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Reducing the number of cleared positions. Please provide an update on the GAO's 2012 report and your 2013 testimony with regard to government positions requiring security clearances.

a. What progress has the government made and where do the greatest challenges remain? In which departments, agencies, and offices have there been the most progress, and where has there been the least progress?

The government has made some progress in reducing the number of positions that require security clearances in the federal government. As of October 1, 2016—the most recent data available—the Office of the Director of National Intelligence (ODNI) reported that there were approximately 4.08 million government and contractor employees, at nearly 80 executive branch agencies, that were eligible to hold a security clearance.¹ This amounts to a reduction of 20.8 percent since October 1, 2013.

The Intelligence Authorization Act (IAA) for Fiscal Year 2010 requires the President to submit an annual report on security clearance determinations to Congress. As part of this report, ODNI includes information on the number of federal and contractor employees who hold or are eligible to hold a security clearance. Table 1 provides data on the number of total eligible individuals for the four fiscal years for which data are available.

Table 1: Total Number of Federal and Contractor Employees Found Eligible to Hold a Security Clearance

| Date | As of October 1, 2013 | As of October 1, 2014 | As of October 1, 2015 | As of October 1, 2016 |
|--------|-----------------------|-----------------------|-----------------------|-----------------------|
| Number | 5,150,379 | 4,514,576 | 4,249,053 | 4,080,726 |

Source: GAO analysis of ODNI reported data.

ODNI reported that decreases in the overall population that were eligible to hold a security clearance were the result of efforts across the government to review and validate whether an employee or contractor still requires access to classified information.

In our 2012 report,² we found that the Director of National Intelligence (DNI), as the Security Executive Agent, had not provided agencies clearly defined policy and procedures to consistently determine if a position requires a security clearance. Moreover, we found that the DNI had not established guidance to require agencies to review and revise or validate existing federal civilian position designations.

As a result, we made three recommendations to the DNI and the Director of the Office of Personnel Management (OPM) to:

1. issue clearly defined policy and procedures for federal agencies to follow when determining if federal civilian positions require a security clearance;
2. collaborate in their respective roles as Executive Agents to revise the position designation tool to reflect that guidance; and
3. issue guidance to require executive branch agencies to periodically review and revise or validate the designation of all federal civilian positions.

¹ODNI, *Fiscal Year 2016 Annual Report on Security Clearance Determinations*. This report was issued in 2018.

²GAO, *Security Clearances: Agencies Need Clearly Defined Policy for Determining Civilian Position Requirements*, GAO-12-800 (Washington, D.C.: July 12, 2012).

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In 2017, we closed all three recommendations as implemented, as described below.

- With regard to the first recommendation to define policy and procedures for federal agencies to follow when determining if a security clearance is required for a position, the DNI and Director of OPM proposed a new chapter and part to the Code of Federal Regulations (CFR) clarifying the position sensitivity designation of national security positions. Part 1400 of 5 CFR, *Designation of National Security Positions*, became effective on July 6, 2015, and provides departments and agencies with more detailed guidance on designating national security positions for federal civilian positions. Specifically, the regulation applies to the designation of executive branch national security positions within 1) the competitive service, 2) the excepted service where the incumbent can be noncompetitively converted to the competitive service, and 3) career appointments in the Senior Executive Service. Subsequently, OPM and ODNI issued an implementing memorandum in May 2016, which outlined actions that agencies must take, such as conducting an initial assessment of covered positions within 24 months of July 6, 2015, to ensure they were properly designated in accordance with the new regulation. Under the regulation, positions may be designated as national security positions whether or not they require eligibility for access to classified information. A need for access to classified information is one factor in designating a position as a national security position and determining the relevant sensitivity level of the position.
- With regard to the second recommendation to revise the position designation tool, in November 2015, OPM released an updated Position Designation Automated Tool that addressed our recommendation. The tool and the accompanying glossary both indicate that they are based, in part, on 5 CFR Part 1400. Specifically the tool restates that each position in the Federal service must be evaluated for a position sensitivity designation commensurate with the responsibilities and assignments of the position as they relate to the impact on national security. Such responsibilities and assignments include, but are not limited to, access to classified information (i.e., Confidential, Secret, or Top Secret).
- With regard to the third recommendation to issue guidance to require executive branch agencies to periodically review and revise or validate the designation of all federal civilian positions, OPM and ODNI issued an implementing memorandum in May 2016. This memorandum outlines actions that agencies must take, such as conducting an initial assessment of covered positions within 24 months of July 6, 2015, to ensure they were properly designated in accordance with the new regulation. In addition, the implementing memorandum's distribution list identifies affected agencies and an attachment identifies changes and differences between 5 CFR Part 1400 and the previous regulation.

We have not independently assessed the progress made by individual agencies or departments in reviewing their respective positions or any corresponding decrease in the number of positions requiring security clearances.

b. What current processes are in place for reducing the number of government positions requiring a security clearance and lowering the clearance level for positions that do require clearances?

As noted in the response to the previous question, OPM and ODNI issued an implementing memorandum in May 2016 regarding designation of national security positions, which would include positions requiring access to classified information. This memorandum outlined actions that agencies must take—such as conducting an assessment of covered positions within 24 months of July 6, 2015—to ensure they were properly designated in accordance with the new regulation, 5 CFR Part 1400. Accordingly, agencies had until July 6, 2017, to determine whether changes in position sensitivity designations were necessary for then-current positions.

Additionally, 5 CFR Part 1400 provides guidance for determining national security positions, and requires the evaluation of positions for a position sensitivity designation commensurate with the responsibilities and assignments of the position as they relate to the impact on national security. National security positions include, but are not limited to, those requiring eligibility for access to classified information.

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Furthermore, section 925(h) of the National Defense Authorization Act for Fiscal Year 2018, requires the Secretary of Defense to:

- review Department of Defense (DOD) requirements relating to position sensitivity designations for contractor personnel in order to determine whether such requirements may be reassessed or modified to reduce the number and range of contractor personnel who are issued security clearances in connection with work under contracts with the department; and
- issue guidance to program managers, contracting officers, and security personnel of the department specifying requirements for the review of contractor position sensitivity designations and the number of contractor personnel of the department who are issued security clearances for the purposes of determining whether the number of such personnel who are issued security clearances should and can be reduced.