Why GAO Did This Study

In 2012, the DNI reported that more than 4.9 million federal government and contractor employees held or were eligible to hold a personnel security clearance. Furthermore, GAO has reported that the federal government spent over $1 billion to conduct more than 2 million background investigations in fiscal year 2011. A high quality process is essential to minimize the risks of unauthorized disclosures of classified information and to help ensure that information about individuals with criminal activity or other questionable behavior is identified and assessed as part of the process for granting or retaining clearances. Security clearances may allow personnel to gain access to classified information that, through unauthorized disclosure, can in some cases cause exceptionally grave damage to U.S. national security. Recent events, such as unauthorized disclosures of classified information, have illustrated the need for additional work to help ensure the process functions effectively and efficiently.

This testimony addresses the (1) roles and responsibilities of different executive branch agencies involved in the personnel security process; (2) different phases of the process; and (3) extent that agencies assess the quality of the process. This testimony is based on GAO work issued between 2008 and 2013 on DOD’s personnel security clearance program and government-wide suitability and security clearance reform efforts. As part of that work, GAO (1) reviewed statutes, executive orders, guidance, and processes; (2) examined agency data on timelines and quality; (3) assessed reform efforts; and (4) reviewed samples of case files for DOD personnel.

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What GAO Found

Several agencies in the executive branch have key roles and responsibilities in the personnel security clearance process. Executive Order 13467 designates the Director of National Intelligence (DNI) as the Security Executive Agent, who is responsible for developing policies and procedures for background investigations and adjudications. The Office of Personnel Management (OPM) conducts investigations for most of the federal government. Adjudicators from agencies, such as the Departments of Defense (DOD) and Homeland Security, that request background investigations use the investigative report and consider federal adjudicative guidelines when making clearance determinations. Reform efforts to enhance the personnel security process throughout the executive branch are principally driven and overseen by the Performance Accountability Council, which is chaired by the Deputy Director for Management at the Office of Management and Budget (OMB).

Executive branch agencies rely on a multi-phased personnel security clearance process that includes requirements determination, application, investigation, adjudication, appeals (if applicable, where a clearance has been denied), and reinvestigation (for renewal or upgrade of an existing clearance). In the requirements determination phase, agency officials must determine whether positions require access to classified information. After an individual has been selected for a position that requires a personnel security clearance and the individual submits an application for a clearance, investigators—often contractors—from OPM conduct background investigations for most executive branch agencies. Adjudicators from requesting agencies use the information from these investigations and consider federal adjudicative guidelines to determine whether an applicant is eligible for a clearance. If a clearance is denied or revoked by an agency, appeals of the adjudication decision are possible. Individuals granted clearances are subject to reinvestigations at intervals that are dependent on the level of security clearance.

Executive branch agencies do not consistently assess quality throughout the security clearance process, in part because they have not fully developed and implemented metrics to measure quality in key aspects of the process. For example, GAO reported in May 2009 that, with respect to initial top secret clearances adjudicated in July 2008 for DOD, documentation was incomplete for most of OPM’s investigative reports. GAO also estimated that 12 percent of the 3,500 reports did not contain the required personal subject interview. To improve the quality of investigative documentation, GAO recommended that OPM measure the frequency with which its reports met federal investigative standards. OPM did not agree or disagree with this recommendation, and as of August 2013 had not implemented it. Further, GAO reported in 2010 that agencies do not consistently and comprehensively track the reciprocity of personnel security clearances, which is an agency’s acceptance of a background investigation or clearance determination completed by any authorized investigative or adjudicative agency. OPM created a metric in early 2009 to track reciprocity, but this metric does not track how often an existing security clearance was successfully honored. GAO recommended that OMB develop comprehensive metrics to track reciprocity. OMB agreed with the recommendation, but has not yet fully implemented actions to implement this recommendation.

United States Government Accountability Office