

STATEMENT OF

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before the

Permanent Select Committee on Intelligence
Subcommittee on Intelligence Community Management
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on

Federal Government's Security Clearance Process and Reform Initiatives

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Madam Chairwoman and Members of the Subcommittee, it is my privilege to testify today on behalf of the Office of Personnel Management (OPM) to provide you with an update on the progress that has been made to improve the timeliness of the security clearance process as well as information on continuing reform efforts.

As outlined in Executive Order 13381 dated June 28, 2005, President George W. Bush directed that "agency functions relating to determining eligibility for access to classified national security information shall be appropriately uniform, centralized, efficient, effective, timely, and reciprocal." OPM Director Linda Springer takes that direction very seriously and has included in OPM's Strategic and Operational Plan specific goals to ensure we accomplish the expectations set by the President and by the Congress in the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA).

Background

OPM's mission is to ensure the Federal Government has an effective civilian workforce. To accomplish this mission, OPM provides background investigation products and services to agencies to assist them with making security clearance or suitability decisions on civilian, as well as military and contractor personnel. OPM conducts different levels of investigations for various types of positions in the Federal Government. The investigations range from the minimum level of investigation for positions that require a Confidential or Secret clearance to extensive field investigations for those that require a Top Secret clearance.

At OPM, the division responsible for conducting background investigations is our Federal Investigative Services Division (FISD). This division supports over 100 Federal agencies and

has security offices across the country and worldwide. Our automated processing systems and vast network of field investigators handle a high volume of cases. Last fiscal year, we conducted over 2 million investigations.

Since the implementation of the Intelligence Reform and Terrorism Prevention Act of 2004, significant progress has been made in improving overall timeliness and reducing the inventory of pending investigations, and we are continuing to work aggressively to resolve any issues that delay the background investigations and the agencies' adjudication processes (see attachment A)

Status of the security clearance and investigation process

We have focused on four critical areas of the investigation and security clearance process that must be managed to optimize completion: workload projections, timeliness and quality of agency submissions of investigations, investigations timeliness, and adjudications timeliness.

Workload projections: To staff the investigation and adjudication programs responsibly, clearance granting agencies are developing better management systems with a goal of projecting their annual workloads within a margin of 5 percent. For Fiscal Year 2007, agency submissions to OPM for national security investigations at the Top Secret level met this goal, while actual submissions for Secret/Confidential clearance investigations were 25 percent less than originally projected. Overall, however, the total number of agency submissions for all types of investigations exceeded projections by almost 20 percent, largely due to increases in the number of suitability investigations requested as well as those needed to support Homeland Security Presidential Directive 12.

Timeliness and quality of agency submissions of investigations: The first step in improving the timeliness of the investigation and security clearance process is timely and accurate submission of the subject's background information to OPM. The expanded use of OPM's web based electronic Questionnaires for Investigations Processing (e-QIP) which allows applicants to provide their background information security on line instead of submitting a paper form, has improved both processing timeliness and the quality of the information supplied. At the beginning of Fiscal Year 2008, 83 percent of the submissions for national security investigations were made through e-QIP, with 14 agencies submitting all requests electronically. In addition, all industry submissions for the Department of Defense are requested electronically.

In December 2007, submissions for initial security investigations through e-QIP averaged 19 days while hardcopy submissions averaged 33 days. This is an improvement over the 35 to 55 calendar days reported in November 2005, and agencies are on track to meet the performance goal of all submissions within 14 days. In addition, the rejection rate for electronic submissions is currently 7 percent, close to the performance goal of less than 5 percent.

Investigations Timeliness: The Intelligence Reform and Terrorism Prevention Act of 2004 requires 80 percent of background investigations for initial security clearances to be completed within an average of 90 days. As of today, OPM is exceeding this statutory goal. In fact, of the 586,569 initial clearance investigations OPM received during Fiscal Year 2007, 80 percent were completed in an average of 67 days (92 days for 64,722 Top Secret and 63 days for 404,534

Secret/Confidential). As a result of OPM's increased investigation staffing of over 9,400 Federal and contractor employees, there is no longer a backlog of initial clearance investigations due to insufficient manpower resources. In fact, this staff increase has resulted in the substantial decrease in the time it takes to complete the majority of the background checks submitted to OPM. During October 2006, there were over 98,000 pending initial clearance investigations that were over 180 days in process. As of February 16, 2008, OPM only had 20,118 pending investigations over 180 days in process.

Other factors also contributed to OPM's timeliness improvements. One such factor is the agency's ability to receive third-party information in a more timely manner. OPM has successfully negotiated agreements with a number of Federal, State, and local record agencies so that individuals' records are provided to OPM more rapidly. Another factor is our improved ability to work with the international community and the State Department. In 2007, we sent 360 agents abroad and closed more than 24,000 international leads for new employee clearances or reinvestigation of current Federal employees and contractors.

While improving the timeliness of investigations, we have been vigilant in maintaining the quality of those investigations. We have put additional internal quality control processes in place to ensure that the investigations we conduct meet the national investigative standards and the needs of the adjudication community.

Adjudication Timeliness: OPM continues to work with agencies to reduce the time it takes to deliver completed investigations between OPM and the adjudicating agencies, and to record agency adjudication actions in our record system. This includes full implementation of our imaging system to electronically transmit the results of completed investigations to the adjudications facility and linking the agency's in-house record system to OPM's database for electronic updating of their adjudication actions. A good example of how this works is the pilot we started with the Department of the Army in August 2007. To date, over 113,000 completed investigations have been sent electronically to Army for adjudication action, making the entire process between OPM and Army virtually paperless. During Fiscal Year 2008, we expect other agencies to adopt this method of receiving completed investigations.

Reform Initiatives

In summary, we are continuing to optimize the current process by maintaining adequate staffing, building partnerships with information suppliers, and through greater use of information technology. This year, *EPIC*, which is OPM's suite of automation tools that support the investigations and adjudications process, will allow for total end-to-end paperless processing for those agencies that are prepared to use them.

We are also partnering with the Office of the Director of National Intelligence and the Department of Defense for more significant reforms to the overall security clearance processes. On February 5, 2008, President Bush issued a memorandum to the heads of the Executive Departments and Agencies reaffirming his support in reforming the personnel security clearance program across Government. This reform effort is challenging traditional processing from application through adjudication. The ultimate outcome of this effort will be a Government-wide

system that continues to protect national security through more modern processes that are secure, dependable, scalable, and time and cost-efficient.

This concludes my remarks. I would be happy to answer any questions the Subcommittee may have.