



Highlights of [GAO-07-842T](#), a testimony before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

Individuals working for the private industry are playing a larger role in national security work conducted by Department of Defense (DOD) and other federal agencies. As of May 2006, industry personnel held about 34 percent of DOD-maintained personnel security clearances. The damage that the unauthorized disclosure of classified information can cause to national security necessitates the prompt and careful consideration of who is granted a security clearance. Long-standing delays in determining clearance eligibility and other challenges led GAO to designate the DOD personnel security clearance program as a high-risk area in January 2005 and again in GAO's January 2007 update of the high-risk areas. In February 2005, DOD transferred its security clearance investigations functions to the Office of Personnel Management (OPM) and now obtains almost all of its clearance investigations from OPM. The Office of Management and Budget (OMB) is responsible for effective implementation of policy relating to determinations of eligibility for access to classified information.

This testimony addresses the timeliness of the process and completeness of documentation used to determine eligibility of industry personnel for top secret clearances in January and February 2006. This statement relies primarily on GAO's September 2006 report ([GAO-06-1070](#)).

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DOD PERSONNEL CLEARANCES

Delays and Inadequate Documentation Found for Industry Personnel

What GAO Found

GAO's analysis of timeliness data showed that industry personnel contracted to work for the federal government waited more than 1 year on average to receive top secret clearances, longer than OMB- and OPM-produced statistics would suggest. GAO's analysis of 2,259 cases in its population showed the process took an average of 446 days for initial clearances and 545 days for clearance updates. While the government plan has a goal for the application-submission phase of the process to take 14 days or less, it took an average of 111 days. In addition, GAO's analyses showed that OPM used an average of 286 days to complete initial investigations for top secret clearances, well in excess of the 180-day goal specified in the plan that OMB and others developed for improving the clearance process. Finally, the average time for adjudication (determination of clearance eligibility) was 39 days, compared to the 30-day requirement that began in December 2006. An inexperienced investigative workforce, not fully using technology, and other causes underlie these delays. Delays may increase costs for contracts and risks to national security. In addition, statistics that OMB and OPM report to Congress on the timeliness of the clearance process do not portray the full length of time it takes many applicants to receive a clearance. GAO found several issues with the statistics, including limited information on reinvestigations for clearance updating and failure to measure the total time it took to complete the various phases of the clearance process. Not fully accounting for all the time used in the process hinders congressional oversight of the efforts to address the delays.

OPM provided incomplete investigative reports to DOD, and DOD personnel who review the reports to determine a person's eligibility to hold a clearance (adjudicators) granted eligibility for industry personnel whose investigative reports contained unresolved issues, such as unexplained affluence and potential foreign influence. In its review of 50 investigative reports for initial clearances, GAO found that that almost all (47 of 50) cases were missing documentation required by federal investigative standards. Moreover, federal standards indicate expansion of investigations may be necessary to resolve issues, but GAO found at least one unresolved issue in 27 of the reports. GAO also found that the DOD adjudicators granted top secret clearance eligibility for all 27 industry personnel whose investigative reports contained unresolved issues without requesting additional information or documenting in the adjudicative report that the information was missing. In its November 2005 assessment of the government plan for improving the clearance process, GAO raised concerns about the limited attention devoted to assessing quality in the clearance process, but the plan has not been revised to address the shortcomings GAO identified. The use of incomplete investigations and adjudications in granting top secret clearance eligibility increases the risk of unauthorized disclosure of classified information. Also, it could negatively affect efforts to promote reciprocity (an agency's acceptance of a clearance issued by another agency) being developed by an interagency working group headed by OMB's Deputy Director.