

National Security and  
International Affairs Division

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March 4, 1994

The Honorable Daniel K. Inouye  
Chairman  
The Honorable Frank R. Lautenberg  
Subcommittee on Defense  
Committee on Appropriations  
United States Senate

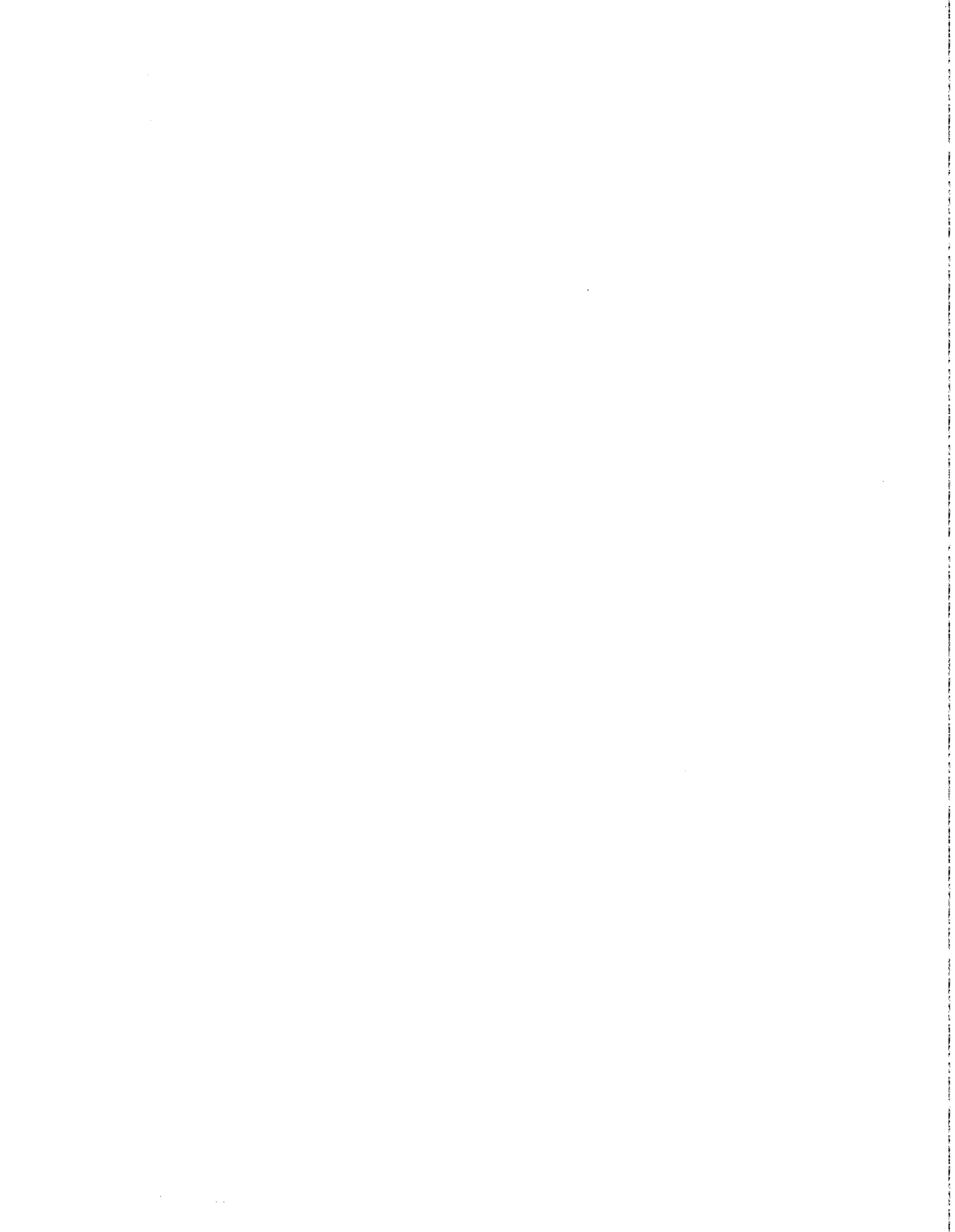
This correspondence responds to your request for preliminary information on the review we are conducting for you on personnel security clearance issues. On February 24, 1994, we briefed your staff on our preliminary analysis of questionnaire data received from executive branch agencies. In summary, the analysis shows that for fiscal year 1993, executive branch agencies spent about \$325 million on security clearance investigations, of which about \$20 million went to contractors who performed investigations. Also, about 3.2 million employees are reported as having security clearances, of which about 2.3 million are executive branch employees and about 853,000 are contractor employees. It is important to point out that the data collected does not include information from the Central Intelligence Agency.

Enclosed are detailed summaries showing estimated agency-by-agency cost data (encl. 1) and aggregate data on the number of security clearances held by executive branch and contractor personnel (encl. 2).

As agreed, we will be reporting later this year on these and other issues you asked us to review. Should you have any questions or need further assistance please contact my Associate Director, David Warren, or me at (202) 512-8412.

*for*   
Donna Heivilin  
Director, Defense Management  
and NASA Issues

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**AGENCY COST ESTIMATES FOR PERSONNEL SECURITY INVESTIGATIONS**

<b><u>Executive agency/office</u></b>	<b><u>In-house cost</u></b>	<b><u>Reimbursement cost<sup>a</sup></u></b>	<b><u>Contract cost</u></b>	<b><u>Total</u></b>
<b>Council of Economic Advisers<sup>b</sup></b>				
<b>Department of Commerce</b>	\$89,500 <sup>c</sup>	\$964,550	\$567,111	\$1,621,161 <sup>c</sup>
<b>Arms Control and Disarmament Agency</b>	2,699	159,300		161,999
<b>Agency for International Development</b>	686,441	30,957 <sup>c</sup>	644,154 <sup>c</sup>	1,361,552 <sup>c</sup>
<b>Board for International Broadcasting</b>	17,082 <sup>c</sup>	2,375		19,457 <sup>c</sup>
<b>Central Intelligence Agency<sup>d</sup></b>				
<b>Department of Defense</b>	180,565,374	9,957,050	2,120,000	192,642,424
<b>Department of Energy</b>	5,116,000	57,289,000	6,663,000	69,068,000
<b>Department of Education</b>		5,000		5,000
<b>Export-Import Bank of the U.S.</b>		87,108		87,108
<b>Farm Credit Administration</b>	8,420 <sup>c</sup>	35,925		44,345 <sup>c</sup>
<b>Department of Transportation</b>	646,000	1,025,627		1,671,627
<b>Environmental Protection Agency</b>	320,000 <sup>c</sup>	677,623		997,623 <sup>c</sup>
<b>Federal Communications Commission</b>	30,000 <sup>c</sup>	16,000		46,000 <sup>c</sup>
<b>Federal Emergency Management Agency</b>		382,000		382,000
<b>Federal Reserve System</b>		103,790		103,790
<b>Department of Health and Human Services</b>	53,000	347,700		400,700
<b>Interstate Commerce Commission</b>		44,469		44,469
<b>Department of Interior</b>		2,343 <sup>c</sup>		2,343 <sup>c</sup>
<b>Department of Labor<sup>b</sup></b>				
<b>Federal Maritime Commission</b>	125	150		275
<b>General Services Administration</b>	249,069 <sup>c</sup>	306,827 <sup>c</sup>		555,896 <sup>c</sup>
<b>Department of Housing and Urban Development</b>	168,364	675,378		843,742
<b>International Trade Commission</b>		23,000		23,000
<b>Department of Justice</b>	11,349,288 <sup>c</sup>	23,142,230 <sup>c</sup>	3,986,704 <sup>c</sup>	38,478,222 <sup>c</sup>
<b>Marine Mammal Commission</b>	17,082 <sup>c</sup>	1,350		18,432 <sup>c</sup>
<b>Merit Systems Protection Board</b>	629 <sup>c</sup>	5,800		6,429 <sup>c</sup>
<b>National Aeronautics and Space Administration</b>	785,000	969,050	625,000	2,379,050
<b>Nuclear Regulatory Commission</b>	213,543	526,008	26,889	766,440

<u>Executive agency/office</u>	<u>In-house cost</u>	<u>Reimbursement cost<sup>a</sup></u>	<u>Contract cost</u>	<u>Total</u>
National Security Council <sup>b</sup>				
Office of Administration	\$82,500			\$82,500
Office of Personnel Management	4,725			4,725
National Archives and Records Administration	125,000	262,000		387,000
National Science Foundation		35,000		35,000
Office of Management and Budget	1,000 <sup>c</sup>			1,000 <sup>c</sup>
Overseas Private Investment Corporation <sup>a</sup>				
Office of the Vice President <sup>b</sup>				
President's Foreign Intelligence Advisory Board <sup>d</sup>				
Small Business Administration		68,775		68,775
Securities and Exchange Commission		24,175		24,175
Department of State	2,055,336	151,000	4,190,000	6,396,336
Tennessee Valley Authority	1,000 <sup>c</sup>	6,300		7,300 <sup>c</sup>
Office of Science and Technology Policy <sup>b</sup>				
Peace Corps of the U.S.	48,186	14,404	127,513	190,103
President's Intelligence Oversight Board <sup>d</sup>				
Selective Service System	142 <sup>c</sup>	186		328 <sup>c</sup>
Department of Treasury	472,958 <sup>c</sup>	398,412 <sup>c</sup>	781,223 <sup>c</sup>	1,652,593 <sup>c</sup>
Department of Agriculture	177,000	1,561,973		1,738,973
Department of Veterans Affairs		308,500		308,500
U.S. Trade Representative		7,825		7,825
U.S. Postal Service	76,510	3,168		79,678
U.S. Information Agency	<u>1,205,017</u>	<u>156,600</u>	<u>465,093</u>	<u>1,826,710</u>
<b>Total</b>	<b><u>\$204,566,990<sup>c</sup></u></b>	<b><u>\$99,778,928<sup>c</sup></u></b>	<b><u>20,196,687<sup>c</sup></u></b>	<b><u>\$324,542,605<sup>c</sup></u></b>

<sup>a</sup>Reimbursement cost to other federal agencies.

<sup>b</sup>Agency/office reported zero cost for personnel security investigations.

<sup>c</sup>Figures are estimates submitted by agencies/offices for cost associated with personnel security investigations.

<sup>d</sup>Agency/office did not submit cost figures for personnel security investigations.

<sup>e</sup>Figures were included in the Agency for International Development's totals.

Source: Executive agencies' responses to Personnel Security Investigation and Clearance Questionnaire.

**CLEARANCE LEVELS FOR FEDERAL AND  
CONTRACTOR EMPLOYEES (INCLUDING MILITARY)**

<b><u>Employees</u></b>	<b><u>Top Secret (TS)</u></b>	<b><u>Secret (S)</u></b>	<b><u>Confidential (C)</u></b>	<b><u>Total estimated number of clearances</u></b>	<b><u>Sensitive Compartment Information (SCI)</u></b>
<b>Federal (including Military)</b>	535,119	1,718,638	113,585	2,367,342	233,982
<b>Contractor</b>	<u>232,970</u>	<u>580,149</u>	<u>39,592</u>	<u>852,711</u>	<u>22,417</u>
<b>Estimated Total</b>	<u>768,089</u>	<u>2,298,787</u>	<u>153,177</u>	<u>3,220,053</u>	<u>256,399</u>

Source: Executive agencies' responses to Personnel Security Investigation and Clearance Questionnaire.

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