

GAO

Report to the Ranking Minority
Member, Subcommittee on
Administrative Oversight and the
Courts, Committee on the Judiciary,
U.S. Senate

April 2004

SECURITY CLEARANCES

FBI Has Enhanced Its Process for State and Local Law Enforcement Officials





Highlights of [GAO-04-596](#), a report to the Subcommittee on Administrative Oversight and the Courts, Committee on the Judiciary, U.S. Senate

Why GAO Did This Study

Since September 11, 2001, information sharing between the FBI and state and local law enforcement officials has become increasingly important. Although the majority of information the FBI shares with state and local law enforcement officials is unclassified, these officials sometimes need access to classified information, which requires that they have a federal security clearance. This report describes (1) the FBI's process for granting security clearances to state and local law enforcement officials, (2) the extent to which the FBI has met its time frame goals for processing security clearance applications for state and local law enforcement officials and factors that could affect the timely processing of security clearance applications, and (3) efforts undertaken by the FBI to enhance its security clearance and information-sharing processes with state and local law enforcement officials.

www.gao.gov/cgi-bin/getrpt?GAO-04-596.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Laurie Ekstrand at (202) 512-8777 or ekstrandl@gao.gov.

SECURITY CLEARANCES

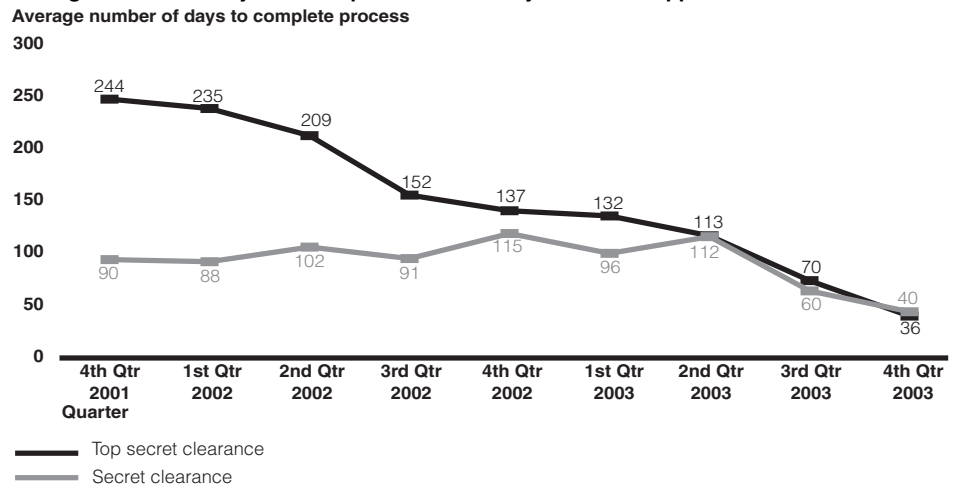
FBI has Enhanced its Process for State and Local Law Enforcement Officials

What GAO Found

Federal government-wide policies, as implemented by the FBI, apply to state and local officials seeking FBI-issued security clearances. The security clearance process for state and local officials involves six broad steps that consist of, among other things, an extensive background investigation and an adjudication based on federal government-wide criteria.

Since September 11, 2001, the FBI processed about 92 percent of top secret security clearance applications within its time frame goals of 6 to 9 months. About 26 percent of secret security clearance applications were processed within the FBI's time frame goals of 45 to 60 days, although substantial improvements have been made in the most recent quarters for which GAO has data. Time frames for completion of both top secret and secret applications have decreased since 2001. For either top secret or secret security clearance applications, processing time frames can vary depending on various factors, including the complexity of individual cases.

Average Number of Days for Completion of Security Clearance Applications



The FBI has enhanced its security clearance and information-sharing processes with state and local law enforcement agencies and officials. The FBI sent guidance on the security clearance process to its field staff and added staff to its headquarters unit responsible for processing state and local security clearance applications. To increase information sharing with state and local law enforcement officials, the FBI increased its number of Joint Terrorism Task Forces, which allow state and local law enforcement officials to engage in counterterrorism efforts directly with FBI officials, and has used a variety of bulletins, briefings, and database networks.

Officials from the Department of Justice and the FBI reviewed a draft of this report and generally concurred with GAO's findings.

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Abbreviations

BICS	Background Investigation Contract Service
DOJ	Department of Justice
FBI	Federal Bureau of Investigation
JTTF	Joint Terrorism Task Force
LEO	State and Local Law Enforcement Executives and Elected Officials Security Clearance Initiative
OLEC	Office of Law Enforcement Coordination

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United States General Accounting Office
Washington, DC 20548

April 30, 2004

The Honorable Charles E. Schumer
Ranking Minority Member
Subcommittee on Administrative Oversight
and the Courts
Committee on the Judiciary
United States Senate

Dear Senator Schumer:

The free flow of information among federal, state, and local law enforcement agencies could prove vital to fighting the war on terrorism. State and local law enforcement officials are key stakeholders in the United States' efforts to combat terrorism, and as such, they may require access to classified national security information to help prevent or respond to terrorist attacks. In order to gain access to such information, state and local law enforcement officials generally need federal security clearances. The Federal Bureau of Investigation (FBI) grants security clearances and shares classified information with state and local law enforcement officials.

Immediately following September 11, 2001, some state and local law enforcement officials expressed frustration with the complexity of the process for obtaining security clearances. Others expressed frustration with the length of time it took to obtain a security clearance. These frustrations exacerbated the general concern among law enforcement stakeholders that the lack of security clearances could impede the flow of critical information from the FBI to the state and local level, from the state and local level to the FBI, and laterally from one state or local agency to another. In turn, this potential lack of access to critical terrorism-related information might place local law enforcement officials at a disadvantage in their efforts to respond to or combat a terrorist threat.

You asked us to examine several issues regarding the FBI's process for granting security clearances to state and local law enforcement officials. This report provides information on: (1) the FBI's process for granting security clearances to state and local law enforcement officials, (2) the extent to which the FBI has met its time frame goals for processing security clearance applications for state and local law enforcement officials and factors that could affect the timely processing of security

clearance applications, and (3) efforts undertaken by the FBI to enhance its security clearance and information-sharing processes with state and local law enforcement officials.

According to FBI officials, most information that state and local officials need is unclassified and can be shared without a security clearance. If a security clearance is needed, it is generally needed at the secret level. A secret security clearance may be granted to those persons who have a “need to know” national security information classified at the confidential or secret level.¹ Top secret security clearances are granted to those persons who have a need to know national security information classified up to the top secret level, and who need unescorted access to FBI facilities.² The Joint Terrorism Task Force (JTTF) and the State and Local Law Enforcement Executives and Elected Officials Security Clearance (LEO) Initiative are two mechanisms the FBI uses to partner with state and local law enforcement officials. State and local law enforcement officials assigned to JTTFs generally work full-time with FBI investigators in FBI facilities. They require top secret security clearances because of their daily, ongoing need to gain access to information classified at the top secret level, FBI workspaces, and other resources that may contain classified information. The LEO initiative was created to brief officials with an established need to know classified information that would or could affect their areas of jurisdiction. In addition, granting security clearances to state and local law enforcement officials was intended to help ensure the free flow of information between the FBI and state and local law enforcement officials.

To address our objectives we interviewed and obtained information from officials from the Department of Justice (DOJ), the FBI, the National Archives and Records Administration, and selected state and local law enforcement organizations. We also reviewed executive orders, federal regulations, FBI policies and procedures, and other relevant documents

¹Confidential is applied to information, the unauthorized disclosure of which reasonably could be expected to cause damage to the national security. Secret is applied to information, the unauthorized disclosure of which could cause serious damage to national security. Executive Order 13292, Further Amendment to Executive Order 12958, as Amended, Classified National Security Information, sec. 1.2, Mar. 28, 2003.

²Top secret is applied to information, the unauthorized disclosure of which could cause exceptionally grave damage to national security. Executive Order 13292, Further Amendment to Executive Order 12958, as Amended, Classified National Security Information, sec. 1.2, Mar. 28, 2003.

governing the FBI's ability to grant security clearances and share national security information. We also analyzed data obtained from the FBI's state and local security clearance tracking databases collected between September 2001 and December 2003. Additional information on our scope and methodology is presented in appendix I.

We performed our work from July 2003 to March 2004 in Washington, D.C., in accordance with generally accepted government auditing standards. We requested comments on a draft of this report from the Department of Justice and the FBI.

Results in Brief

The FBI's process for granting access to classified information requires state and local law enforcement officials to undergo the same background investigation and adjudication procedures as do individuals who have an employment relationship with the federal government and require access to classified national security information. Generally, the process involves six steps. These steps consist of the (1) FBI field office officials determining the applicant's need to know classified national security information and the level of clearance required, (2) applicant's submission of application materials to an FBI field office, (3) applicant fingerprinting and interview conducted by FBI field office officials, (4) FBI field officials' routing of application to FBI headquarters and the FBI investigators' completion of a background investigation, (5) FBI headquarters' adjudication of applications based on federal government adjudication standards, and (6) notification of adjudication to the FBI field office and the applicant.

The FBI's goal is to complete the processing for secret security clearances within 45 to 60 days and top secret security clearances within 6 to 9 months, beginning with the FBI headquarters' receipt of the application from the FBI field office. Since September 11, about 92 percent of applications for top secret security clearances were processed within the FBI's time frame goals. During this same period, about 26 percent of secret security clearance applications were processed within the FBI's time frame goals, although substantial improvements have been made in the most recent quarters for which we have data. The FBI was more successful with processing top secret security clearances within its stated time frame goals than secret security clearances, in part because the FBI often assigns greater priority to processing applications for state and local JTTF members, who are required to have top secret clearances. For either secret or top secret security clearance applications, processing timeframes can vary depending on the complexity of individual cases.

The FBI has taken a number of steps to enhance its process for granting security clearances to, and sharing information with, state and local law enforcement officials. Since September 11, the FBI has met with state and local law enforcement officials and representatives from law enforcement professional organizations to (1) discuss information sharing and related security requirements and (2) prioritize and identify security clearance process impediments. One of the impediments highlighted was the state and local officials' and the FBI field office staff's lack of a clear understanding of the FBI's security clearance granting process. In response to this impediment, the FBI headquarters widely distributed step-by-step guidance to state and local law enforcement officials and reeducated the FBI field staff on the FBI security clearance process and goals. In addition, the FBI added staff to its headquarters unit responsible for adjudicating state and local security clearance applications and created databases to track state and local security clearance applications. Efforts undertaken by the FBI to enhance information sharing with state and local officials include increasing the number of JTTFs from 35 to 84 and increasing state and local law enforcement officials' participation on these forces. Serving on JTTFs provides state and local law enforcement officials the opportunity to interact with the FBI on a daily basis. The FBI also circulates declassified intelligence through a weekly bulletin and provides threat information to state and local law enforcement officials via various database networks.

In commenting on a draft of this report, the Department of Justice and the FBI generally concurred with our findings.

Background

The FBI primarily grants security clearances to state and local law enforcement officials who participate in FBI task forces and to state and local chiefs of police and sheriffs.³ Since September 11, the FBI has expanded its JTTF initiative from 35 JTTFs to 84 JTTFs. This increase in JTTFs created more opportunities for information sharing and participation by state and local officials, thus increasing the number of security clearance applications submitted to the FBI by state and local officials. After September 11, an increasing number of state and local officials who were not assigned to JTTFs began requesting security clearances to obtain terrorism-related information that might affect their jurisdictions. In some cases, state and local officials assigned to JTTFs

³State and local law enforcement officials will be referred to as "state and local officials" throughout the remainder of this report.

were not able to share classified information with their state and local superiors because the superiors lacked security clearances. In addition to forming the JTTFs, the FBI launched the LEO initiative to focus on granting security clearances to officials in an executive, decision-making role who were not posted to a JTTF. According to the FBI, the launch of this initiative also increased the number of state and local security clearance applications.

Presidential Executive Order 12968, Access to Classified Information, dated August 1995, established federal executive branch criteria for granting access to classified information. As implemented by the FBI, the primary criterion for granting access to classified information is an individual's "need to know," which is defined as the determination made by an authorized holder of classified information that a prospective recipient requires access to specific classified information in order to perform or assist in a lawful and authorized governmental function.⁴ In addition to possessing a need to know, individuals must have a security clearance based upon a favorable adjudication of an appropriate background investigation, been briefed on the responsibilities for protecting classified information, signed a nondisclosure agreement acknowledging those responsibilities, and agreed to abide by all appropriate security requirements.

An amendment to Presidential Executive Order 12958, Executive Order 13292, issued in 2003, also allows federal agencies, including the FBI, to share classified information in an emergency with individuals who lack a prior security clearance when necessary to respond to an imminent threat to life or in defense of the homeland.⁵ Prior to this executive order, during high-priority cases when there was a threat to life, the FBI would provide

⁴Executive Order 12968, Access to Classified Information, Section 1.1(h).

⁵ Executive Order 13292, Section 4.2(b).

pertinent information to those with a need to know by granting them interim clearances.⁶

Federal Government-Wide Policies Apply to State and Local Officials Seeking FBI-Issued Security Clearances

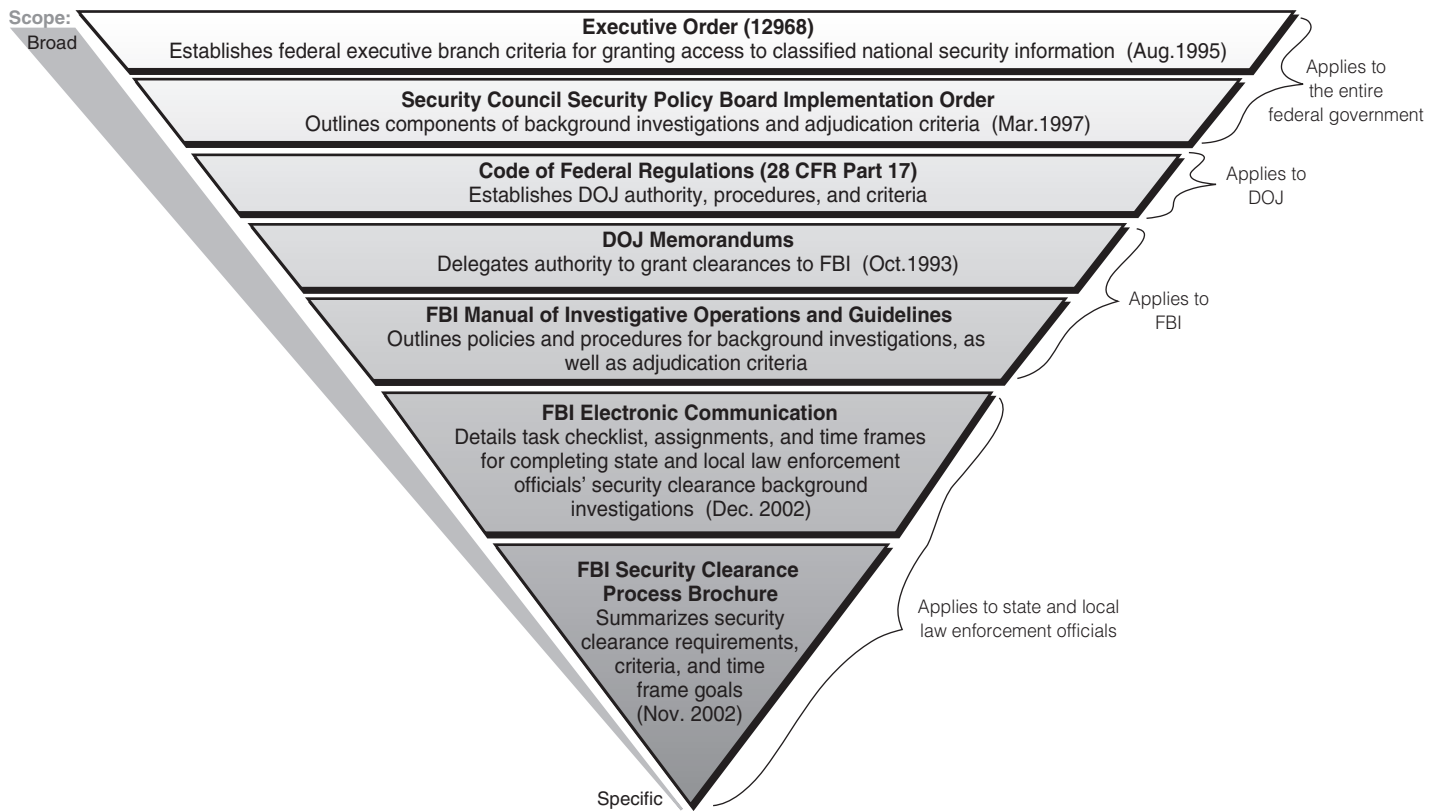
Federal government-wide policies, as implemented by the FBI, apply to state and local officials seeking FBI-issued security clearances. The security clearance process for state and local officials involves six broad steps that consist of the (1) FBI field office officials' determining the applicant's need to know classified national security information and level of clearance required, (2) applicant's submission of application materials to an FBI field office, (3) applicant fingerprinting and interview conducted by FBI field office officials, (4) FBI field officials' routing of application materials to FBI headquarters and the FBI investigators' completion of a background investigation, (5) FBI headquarters' adjudication of clearance applications based on federal government adjudication standards, and (6) notification of an adjudication.

General FBI Criteria for Granting Security Clearances Apply Equally to FBI Employees and State and Local Officials

The FBI's policies for granting access to classified information requires state and local officials to undergo the same background investigation and adjudication procedures as do individuals who have an employment relationship with the FBI or other federal government agencies and require access to classified national security information. The FBI received its authority to grant security clearances from the Department of Justice in 1993 (see fig. 1). Presidential Executive Order 12968, Access to Classified Information, dated August 1995, established federal executive branch criteria for granting access to classified information. The FBI's *Manual of Investigative Operations and Guidelines* outlines the bureau's policies and procedures for investigating and adjudicating various categories of security clearance cases, including FBI employees, contractors, and state and local officials. The FBI cannot grant a security clearance to any individual based simply on the individual's rank or position. Police chiefs, for example, are not automatically granted security clearances and must undergo the same procedures as all other individuals.

⁶According to Executive Order 12968, Section 3.3, temporary eligibility for access to classified information can be granted to an individual while the initial investigation is under way. When an interim clearance is granted, the initial investigation is expedited. Granting access under this provision requires a justification, and the individual must be notified in writing that further access is expressly conditioned on the favorable completion of the investigation and issuance of an access eligibility approval. Access is terminated immediately, along with the assignment requiring eligibility approval, if final approval is not granted.

Figure 1: Criteria for Granting Access to Classified Information



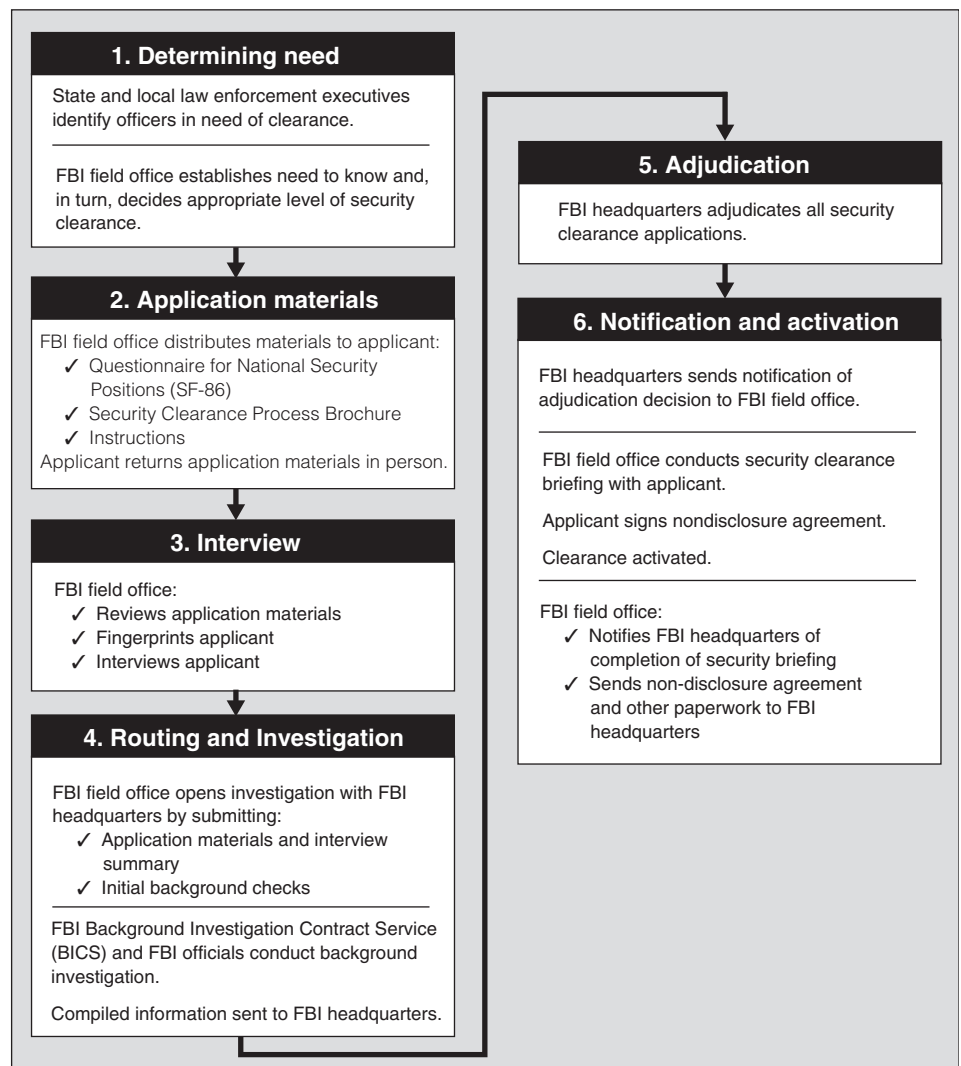
Source: GAO analysis of applicable regulations and guidelines.

State and local officials do not have a direct employment relationship with the FBI, but sometimes they require access to FBI workspaces and classified information. The procedures for conducting background investigations and granting access to classified information are identical to those for all FBI cases. For example, the FBI requires a background investigation of the last 10 years of a person's life for all individuals in need of a top secret security clearance. This also applies to state and local officials.

Various FBI and Non-FBI Stakeholders Involved in Six-Step Security Clearance Process

Generally, state and local officials' contact with the FBI is primarily through the local FBI field office, and field office management is personally held accountable by FBI headquarters for all security clearance applications processed through their offices. Nevertheless, a number of stakeholders, including state and local officials themselves, are involved in various parts of the application process which, as figure 2 depicts, can be summarized in six steps.

Figure 2: FBI's Security Clearance Application Process for State and Local Law Enforcement Officials



Source: GAO analysis of FBI security clearance process documentation.

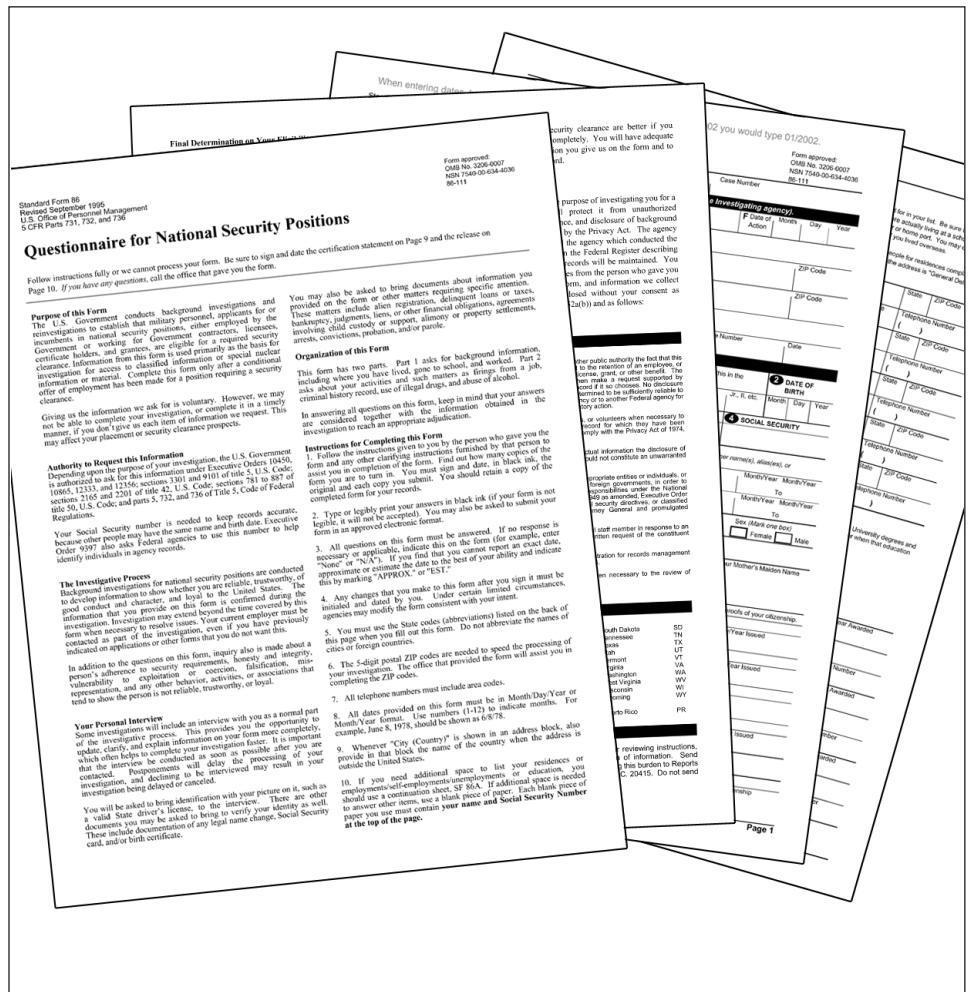
Step 1: Determining Need

To initiate the security clearance application process, state and local officials first identify the individuals in their departments who require access to classified information, taking into consideration JTTF assignments, internal staffing needs, and FBI field office guidance. Once individuals are identified, the FBI field office specify the need to know for each individual, which in turn determines the appropriate level of the security clearance: top secret or secret.

Step 2: Submission of Application Materials

Next, FBI field officials distribute application materials to the selected state and local officials. The instructions for completing the application materials (see fig. 3) require the applicant to provide information reaching back 10 years, and must include all previous employment, residences, foreign travel and contacts, and references. The applicant also signs a statement authorizing access to his or her credit records.

Figure 3: Sample Pages from a Security Clearance Application



Source: Office of Personnel Management (OPM).

Step 3: Applicant Interview

Upon submission of the application materials, an FBI field office official reviews the materials, conducts a face-to-face interview, and fingerprints the applicant (see fig. 4). In addition, the FBI is moving toward requiring all security clearance applicants to undergo a polygraph examination to be completed during the security interview. FBI field office officials summarize the information collected for submission to the FBI headquarters.

Figure 4: Sample Fingerprint Card

APPLICANT		LEAVE BLANK		TYPE OR PRINT ALL INFORMATION IN BLACK LAST NAME <u>NAM</u> FIRST NAME <u>Smith,</u> MIDDLE NAME <u>John</u> <u>Doe</u>				FBI LEAVE BLANK	
SIGNATURE OF PERSON FINGERPRINTED		RESIDENCE OF PERSON FINGERPRINTED <u>XXX Somewhereville</u> <u>Anywhere, XX 00000</u>		ALIASES <u>AKA</u>		OR I DCFBID11Z FBI-HQ-ICAU WASHINGTON, DC		DATE OF BIRTH <u>DOB</u> Month <u>07</u> Day <u>13</u> Year <u>71</u>	
DATE <u>4/04/04</u> SIGNATURE OF OFFICIAL TAKING FINGERPRINTS <i>Clive R...</i>		EMPLOYER AND ADDRESS <u>Employer</u> <u>XXX Somewhereville</u> <u>Anywhere, XX 00000</u>		CITIZENSHIP <u>CTZ</u>		SEX <u> </u> RACE <u> </u> HGT <u> </u> WGT <u> </u> EYES <u> </u> HAIR <u> </u>		PLACE OF BIRTH <u>POB</u>	
REASON FINGERPRINTED <u>Agency</u>		YOUR NO. <u>OCA</u>		FBI NO. <u>FBI</u>		ARMED FORCES NO. <u>MNU</u>		LEAVE BLANK	
		SOCIAL SECURITY NO. <u>SOC</u> <u>000-00-0000</u>		MISCELLANEOUS NO. <u>MNU</u>		CLASS <u> </u>		REF. <u> </u>	
1. R. THUMB		2. R. INDEX		3. R. MIDDLE		4. R. RING		5. R. LITTLE	
6. L. THUMB		7. L. INDEX		8. L. MIDDLE		9. L. RING		10. L. LITTLE	
LEFT FOUR FINGERS TAKEN SIMULTANEOUSLY				L. THUMB		R. THUMB		RIGHT FOUR FINGERS TAKEN SIMULTANEOUSLY	

Source: GAO enhancement of an FBI document.

Step 4: Routing and Investigation

According to FBI headquarters guidance, the FBI field office also must compile a portion of the investigative information for submission to FBI headquarters within 10 days of receipt of the application. However, the FBI was not able to estimate the actual processing time for these preliminary tasks. This procedure opens the investigation and corresponds to the beginning of FBI headquarters' involvement in the security clearance application process.

Following the opening of the case, FBI headquarters conducts government-wide required security clearance National Agency Checks. Such inquiries include checks of the National Crime Information Center,⁷ fingerprint checks, and Office of Personnel Management and Defense Clearance and Investigations Index inquiries.⁸ FBI headquarters then refers the case to the FBI's Background Investigation Contract Service (BICS) Unit. BICS conducts background investigations for FBI security clearance applications, including applications from state and local officials. Typical background investigations include verification of citizenship, credit, and criminal history checks. For a top secret security clearance, the background investigation includes additional checks such as the verification of education, employment, and residences within the past 10 years. Interviews of friends, coworkers, supervisors, and neighbors also are conducted. The background investigation may be expanded if an applicant has resided abroad or has a history of mental health disorders, drug or alcohol abuse.

Step 5: Adjudication

Once all required background information has been submitted to FBI headquarters, the adjudicator assigned to the case reviews the information. In some cases, the adjudicator must request additional leads to follow up on information uncovered in the investigation that might increase the risk of granting the individual access to classified information. To confirm or mitigate information collected, the adjudicator may require a second interview with the applicant. For example, if a negative credit history is uncovered, the applicant may be asked how he or she is attempting to remedy that situation.

⁷The National Crime Information Center is a nationwide information system that contains, among other things, information on fugitives, wanted persons, convicted persons, and persons under probation or parole supervision.

⁸The Defense Clearance and Investigations Index maintains data on active duty personnel, reservists, and Department of Defense civilians and contractors who have been involved in a security clearance investigation or adjudication.

The adjudicator summarizes this information in a report, which includes a recommendation as to whether to grant a security clearance based on 13 federal government-wide adjudicative standards. These standards include an assessment of the applicant's allegiance to the United States, personal conduct, mental health, and associations with undesirable persons or foreign nationals, among other things.⁹ A supervisory official reviews this recommendation and grants final approval. In cases where a denial of clearance is recommended, the adjudicator's unit chief also must review the report.¹⁰

Step 6: Notification and Activation

According to the FBI, the same day the adjudication is made regarding whether to grant access to classified information, the FBI field office is notified. In cases of a favorable decision, according to FBI policies, the FBI field office then has 10 days to set up a security briefing with the applicant. The security clearance does not take effect until the security briefing has been completed and the applicant has signed a non-disclosure agreement. Documentation of the interview and the signed agreement are sent to FBI headquarters to record that the clearance has taken effect.

⁹Adjudicative Guidelines for Determining Eligibility to Classified Information was issued as a part of the Security Policy Board Implementation of Executive Order 12968 (March 1997).

¹⁰FBI officials informed us that state and local law enforcement officials may appeal the denial of a security clearance based on procedures outlined in Executive Order 12968, Section 5.2, but that none had appealed as of the date of our review.

The FBI Processed the Majority of Top Secret Security Clearances within its Time Frame Goals; Secret Security Clearances Generally Missed the Time Frame Goals, but Improvements Have Been Made

The FBI's goal for processing top secret security clearance applications is 6 to 9 months, and its goal for processing secret security clearance applications is 45 to 60 days, though actual completion times can vary from case to case. The majority of the applications the FBI received for top secret security clearances since September 11, were processed within the FBI's stated time frame goals. In contrast, the majority of secret applications received since September 11, were not processed within the FBI's time frame goals. However, during the last half of 2003 the FBI nearly doubled its success rate for completing secret security clearance applications within its time frame goals.

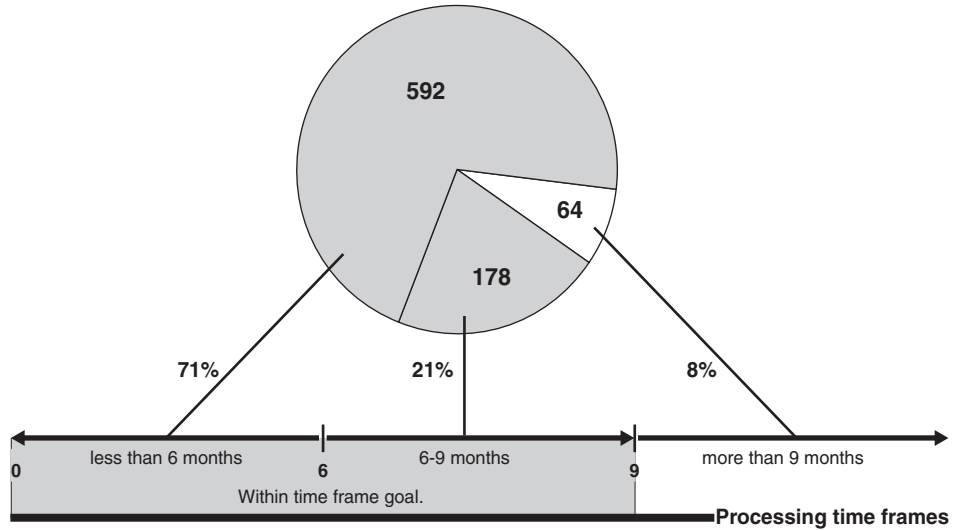
The FBI Processed the Majority of Top Secret Applications from State and Local Officials within its Time Frame Goals

The FBI's goal is to process top secret security clearance applications in 6 to 9 months, though actual completion times can vary from case to case. The FBI has received 1,211 applications for top secret security clearances since September 11, 2001. Of the top secret applications received, about 835 were granted and 276 were pending at the time our review. The FBI denied clearances to 7 applicants.¹¹

The FBI often assigns greater priority to processing applications for state and local JTTF members, who are required to have top secret clearances. Consequently, as figure 5 shows, about 92 percent of the 835 applications for top secret security clearances granted were processed within the FBI's time frame goal of 6 to 9 months since September 11. Of the 276 top secret security clearance applications that were still pending completion at the time of our review, over 90 percent were processed within the FBI's time frame goal of 6 to 9 months.

¹¹Eighty-seven applications were discontinued. Reasons for discontinuation can include situations in which the candidate was replaced with another candidate or the candidate no longer had a need to know classified information. Four applications were returned to the FBI field office because of missing information. One application was closed administratively because of the candidate's withdrawal or failure to sign a nondisclosure form, among other things.

Figure 5: Granted Top Secret Security Clearance Processing Time Frames from September 11, 2001, to December 8, 2003



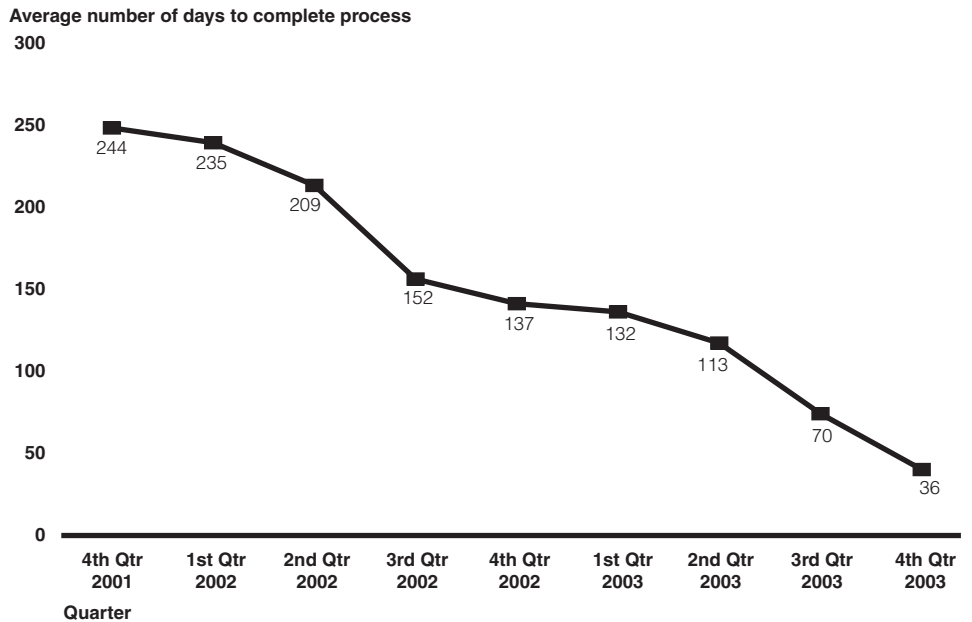
Source: GAO analysis of FBI data.

Note: The processing time frame for one application was not available.

As noted earlier, the FBI's average actual time frame for processing top secret security clearances for state and local officials has declined since September 11. As shown in figure 6, the average number of days for completing a top secret security clearance application declined from 244 days in the last quarter of 2001 to 70 days in the third quarter of 2003.¹²

¹²Because data for the fourth quarter of 2003 are not complete, we use comparisons based on the third quarter of 2003.

Figure 6: Average Number of Days for Completion of Top Secret Security Clearance Applications



Source: GAO analysis of FBI data.

Note: Data GAO collected for the fourth quarter of 2003 end on December 8, 2003.

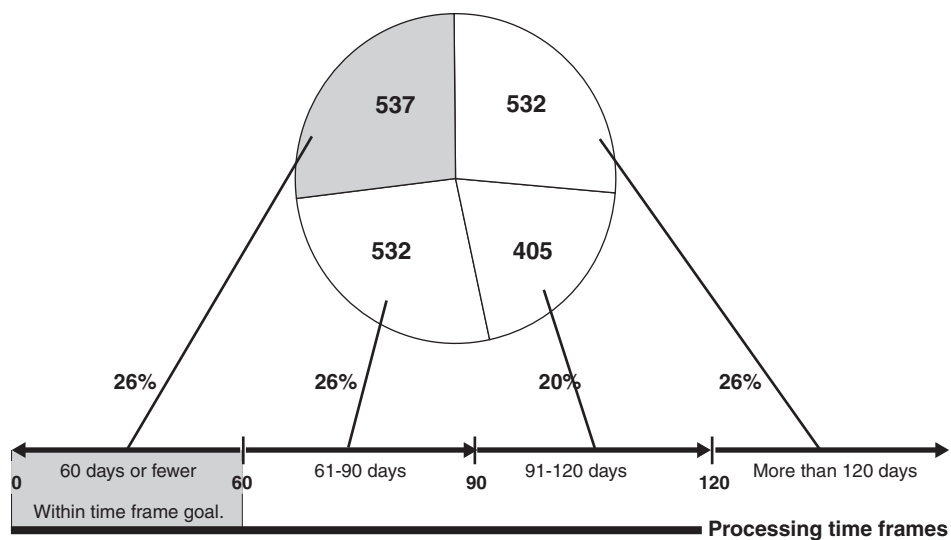
The FBI Generally Fell Short of Its Time Frame Goals for Processing Secret Security Clearances, but It Has Improved Its Processing Times in the Last Six Months

The FBI's time frame goal for granting secret security clearances is 45 to 60 days, though actual completion times can vary from case to case. The FBI received 2,363 applications for secret security clearances from state and local officials since September 11. Of the secret security clearance applications received, 2,021 had been granted and 267 were pending at the time of our review.¹³ The FBI did not deny any secret security clearance applications.

¹³Seventy-three applications were discontinued. Reasons for discontinuation can include situations in which the candidate was replaced with another candidate or the candidate no longer possessed a need to know classified information. One application was returned to the FBI field office because of missing information. One application was closed administratively because of the candidate's withdrawal or failure to sign a nondisclosure form, among other things.

The FBI processed about 26 percent of secret applications within its time frame goals, as shown in figure 7. The remainder, about 72 percent, were granted in more than 60 days.¹⁴

Figure 7: Granted Secret Security Clearance Processing Time Frames from September 11, 2001, to December 8, 2003



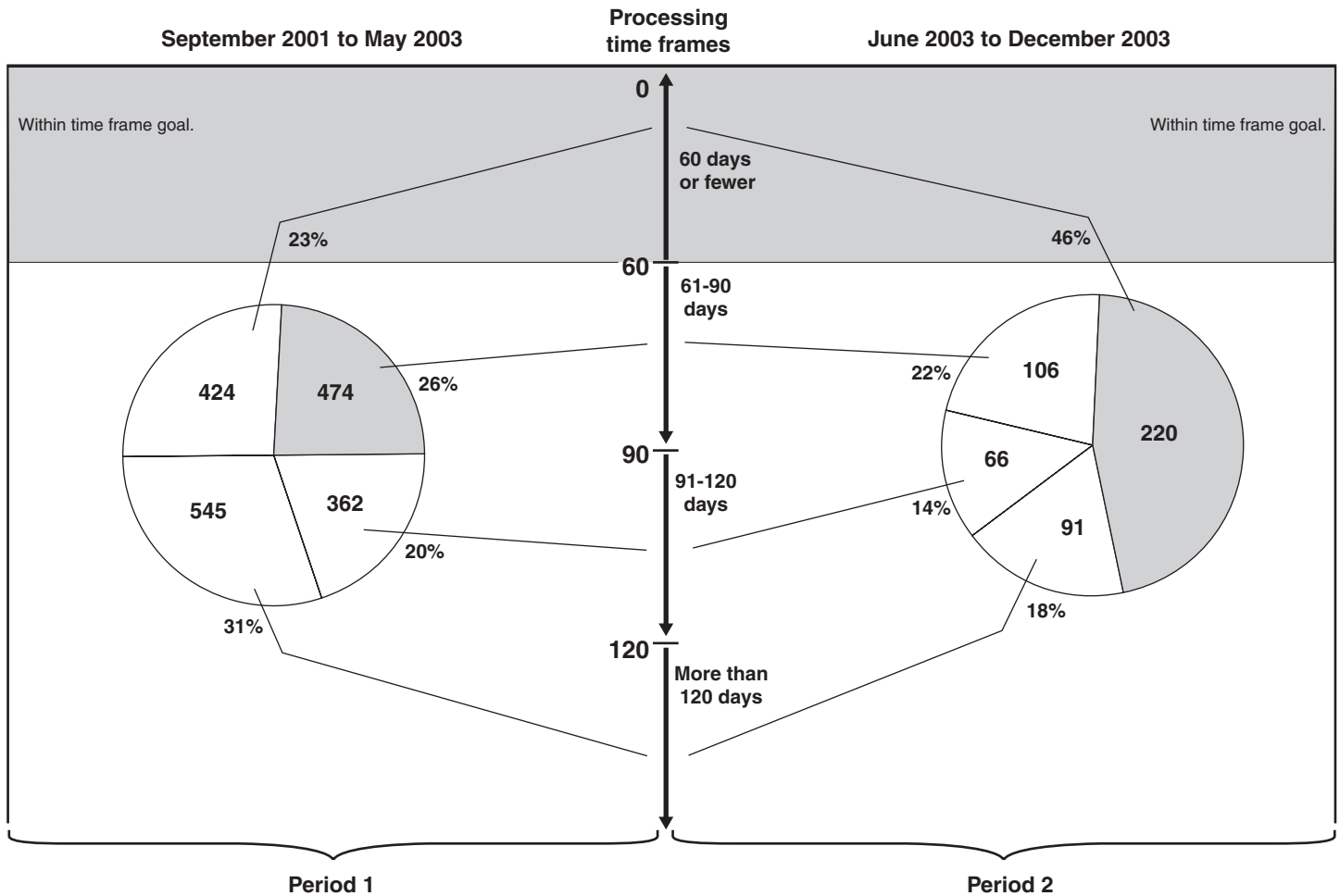
Source: GAO analysis of FBI data.

Note: Totals do not equal 100 because the processing time frames for 15 applications were not available.

An analysis of the last 6 months of data collected during our review shows that the FBI has begun to process secret applications more quickly. The FBI received about 483 secret security clearance applications between June 2003 and December 2003. About 46 percent of those applications were processed within the FBI's time frame goals (see fig. 8), nearly doubling the success rate for completing secret security clearance applications within the designated time frame goals.

¹⁴Of the secret security clearance applications that were pending completion at the time of our review, about 61 percent had already missed the FBI's time frame goals.

Figure 8: Secret Security Clearance Processing Time Frames Comparing the Period June 2003 to December 2003 with the Preceding Months



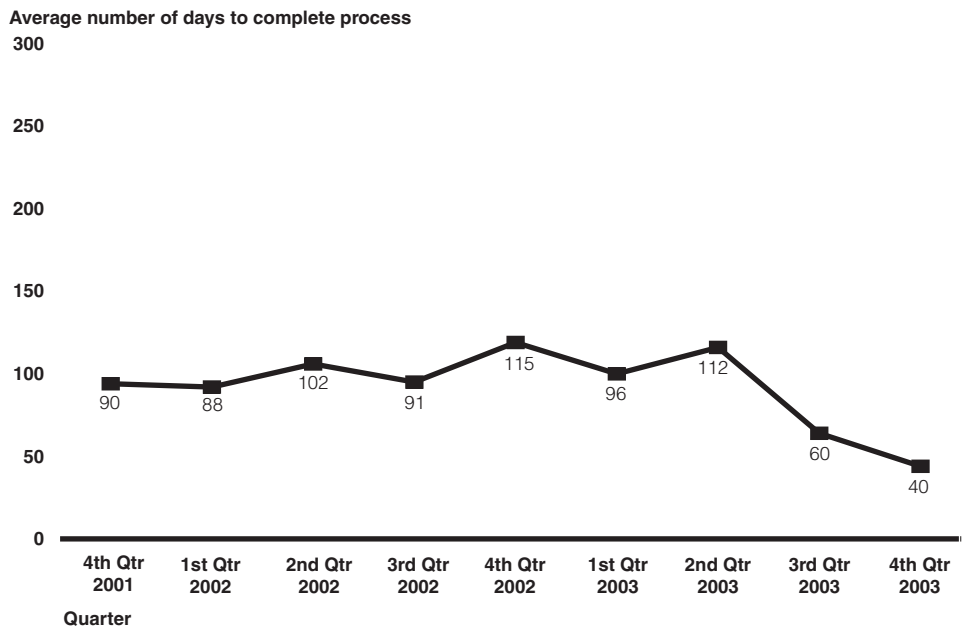
Source: GAO analysis of FBI data.

Note: This includes all secret applications that were opened during these time frames, including those that were pending completion.

The FBI has also improved its overall actual completion time frames for secret security clearance applications since the second quarter of 2003, as shown in figure 9. The average number of days for processing a secret security clearance application was about 90 in the last quarter of 2001. By the fourth quarter of 2002, the average number of days for processing a

secret security clearance application had risen to about 115, and in the third quarter of 2003, the average number of days declined to about 60.¹⁵

Figure 9: Average Number of Days for Completion of Secret Security Clearance Applications



Source: GAO analysis of FBI data.

Note: Data GAO collected for the fourth quarter of 2003 end on December 8, 2003.

Various Factors Could Affect the FBI's Processing Time Frames

FBI officials stated that the bureau's time frame goals are approximate averages and actual completion times can vary depending on a number of factors. For example, numerous past residences or foreign travel can extend the time it takes to conduct a background investigation. In addition, background investigations can take additional time when information from the applicant's application does not match the information collected during investigation interviews. FBI guidance to state and local officials states that the processing time for each application will vary depending on its complexity. Also, according to a DOJ official, the number of applications in the FBI's queue, as well as the FBI's staffing resources, affect the time needed to process a security clearance

¹⁵Because the data for the fourth quarter of 2003 are not complete, we use comparisons based on the third quarter of 2003.

application. According to FBI officials, the volume of security clearance applications increased substantially after September 11.

Although the FBI's security clearance process begins when a need for a clearance is determined, as shown in figure 2, the FBI does not begin to track the processing of security clearance applications until after the FBI field office completes its preliminary tasks and forwards the application package to FBI headquarters. These preliminary tasks can include checks with the internal affairs unit of the department where the official is employed, administering a polygraph examination, and verifying citizenship with the U.S. Citizenship and Immigration Services. The official must also undergo a face-to-face personnel security interview. Though guidance to FBI field offices requires that these tasks be performed and the application forwarded to headquarters within 10 days of receipt of the security clearance application, the FBI was not able to estimate the actual processing time for these preliminary tasks. According to the FBI, the time required to perform the initial steps of the process varies by field office and is dependent on the unique circumstance of each candidate. For example, state and local officials who are located in a law enforcement agency that is distant from the FBI field office may require additional time to schedule tasks that take place at the field office. According to FBI officials, the time frames for completion of these preliminary tasks may also depend on the laws, regulations, policies, and union agreements that may affect the local police agency.

The FBI and State and Local Officials Have Identified Process Impediments and the FBI Has Taken Steps to Enhance the Security Clearance Process and Information Sharing

The FBI has undertaken various steps to enhance its process for granting security clearances to state and local officials and to facilitate information sharing with state and local law enforcement agencies. Since September 11, the FBI has consulted with state and local officials to collect their views and recommendations regarding information sharing and improving the security clearance process. The FBI identified state and local officials' unfamiliarity with the requirements for processing security clearance applications as one of the main impediments to timely processing of applications. To improve understanding of its policies for granting security clearances, the FBI published an informational brochure for state and local officials and continued to meet with state and local law enforcement organizations. The FBI also developed policy guidance and a checklist of procedures for FBI field office officials, added staff to the headquarters unit responsible for processing state and local security clearance applications, and developed database resources at headquarters to track applications. To promote information sharing between the FBI and state and local law enforcement agencies, in 2002 and 2003, the FBI increased

the number of JTTFs and encouraged state and local officials to participate in this and other information-sharing initiatives. In addition, the FBI distributed terrorism-related bulletins to state and local agencies and has made terrorist threat-related information available via various FBI electronic networks.

State and Local Officials and the FBI Have Consulted to Identify Ways to Improve the Security Clearance and Information Sharing Processes

In response to an increased interest in information sharing between the FBI and state and local law enforcement agencies following the terrorist attacks of September 11, high-level FBI officials met with state and local law enforcement leaders to discuss ways to prevent or respond to terrorist attacks. These discussions included ways to improve information sharing between the FBI and state and local law enforcement agencies, as well as the FBI's requirements and process for granting security clearances. According to FBI officials, representatives of major state and local law enforcement groups continue to meet periodically with the FBI Director and other FBI officials.¹⁶

In addition, the FBI created the Office of Law Enforcement Coordination (OLEC), which is headed by a former city police chief, to address state and local officials' concerns. OLEC's general responsibilities include serving as the FBI's primary liaison to national law enforcement associations and communicating the perspectives of state and local law enforcement agencies to the FBI. In addition to participating in state and local law enforcement organizations' meetings with the FBI Director, OLEC staff regularly attend conferences of state and local law enforcement organizations and respond to inquiries from state and local officials.

In addition to the FBI's direct consultation with state and local officials, after September 11, some state and local law enforcement organizations expressed their members' concerns regarding information sharing with the FBI and the FBI's security clearance application process. These organizations shared their members' views with the FBI via white papers,¹⁷ and through meetings and conversations with FBI officials, including OLEC representatives. Officials from the FBI's Security Division, which

¹⁶For example, the International Association of Chiefs of Police, the National Sheriffs Association, the Police Executive Research Forum, and the Major Cities Chiefs of Police Association have met with FBI officials.

¹⁷These include "Protecting Your Community from Terrorism: Strategies for Local Law Enforcement, volume 1: Local-Federal Partnerships," Police Executive Research Forum, March 2003; and "Terrorism: The Impact on State and Local Law Enforcement," Major Cities Chiefs Association Intelligence Commanders Conference Report, June 2002.

houses the units responsible for processing security clearance applications and granting access, also participated in many of these activities.

FBI Field Office Officials and State and Local Officials Initially Lacked Understanding of the Security Clearance Application Process and Expressed Other Concerns

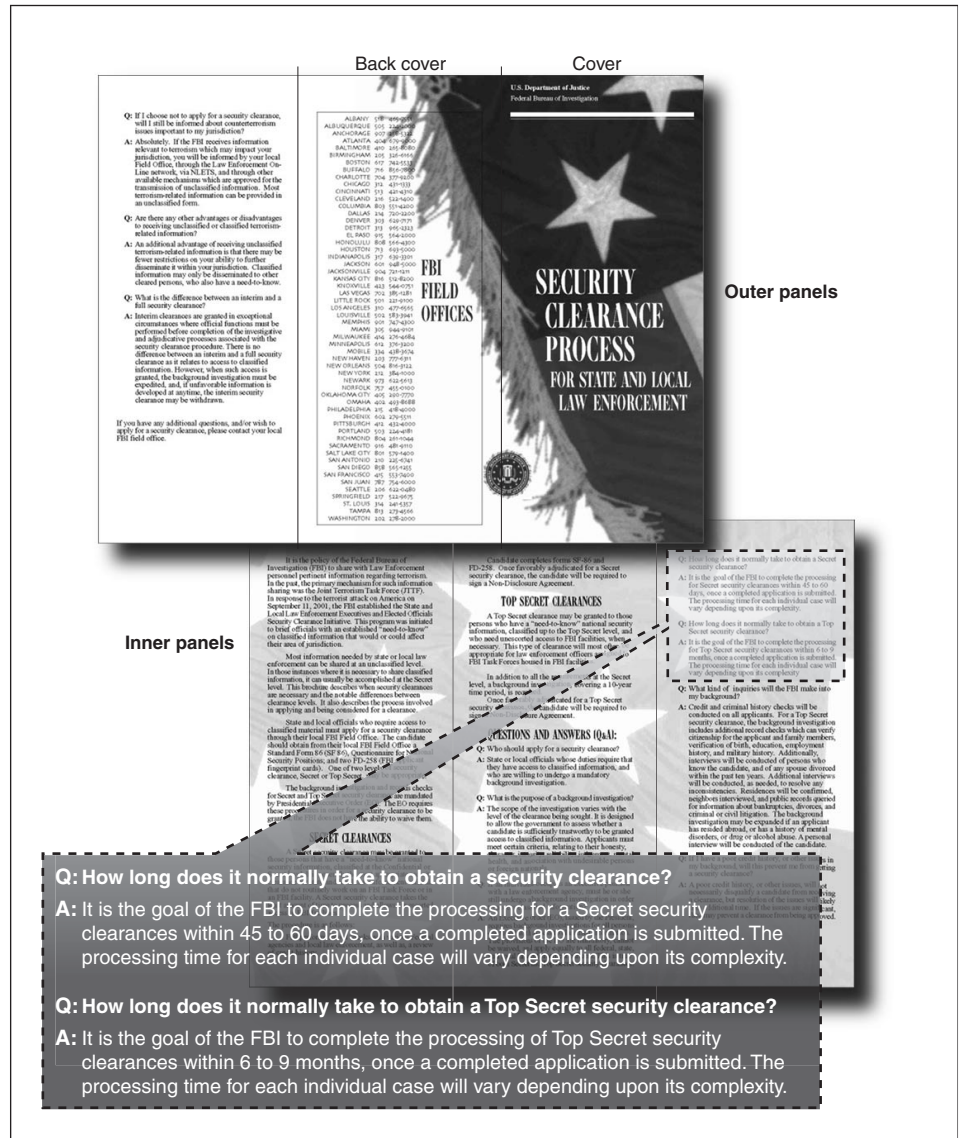
According to FBI and state and local officials, initially following September 11, there was little understanding of, and some confusion regarding the security clearance process among both FBI field office and state and local officials. According to an FBI official, some FBI field office and state and local officials lacked guidance for identifying individuals in need of security clearances. According to an FBI official, some police chiefs or officers equated receiving a security clearance with status or importance, or believed they should be granted a clearance based solely on their status. According to an FBI official, failure to understand or follow FBI guidelines for identifying individuals in need of a security clearance initially resulted in an unnecessary increase in the number of applications submitted. For example, one FBI official stated that a police agency had asked for security clearances for most of its officers, rather than for the one or two officials who needed a clearance.

In addition, according to representatives of some law enforcement professional organizations, some state and local officials said they did not have adequate guidance for filling out and submitting the appropriate application forms. According to FBI officials, in some cases, state and local officials were reluctant or refused to provide the information required to conduct the background investigation. For example, police chiefs sometimes omitted negative information because they feared it might affect their standing in the community (e.g., past drug use or poor credit). If an incomplete application was submitted, it had to be sent back to the individual for completion, extending the time required to investigate and process an application. State and local officials expressed discontent with the time frames for processing a security clearance application, as well as dissatisfaction with their inability to check the status of their security clearance applications.

FBI Outreach to State and Local Officials Helped Clarify Security Clearance Requirements and Time Frames

With the assistance of the newly created OLEC, in November 2002, the FBI distributed an informational brochure to state and local law enforcement agencies to help improve these officials' understanding of the FBI's security clearance requirements and process. The FBI also made this brochure available on its Web site. According to FBI guidance, this brochure, shown in figure 10, is included in the packet of application materials given to state and local security clearance applicants.

Figure 10: FBI Security Clearance Brochure



Source: GAO enhancement of an FBI document.

In addition to distributing this brochure, FBI officials have attended conferences and meetings of national law enforcement organizations. OLEC officials have fielded requests for information, as well as complaints, from state and local officials. For example, state and local officials who wanted to know the status of their applications sometimes contacted OLEC officials. FBI officials acknowledged that it is extremely

difficult to give status updates when a background investigation is under way; the FBI can tell an applicant simply whether the investigation is complete or is still being processed. This may not always satisfy the interests of state and local officials requesting updates on the status of the application.

Representatives of some law enforcement professional organizations we interviewed stated that the FBI's guidance and consultation with these organizations has helped improve state and local officials' understanding of the security clearance application process. An OLEC official also said these efforts had reduced the number of calls it received from state and local officials.

FBI Headquarters Provided a Checklist of Procedures for Processing Clearances, Added Staff, and Developed A Database Tool to Enhance Efficiency

To clarify FBI field office officials' role in processing state and local security clearance applications, FBI headquarters developed policy guidance and a checklist of procedures for FBI field office officials. In an electronic communication sent in December 2002, FBI headquarters spelled out the necessary justification for granting security clearances to state and local officials and laid out processing procedures for various FBI officials. In addition, according to FBI officials, the FBI holds quarterly conference calls with FBI field office security officials to address any issues with the security clearance process.

FBI officials cited staffing shortages as an impediment to the security clearance process. According to an FBI official, the unit responsible for state and local law enforcement security clearances initially was understaffed, despite experiencing an increase in workload after September 11. To address staffing needs, the FBI created a new unit within its Security Division Personnel Security Section specifically to handle state and local law enforcement security clearance applications. The FBI also requested increased funding for the division responsible for processing security clearances. FBI officials stated that additional staff had been added to this unit, and caseloads presently are not as heavy as in the period immediately following September 11.

Following September 11, and the subsequent increase in state and local security clearance applications submitted to the FBI, the FBI Security Division designed databases to track the submission of applications and application completion dates, among other things. FBI officials said the databases have served as management tools for tracking state and local security clearance applications and monitoring application trends and percentages. These databases are to be integrated into an FBI-wide

security clearance tracking database currently under development and set for rollout in the latter part of fiscal year 2004.

The FBI Established New Terrorism-Related Task Forces and Invited State and Local Officials to Participate

The FBI credits its JTTFs with enhancing its ability to coordinate its counterterrorism efforts with state and local law enforcement agencies, as well as with other government organizations. Since 1996, the FBI has continued to increase the number of JTTFs in operation across the country. By the end of fiscal year 2001, 35 JTTFs were in operation at FBI field office locations. In response to the terrorist attacks of September 11, and with additional congressional support, the FBI expanded this number to 66 by the end of fiscal year 2002, and to 84 JTTFs by the end of 2003. According to an FBI report on the JTTF program, the FBI anticipates that the number of JTTFs will increase in coming years, depending on the availability of funding. According to one FBI official, the FBI received 30 requests for additional JTTF annexes in fiscal year 2003 and was able to grant 18 of these.

As of fiscal year 2003, more than 800 state and local officials served full-time on these forces, along with FBI and other federal government officials. The FBI encourages state and local officials in cities with established or newly created JTTFs to join these forces. FBI field office executives work with their state and local law enforcement counterparts to make JTTF assignments according to staff and other resource availability.

In addition, the FBI also established the National Joint Terrorism Task Force (National JTTF) in July 2002, to coordinate the FBI's local JTTFs. In addition to federal agency officials, state and local officials also serve on the National JTTF, which plans to establish a fellowship program for state and local law enforcement officers.

The FBI Utilizes Bulletins and Information Networks to Share Information with State and Local Officials

In addition to the JTTFs and the LEO initiative, which was created to provide classified information to state and local officials, the FBI utilizes several means of disseminating terrorism-related information to agencies and individuals outside the FBI, including state and local officials. On a weekly basis, the FBI distributes Intelligence Bulletins, which are tailored specifically for state and local officials. According to a DOJ inspector general's report, the intent of sending these bulletins is to raise general awareness of terrorism-related issues, though some information may help state and local officials detect or uncover criminal activity related to international terrorism. The FBI also distributes Quarterly Terrorist Threat

Assessments to state and local officials. These reports provide a general overview of the terrorist threat and provide summaries of events in different regions in the world that might have an impact on this threat.

In addition to distributing these bulletins, the FBI grants state and local officials access to various unclassified networks and databases. State and local officials generally make use of the Law Enforcement Online database and network, as well as the National Law Enforcement Telecommunications System, over which the FBI sends e-mail messages. The FBI also posts names from its Terrorist Watch List on the National Crime Information Center database and state and local law enforcement personnel can access the National Instant Criminal Background Check System. Other efforts, though less widespread, include regular meetings of some FBI field office supervisory agents in charge with state and local officials to discuss terrorism-related investigations taking place in their jurisdictions.

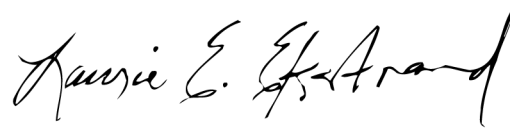
Agency Comments and Our Evaluation

The Department of Justice and the FBI provided comments on a draft of this report. The Department of Justice and the FBI generally concurred with our findings, and the FBI provided technical comments, which were incorporated as appropriate.

We are providing copies of this report to the Ranking Minority Member of the Senate Judiciary Subcommittee on Administrative Oversight and the Courts. We will also make copies available to others on request. In addition, the report will be made available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions, please contact me at (202) 512-8777 or by e-mail at ekstrandl@gao.gov or Charles Michael Johnson, Assistant Director, at (202) 512-7331. Other key contributors to this report are Todd M. Anderson, Leo Barbour, Nettie Richards, and Jerry Sandau.

Sincerely yours,

A handwritten signature in black ink that reads "Laurie E. Ekstrand". The signature is written in a cursive style with a large, stylized initial "L".

Laurie E. Ekstrand
Director, Homeland Security and Justice Issues

Appendix I: Scope and Methodology

To describe the FBI's processes for granting security clearances to state and local officials, we reviewed presidential executive orders, Security Council guidelines, and the Code of Federal Regulations for federal government-wide criteria for granting access to classified national security information (NSI). We reviewed Department of Justice (DOJ) guidance delegating the authority to grant access to classified NSI to the FBI. We also reviewed copies of the relevant sections of the FBI's *Manual of Investigative Operations and Guidelines*, as well as copies of guidance sent to FBI field office officials. We reviewed a copy of the brochure the FBI distributed to state and local law enforcement organizations and agencies. We also interviewed officials from DOJ, Justice Management Division. For background on classified information and granting access, we interviewed the Director of the Information Security Oversight Office at the National Archives and Records Administration, as well as staff from our Security and Safety office. We gathered additional information from interviews with officials from the FBI's Security Division Personnel Security Section, which oversees the unit responsible for granting security clearances to state and local officials.

To determine the extent to which the FBI is meeting its timeliness goals for processing security clearances for state and local officials, we analyzed data from the FBI Security Division's state and local law enforcement security clearance databases collected between September 2001 and December 2003. These data generally included case numbers, beginning and ending dates of background investigations, adjudication resolution, and level of clearance granted, among other things. We determined that the data were suitable and sufficiently accurate for the purpose of our review. We obtained additional context for understanding the FBI's data through interviews with FBI Security Division officials.

To describe the efforts undertaken by the FBI to enhance its state and local law enforcement security clearance and information-sharing processes, we reviewed a variety of reports and studies, including literature published by state and local law enforcement organizations. We also interviewed representatives of state and local law enforcement organizations, including the International Association of Chiefs of Police (IACP), Major Cities Chiefs Association, Police Executive Research Forum, National Association of Chiefs of Police, and the National Sheriffs Association. We also attended an IACP annual conference panel session on the FBI's information-sharing initiatives. We conducted interviews with FBI Security Division officials, as well as a representative of FBI's Office of Law Enforcement Coordination. We also obtained and reviewed planning, organization, budget, and staffing documentation from the FBI.

We performed our work from July 2003 to March 2004 in Washington, D.C., in accordance with generally accepted government auditing standards. We requested comments on a draft of this report from the Department of Justice and the FBI.

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