambiguous policies and customer misunderstanding of the investigative coverage limitations contribute significantly to perceptions of the sufficiency of OPM products. For instance, OPM officials state that OPM provides a summary synopsis of police and criminal record review findings, and asserts there is no policy requiring*

*inclusion of copies of the original records while some adjudicative agency personnel disagree. On the other hand, some investigative coverage requirements are not satisfied due to coverage limitations as illustrated by the absence of subject interviews unobtainable because the subject is in a war zone, or the absence of employment verification when the employing entity does not permit release of the information. This confusion between requirements and exceptions and limitations on investigative collections may unnecessarily delay adjudications and lead agencies back to OPM for more information. Several agency officials state that in order to avoid further costs or delays that would result from working with OPM, they often choose to perform additional steps internally to obtain missing information, clarify or explain issues identified in investigative report, or gather evidence for issue resolution or mitigation.*

**Rationale:** Accuracy. Most of OPM customer agencies were not interviewed. Of those cited, GAO's quality example illustrates the clear disconnect between expectations and policy requirements. That disconnect has its roots in policy ambiguity, which is currently being addressed by reform efforts to revise investigative standards to clearly state requirements, to define collateral coverage standards when primary coverage is unobtainable, and to direct when waivers, deviations and exceptions are appropriate and acceptable. Having clear content standards will go a long way to assist the investigative service provider in fulfilling adjudicative expectations, and the adjudicator in concluding determinations without concern that they will be second guessed. Finally, the contrast between intelligence community circumstances (serving a single, small volume requirement) with OPM circumstances (serving over 90% of the federal government and 200 plus agencies with multiple contracts) on the treatment of "costs" is not relevant. Intelligence community entities are all doing very in-depth investigations to one standard to meet one agencies expectation, and they have the added ability to insert adjudicator prerogative into the final determination of sufficiency. OPM is governed by revolving fund (fee-for-service rules), and must work with contracts to cover a variety of investigative products, policies and customer expectations. This is another situation in which having clear standards will do more to eliminate the need for agencies to revisit investigative products with OPM, because they will permit OPM to satisfy the expectations the first time.

3. Page 33, starts three lines from bottom – "Similarly, the other metrics proposed by the Performance Accountability Council...", delete the entire bulleted paragraph.

**Rationale:** Accuracy. The metrics that are identified as “proposed” by the Joint Reform team were in fact developed by the Management and Metrics Subcommittee of the Performance Accountability Council some time ago and have all been regularly included in the quarterly reports that OPM prepares for OMB and Congress. In fact, the first proposed metric for “number of duplicate requests for investigation” is previously mentioned by GAO **earlier on page 33 of the draft report where it states that “OPM created a metric in early 2009 to track reciprocity.....”**. **This is the “duplication” measurement indicated as “proposed” at the bottom of the page.** The other metrics can be found in the quarterly report under the sections on e-QIP.

4. Page 36, last sentence in first paragraph should be revised to clarify the reason OPM is unable to provide information from the investigation provided by another agency. “For example, OPM is not authorized to provide information it does not have to another agency. When investigations are conducted by agencies with delegated authority, the reports are indexed in OPM’s SII/CVS but the actual reports are owned and maintained by the investigating agency. Requests for these investigative records must be referred to the owner.”

**Rationale:** Clarity. As written the sentence implied a “willingness” issue. The revised language makes the point by adding necessary details.

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# Appendix IV: GAO Contact and Staff Acknowledgments

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## GAO Contact

Brenda S. Farrell, (202) 512-3604 or farrellb@gao.gov

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## Acknowledgments

In addition to the contact named above, Liz McNally (Assistant Director); David Moser (Assistant Director); James Ashley; Joseph M. Capuano; Sara Cradic; Cindy Gilbert; Linda Keefer; James Krustapentus; Greg Marchand; Richard Powelson; Jillena Roberts; and Amie Steele made key contributions to this report.

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# Related GAO Products

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*DOD Personnel Security Clearance Reform: Preliminary Observations on Timeliness and Quality.* [GAO-11-185T](#). Washington, D.C.: November 16, 2010.

*Privacy: OPM Should Better Monitor Implementation of Privacy-Related Policies and Procedures for Background Investigations.* [GAO-10-849](#). Washington, D.C.: September 7, 2010.

*Personnel Security Clearances: An Outcome-Focused Strategy and Comprehensive Reporting of Timeliness and Quality Would Provide Greater Visibility over the Clearance Process.* [GAO-10-117T](#). Washington, D.C.: October 1, 2009.

*Personnel Security Clearances: Progress Has Been Made to Reduce Delays but Further Actions Are Needed to Enhance Quality and Sustain Reform Efforts.* [GAO-09-684T](#). Washington, D.C.: September 15, 2009.

*Personnel Security Clearances: An Outcome-Focused Strategy Is Needed to Guide Implementation of the Reformed Clearance Process.* [GAO-09-488](#). Washington, D.C.: May 19, 2009.

*DOD Personnel Clearances: Comprehensive Timeliness Reporting, Complete Clearance Documentation, and Quality Measures Are Needed to Further Improve the Clearance Process.* [GAO-09-400](#). Washington, D.C.: May 19, 2009.

*High-Risk Series: An Update.* [GAO-09-271](#). Washington, D.C.: January 22, 2009.

*DOD Personnel Clearances: Preliminary Observations about Timeliness and Quality.* [GAO-09-261R](#). Washington, D.C.: December 19, 2008.

*Personnel Security Clearances: Preliminary Observations on Joint Reform Efforts to Improve the Governmentwide Clearance Eligibility Process.* [GAO-08-1050T](#). Washington, D.C.: July 30, 2008.

*Personnel Clearances: Questions for the Record Regarding Security Clearance Reform.* [GAO-08-965R](#). Washington, D.C.: July 14, 2008.

*Personnel Clearances: Key Factors for Reforming the Security Clearance Process.* [GAO-08-776T](#). Washington, D.C.: May 22, 2008.

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*Employee Security: Implementation of Identification Cards and DOD's Personnel Security Clearance Program Need Improvement.* [GAO-08-551T](#). Washington, D.C.: April 9, 2008.

*DOD Personnel Clearances: Questions for the Record Related to the Quality and Timeliness of Clearances.* [GAO-08-580R](#). Washington D.C.: March 25, 2008.

*DOD Personnel Clearances: DOD Faces Multiple Challenges in Its Efforts to Improve Clearance Processes for Industry Personnel.* [GAO-08-470T](#). Washington, D.C.: February 12, 2008.

*Personnel Clearances: Key Factors to Consider in Efforts to Reform Security Clearance Processes.* [GAO-08-352T](#). Washington, D.C.: February 27, 2008.

*DOD Personnel Clearances: Improved Annual Reporting Would Enable More Informed Congressional Oversight.* [GAO-08-350](#). Washington, D.C.: February 13, 2008.

*DOD Personnel Clearances: Delays and Inadequate Documentation Found for Industry Personnel.* [GAO-07-842T](#). Washington, D.C.: May 17, 2007.

*High Risk Series: An Update.* [GAO-07-310](#). Washington, D.C.: January 2007.

*DOD Personnel Clearances: Additional OMB Actions Are Needed to Improve the Security Clearance Process.* [GAO-06-1070](#). Washington, D.C.: September 28, 2006.

*DOD Personnel Clearances: Questions and Answers for the Record Following the Second in a Series of Hearings on Fixing the Security Clearance Process.* [GAO-06-693R](#). Washington, D.C.: June 14, 2006.

*DOD Personnel Clearances: New Concerns Slow Processing of Clearances for Industry Personnel.* [GAO-06-748T](#). Washington, D.C.: May 17, 2006.

*DOD Personnel Clearances: Funding Challenges and Other Impediments Slow Clearances for Industry Personnel.* [GAO-06-747T](#). Washington, D.C.: May 17, 2006.

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*Questions for the Record Related to DOD's Personnel Security Clearance Program and the Government Plan for Improving the Clearance Process.* [GAO-06-323R](#). Washington, D.C.: January 17, 2006.

*DOD Personnel Clearances: Government Plan Addresses Some Long-standing Problems with DOD's Program, But Concerns Remain.* [GAO-06-233T](#). Washington, D.C.: November 9, 2005.

*DOD Personnel Clearances: Some Progress Has Been Made but Hurdles Remain to Overcome the Challenges That Led to GAO's High-Risk Designation.* [GAO-05-842T](#). Washington, D.C.: June 28, 2005.

*High-Risk Series: An Update.* [GAO-05-207](#). Washington, D.C.: January 2005.

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