

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE



**Annual Intelligence Authorization Act
Report on Security Clearance Determinations
For Fiscal Year 2010**

L E A D I N G I N T E L L I G E N C E I N T E G R A T I O N

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INTRODUCTION

The Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA)¹ challenged the Federal Government to address longstanding problems with the timeliness and coordination of the process for granting national security clearances. Significant progress has been made on overall initiatives to meet IRTPA requirements, not only through the use of additional resources but also through improvements in policy, processes, and information technology (IT).

While IRTPA served as a solid statutory platform from which to launch necessary clearance reform efforts, additional requirements and authorities were executed to drive improvements across the Federal Government. Specifically, with Executive Order 13467², the President carried out a requirement under IRTPA to designate one executive branch entity to be responsible for a number of security clearance reform, alignment, reciprocity, and governance initiatives. The President selected the Director of National Intelligence (DNI) to serve in this role as Security Executive Agent.

As Security Executive Agent, the DNI continues to improve the timeliness and quality of security clearance and national security sensitive position investigations and adjudications across the U.S. Government. In addition, many efforts are under way to update government-wide policies and processes to improve the consistency, quality, and reciprocity of these investigations and adjudications, the details of which are addressed in separately required reports under the Fiscal Year (FY) 2010 Intelligence Authorization Act (the Act).

The Act established a requirement for an annual report on the volume and timeliness of security clearance determinations, which represents a more in-depth look at clearance timeliness than IRTPA's annual report required. Specifically, this Act requires the President to provide an annual report to Congress outlining the number of security clearance determinations made by various categories as follows:

- The number of individuals who held and who were approved for a security clearance as of October 1 of the preceding year, categorized by government employees and contractors and by security clearance level.
- For the Intelligence Community (IC):
 - The time in days to process the shortest and longest security clearance determination made among 80 percent of determinations and the time in days for the shortest and longest security clearance determination made among 90 percent of security clearance determinations.
 - The number of security clearance investigations as of October 1 of the preceding fiscal year open for: 4 months or less; between 4 months and 8 months; between 8 months and one year; and more than one year.
 - The percentage of reviews during the preceding fiscal year that resulted in a denial or revocation of a security clearance.
 - The percentage of investigations during the preceding fiscal year that resulted in incomplete information.

¹ Intelligence Reform and Terrorism Prevention Act of 2004 (P. L. 108-458).

² EO 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) requires that "[e]xcept as otherwise authorized by law, background investigations and adjudications shall be mutually and reciprocally accepted by all agencies."

- The percentage of investigations during the preceding fiscal year that did not result in enough information to make a decision on potentially adverse information.
- The number of completed or pending security clearance determinations for government and contractors during the preceding fiscal year that have taken longer than one year to complete; the agencies that investigated and adjudicated such determinations; and the cause of significant delays in such determinations.

The process to determine the total number of active security clearances in the U.S. Government involves specific queries of the three databases that contain security clearance data: the DNI's Scattered Castles; the Department of Defense's Joint Personnel Adjudication System (JPAS); and the Office of Personnel Management's (OPM's) Central Verification System (CVS). The data from these sources is then compiled and processed by special queries of the databases to eliminate as many duplicative records as possible and achieve a more accurate count. Duplications arise when one person is granted a clearance or access by multiple agencies. The IC data was gathered to the extent possible from currently reported metrics and augmented with a special data call to IC agencies and OPM.

The number of individuals with a security clearance is currently collected biannually from agencies. A process has now been developed for agencies to report quarterly to the Office of the Director National Intelligence (ODNI) the total number of clearances categorized by employee type and clearance level so that the data requested under the Act may be provided in future reports with the required fidelity.

(A) Number of government employees who --

(i) held a security clearance at such level as of October 1, 2010;

- Confidential/Secret: 2,166,679
- Top Secret (collateral and TS/SCI): 666,008

(ii) were approved for a security clearance at such level during the preceding fiscal year.

- Confidential/Secret: 512,076*
- Top Secret (collateral and TS/SCI): 130,755*

(B) Number of contractors who --

(i) held a security clearance at such level as of October 1, 2010;

- Confidential/Secret: 541,097
- Top Secret (collateral and TS/SCI): 524,990

(ii) were approved for a security clearance at such level during the preceding fiscal year.

- Confidential/Secret: 512,076*
- Top Secret (collateral and TS/SCI): 130,755*

NOTE: *Numbers marked with an asterisk include both government employees and contractors. A breakout of clearances granted by employee type was not retrievable electronically and could not be

derived retroactively absent a manual review of hundreds of thousands of records. The ODNI is working with agencies in an effort to provide this data in future reports.

The table below provides a comparison of Fiscal Year (FY) 2009 and FY 2010 clearance volume by populations and clearance levels to provide additional insight into the fluctuations of types of clearances processed annually and to begin a trend analysis for the overall volume of clearances processed from year to year.

TYPE	10/1/2009	10/1/2010
Federal Employees Holding a Confidential/Secret	2,162,712	2,166,679
Federal Employees Holding a Top Secret	701,142	666,008
Contractors Holding a Confidential/Secret	552,088	541,097
Contractors Holding a Top Secret	536,637	524,990
Others Holding a Confidential/Secret	99,644*	139,264*
Others Holding a Top Secret	168,792*	228,053*
Confidential/Secret Approved		512,076
Top Secret Approved		130,755

Federal Employees = All government employees and military personnel.

Contractors = Includes all industrial and independent contractors, as well as consultants.

*Others = Personnel whose category field was not filled-in in the databases.

While the number of clearances approved could not be obtained for FY 2009, a total of 642,831 new Confidential, Secret, and Top Secret clearances were approved in FY 2010. During this same time period, however, approximately 597,755 security clearances were terminated for a variety of reasons (such as retirement, change of job, death, or clearance expiration or revocation). Therefore, the total number of new clearances increased by only 45,076 from FY 2009 to FY 2010.

(C) For Each Element of the Intelligence Community –

- (i) **The total amount of time it took to process the security clearance determination for such level that –**
 - **the total number of days to process the security clearance determination for the shortest and longest time among 80% of determinations made;**
- (ii) - **the total number of days to process the security clearance determination for the shortest and longest time among 90% of determinations made.**

Reported in the table below are the amounts of time, in number of days, required to process the shortest and longest security clearance—from initiation to adjudicative decision— among 80 percent of cases among 90 percent of cases, to the extent that this specific data could be determined.

Agency	80th percentile				90th percentile			
	TS		SECRET/Conf		TS		SECRET/Conf	
	Longest	Shortest	Longest	Shortest	Longest	Shortest	Longest	Shortest
CIA	NA	NA	NA	NA	NA	NA	NA	NA
DHS ¹	204	39	245	36	243	39	299	39
DIA	106	15	DNP	DNP	116	15	DNP	DNP
DOE ¹	115	26	70	16	142	26	89	16
DEA ¹	155	17	111	46	191	17	135	46
FBI	149	13	NA	NA	188	13	NA	NA
NGA	NA	NA	NA	NA	NA	NA	NA	NA
NRO	127	16	160	28	184	16	187	28
NSA	127	14	NA	NA	185	14	NA	NA
STATE	102	5	75	4	138	5	94	4
Department of Treasury ¹	164	21	203	14	205	21	259	14
USAF ¹	154	21	93	14	201	21	127	14
US ARMY ¹	145	19	78	9	187	19	108	9
US Coast Guard ¹	190	20	224	21	232	20	258	21
US Marine Corps ²	NA	NA	NA	NA	NA	NA	NA	NA
US Navy ¹	155	20	91	13	194	20	120	13

¹ Contains data for entire agency, IC data could not be extracted.

² USMC data is contained within US Navy data.

NA= Not Available

DNP= Does Not Perform

- (iii) The number of pending security clearance investigations for such level as of October 1 of the preceding year that have remained pending for: 4 months or less; between 4 months and 8 months; between 8 months and one year; and for more than one year.**

This data was not available for FY 2010. The electronic personnel security record repository systems were not programmed with the data fields necessary to sort the records in such a way to report this data. A collection process has been established to capture pending time for clearance records so that agencies are able to collect and provide this data for future reports.

- (iv) The percentage of reviews during the preceding fiscal year that resulted in a denial or revocation of a security clearance.**

Most of this data was not available for FY 2010 because the electronic personnel security record repository systems were not programmed with the data fields necessary to sort the records in such a way to report this data. Only two agencies were able to derive the percentage of denials and revocations. NRO reported 3% and NSA reported

7% denials or revocations in FY10. The ODNI has established a collection process for this measure so that agencies are able to collect and provide this data for future reports.

(v) The percentage of investigations during the preceding fiscal year that did not result in enough information to make a decision on potentially adverse information.

This data was not available for FY 2010. The electronic personnel security record repository systems were not programmed to collect this data and the data could not be retrieved retroactively. These metrics are being collected now and will be available in 2012.

(vi) For security clearance determinations completed or pending during the preceding fiscal year that have taken longer than one year to complete

- **the number of security clearance determinations for positions as employees of the United States Government that required more than one year to complete;**
- **the number of security clearance determinations for contractors that required more than one year to complete;**
- **the agencies that investigated and adjudicated such determinations;**
- **the cause of significant delays in such determinations.**

The ODNI conducted a special data call to obtain information on the number of IC clearances pending for more than a year and on the delays associated with those cases. Seven of the 17 organizations that comprise the IC conduct their own security clearance investigations, including the Central Intelligence Agency (CIA), Defense Intelligence Agency (DIA), Federal Bureau of Investigation (FBI), National Geospatial-Intelligence Agency (NGA), National Reconnaissance Office (NRO), National Security Agency (NSA), and Department of State. The CIA also conducts security investigations for ODNI employees and contractors. OPM's Federal Investigative Services performs investigations for nine IC organizations, including the Department of Energy (DoE), Department of Homeland Security (Headquarters) (DHS), Department of the Treasury, Drug Enforcement Administration (DEA), Air Force, Army, Coast Guard, Marine Corps, and Navy.

Of the seven IC agencies with delegated investigative authority, four reported that they had cases open in excess of one year; one had no cases pending for over a year; one had systems problems and could not provide any data; and one did not provide any data in response to the special data call. The ODNI is actively addressing this annual reporting requirement with all IC organizations to make the necessary process or records tracking changes so that this detailed information may be collected for future reports.

Four IC agencies were able to provide data on 215 cases that have been pending or were closed in excess of one year. More than half of the cases cited "multiple issues" as the cause for significant delay, with counterintelligence and foreign issues as the two most common single reasons for delay. While this is only a small sampling of the total

number of cases over a year old, we believe it is likely representative of the issues causing delays based on experience throughout all elements of the IC.

- DIA reported only two cases in excess of one year old, which were 379 to 428 days old, respectively.
- The FBI reported eight cases in excess of one year old, ranging from 398 to 916 days old.
- NRO reported 13 cases in excess of one year old, ranging from 366 to 475 days old.
- NSA reported 192 cases in excess of one year old, ranging from 366 to 1078 days old; 158, or 83 percent of these cases, were up to 638 days old. The table below provides an overview of the causes for the significant delays for most of these cases. NSA's lengthy clearance process appears to be quite complicated, with either multiple issues, counterintelligence issues, or significant foreign involvement issues that often require significant time to gather enough information so that, if possible, a decision can be made in the case. It should be noted that NSA met the IRTPA investigation and adjudication timeliness goals in FY 2010.

Security Clearance Determinations Over One-Year Old												
Agency	GOV	CONTR	TOTAL	Reasons for Significant Delay in Processing								
				Multiple Issues	CI Issue	Foreign Issue	Financial Issue	Drug Use Issue	Subject-Caused Delays	Psychological Condition	Criminal Activity	Other
DIA	0	2	2	-	-	-	-	-	-	1	-	1
FBI	4	4	8	-	-	5	1	-	-	-	-	3
NRO	0	13	13	2	1	1	2	2	-	3	1	1
NSA	44	148	192	117	51	6	1	5	6	1	2	3
Total	48	167	215	119	52	12	4	7	6	5	3	8

OPM's Federal Investigative Services conducts investigations for nine of the IC agencies. OPM does not adjudicate the results of the investigations, but it does collect and record the adjudicative determination from the sponsoring agency on those cases for which OPM has conducted the investigation. OPM provided data for FY 2010 that it had available on 34,029 security clearance determinations across the Federal Government that took longer than one year to complete to provide insight into the volume and timeliness of significant issue cases in general.

OPM also provided limited data on pending security determinations over one year old for those IC clearances for which OPM is the investigative service provider. In general, case complexity relating to multiple issues, overseas activities, and our current military posture may increase the time needed to complete the investigation. For example, the oldest cases for each adjudicative entity revealed the following specific details:

Three of the eight investigations were complicated by multiple issues requiring resolution, and one involved overseas coverage delays. In three instances, the subjects were deployed during the course of investigation, which caused delays in completing the subject interviews. In one of these cases, there also were multiple issues requiring resolution. In deployment situations, OPM must often close the investigations and then reopen them once the subjects return. The initial investigation timeframe, the period of deployment, and the additional time needed to complete the investigation after return from deployment were all factored into the overall timeliness, often pushing the investigation beyond one year. One of the eight investigations was not identified for priority service. OPM automatically prioritizes all recognized national security requests; however, OPM also conducts other investigations that are not specifically recognizable as national security investigations but that may be used to support clearance determinations. These requests are prioritized as directed by the requesting agency according to their needs.

The ODNI will continue to develop improved methods of collection for the future.

SUMMARY

Significant progress has been made in recent years to improve the timeliness of security clearance determinations. This progress is due to continuous and ongoing improvements in the investigative and adjudication processes, particularly in the area of automation. The IC faces unique challenges in that some of the individuals sought after for particular skills often have foreign and counterintelligence issues that take additional time to investigate and adjudicate. Further, compartmentalization and varying enterprise IT platforms within the IC represent a challenge to implementation of automated systems similar to DOD's Clearance Adjudication Tracking System, which has greatly improved timeliness in non-issue cases by freeing human resources to concentrate on issue cases. Some of the data requested by the Act for this report has not been previously tracked. Efforts are under way to establish the measures and methods to collect it for future reports and to leverage such data to identify areas for improvement in the IC and across the Executive Branch.