EXECUTIVE SUMMARY

When a cleared government employee moves to a new agency, or when a cleared contractor undertakes work for a new agency, that person’s security clearance must be transferred to, and accepted by, the receiving agency. This process of accepting a clearance that had been granted or held by another agency is referred to as reciprocity. While one might assume that a security clearance from one agency would be automatically and promptly accepted by other agencies, the time required to process these clearance transfers causes delays that hinder government work and increase costs for both government and industry.

In an effort to improve security clearance reciprocity, the Intelligence and National Security Alliance (INSA) undertook a study that compiled data from member companies on the movement of contractors with Top Secret (TS) clearances and Sensitive Compartmented Information (SCI) access across intelligence agencies. An analysis of reciprocity processing timelines reported by contractors shows that the time required to transfer personnel clearances varies widely by agency – data which suggests that some agencies’ business processes may be more efficient than others’.

As the Office of the Director of National Intelligence (ODNI) develops a reciprocity strategy for the Intelligence Community (IC), INSA recommends that it identify the factors that facilitate or impede efficient transfers of clearances and consider how the IC can adopt agencies’ best practices as the foundation for reciprocity policy.
WHY INSA CONDUCTED THIS SURVEY

Delays in the transfers of clearances cause significant inefficiencies and impose substantial costs on both government agencies and the contractors that support them. With no central database capable of collecting data on TS/SCI transfers across agencies\(^1\), data to guide reciprocity policy development remains elusive. The alternative is to rely on self-reporting by the government and by industry.

In an attempt to jump-start the government’s policy development and serve as a foundation for subsequent conversation with government stakeholders on reciprocity, INSA’s Security Policy Reform Council (SPRC) collected and analyzed clearance transfer metrics reported by INSA-member companies over a 17-month period.

The member-provided data presented herein is meant to identify where best practices and hindrances may exist so government and industry can begin a collaborative dialogue on ways to improve the efficiency of the clearance transfer process. The data is not intended to characterize or rate individual agencies’ performance.

BACKGROUND

The transfer of personnel clearances from one agency to another is a common process in the Intelligence Community. Government employees frequently need clearances transferred from their home agency to another organization so they can undertake rotational assignments and other long-term collaboration. However, the clearance transfer process is even more common among contractors, who frequently work on projects for multiple agencies even though their clearances are held by one agency. (The chart in Figure 1 shows that clearance transfers are a common occurrence; the width of each line reflects the volume of transfers in the INSA study and the flow from an agency on the left to the agency on the right.) When a contractor’s clearance is held by Agency X, that organization must transfer the person’s clearance to Agency Y before the individual can begin work on a contract for the second organization. The longer the transfer process takes, the longer the contractor risks being unproductive. Delays thus impede a government agency from benefitting from the contractor staff it has engaged, which can impact its ability to meet mission requirements. Delays also increase costs to the government, as the overhead costs of carrying an unproductive employee are incorporated into firms’ billing rates and proposed prices.

The Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004\(^2\) required the executive branch to implement a plan for clearance reciprocity, stating, “All security clearance background investigations and determinations completed by an authorized investigative agency or authorized adjudicative agency shall be accepted by all agencies.” With this goal unmet nine years later, in January 2013 Congress required the President to develop a strategy and schedule for implementing the IRTPA’s reciprocity mandate.\(^3\)

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\(^1\) The three primary databases that hold clearance information – ODNI’s Scattered Castles, the Office of Personnel Management’s Central Verification System (CVS), and the Department of Defense’s Joint Personnel Adjudication System (JPAS) – are maintained by separate agencies and were not designed to collect metrics on timeliness.

\(^2\) Intelligence Reform and Terrorism Prevention Act of 2004, Sec. 3001(d), 50 U.S.C. 435b(d).

\(^3\) Intelligence Authorization Act of 2013, Sec. 306, 50 U.S.C. 435(b) note.
In April 2014, the ODNI published its *Strategy and Schedule for Security Clearance Reciprocity*,\(^4\) which outlined a plan for creating a comprehensive, national-level reciprocity policy that would “eliminate unnecessary background investigations and adjudications if a current investigation or adjudication exists at the same [clearance] level” by requiring agencies to accept existing background investigations or eligibility determinations conducted by other agencies.\(^5\) The document established a framework for improving security clearance reciprocity across government, called for research to establish common data collection standards, and promised to identify agency-specific exceptions and develop a reciprocity policy by 2016.

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\(^6\) A note on sample size: Based on a confidence level of 95% with a confidence interval of ±5, agencies processing 500 to 1,000 clearance transfers during this same time period would ideally need a random sample size of about 200-280 transfers. The ideal sample size exceeds 300 once the population size exceeds 1,000 total transfers. Although not randomly obtained from the overall population of transfers to each agency, we believe the number of transfers reported is statistically relevant for agencies as a whole.
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METHODOLOGY

INSA compiled data on 3,500 clearance transfers between August 2014 and December 2015 from more than a dozen mid- to large-sized firms. While broader participation was preferred, 3,500 total transfers provides a statistically sufficient snapshot of reciprocity performance to identify trends.6

Clearance transfers were measured in Days Awaiting a Reciprocal clearance (DARs): the number of days between the dates a company provided a formal request for transferring a TS/SCI-eligible, in-scope person to the government sponsor and the date the government notifies the company the employee has been approved for access, resulting in total calendar days elapsed.

The data collection, initiated in 2014 and enhanced in 2015, is based on common reporting standards, identifies “in-scope” cases (for which the last investigation was within the previous five years), and identifies the former granting agency and the gaining agency. The data sets also included reasons why a transfer was not granted, to include: the employee’s Single Scope Background Investigation (SSBI) was no longer in-scope; the employee’s SCI access was no longer in-scope (briefed into SCI access within two years); the transfer required a new or additional polygraph; and information in the transfer package was incomplete or insufficient.

SURVEY FINDINGS

- Nearly 80 percent of transfers were approved in two weeks or less, with an average DAR of about 10 days. Encouragingly, as shown in Figure 2, the majority of transfers reported to INSA were approved within one week. However, roughly 10 percent took 28 days or longer to be resolved. While two weeks could be viewed as a reasonable target to aim for, as Figure 3 indicates, agencies are capable of transferring clearances in as little as six days (on average).

- The variance in DAR averages across agencies is significant. Four agencies accounted for 90 percent of the transfers reported; amongst those four, the average DAR ranged from 6 days to 15 days. Figure 2 shows the variance between DAR averages reported at each destination agency; the agency average is displayed at the base of each column and the number of transfers reported to that agency is included in parentheses below the agency label.
For the purposes of this study, we excluded the longest 5 percent of values. We then removed agencies with less than 10 data points remaining.

Whereas the entire reported dataset had DARs ranging from 1 to over 800 days, with an average of about 15 (n=3,675), the selected subset of the INSA reciprocity data has DARs ranging from 1 to 58 days, with an average of about 10 (n=3,525).

Figure 2. Histogram showing the frequency of DAR for the more than 3,500 transfers analyzed

Figure 3. Comparison of Agency-specific Average DAR

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RECOMMENDATIONS FOR GOVERNMENT AND INDUSTRY

1. **Identify factors that impede prompt transfers.** The movement of industry contractors across government agencies is impacted by many factors, including access to and transparency of information, the relationships between acquisition and security officers within agencies, adequate communication channels, and the ability to reach officials who can provide insights on individual transfer submissions. Some cases can take two months or longer to complete. An in-depth look at why these cases take so long, which could require an examination of broader human resources policies as well as security and contract procedures, could identify obstacles to speedy transfer decisions. INSA gathered basic metadata about these longer cases that could shed some insight, but these observations portray an incomplete picture in the absence of inputs from the government.

2. **Examine the fastest transfers.** The majority of transfers reported to INSA occur within one week, 80 percent occur in two weeks or less, and the average number of days for a transfer was about 10 days. In general, this appears as good news; however, without further study, it remains unknown as to what drives the fastest cases through the process and whether processing of other cases could be improved by best practices already employed by certain agencies.

3. **Determine whether government employees and contractors are processed differently.** The data INSA examined came exclusively from companies that do work in the IC. Many of the clearances that agencies transfer, however, are those of full-time government employees and military personnel. A close examination of agencies’ transfer data could indicate whether contractors and government personnel are processed differently. In some cases, agencies need contractors to come on board right away to address urgent, emerging requirements, which cannot be met because of delays in the transfer process. A review of the data would enable agencies to determine whether and when it might be feasible to expedite transfers of certain mission-critical personnel.

4. **Adopt standards and best practices to minimize the variance in agencies’ performance.** While agencies maintain the privilege to execute their operations independently as defined by their mission, if agencies adopt transparent national standards governed by a national reciprocity policy, there is the potential to reduce workload within IC security offices and expedite contractor support to agency missions. The results of the examination of what can facilitate or impede prompt transfers, along with an understanding of the differences in government and contractor processing, could shed light on best practices that could be shared across the community and reduce the variation among agencies.

5. **Develop an industry and government partnership to track data and engage in problem solving conversations.** Just as industry is a partner in building the national security apparatus, industry is a partner in security policy reform. INSA is committed to providing analysis and support that enable government and industry to achieve the shared goal of timely and cost-efficient movement of contractors across the IC to meet the nation’s security needs. With more than a year’s worth of data from roughly a dozen industry contractors, INSA believes these results could provide the basis for a discussion about the requisite research the ODNI is seeking to help guide its IC reciprocity strategy. Public-private dialogue on these findings will enrich the ability to develop a mutually beneficial outcome. INSA recognizes that agencies’ business processes alone are not the only factor impacting reciprocity timelines. A reciprocity policy that enhances communication and transparency between government and industry could potentially eliminate obstacles and expedite transfer decisions.
ABOUT INSA

The Intelligence and National Security Alliance (INSA) is the leading nonpartisan, nonprofit forum for advancing intelligence and national security priorities through public-private partnerships. INSA strives to identify, develop, and promote collaborative approaches to national security challenges, and it works to make government more effective and efficient through the application of industry expertise and commercial best practices. INSA has more than 160 organizations in its membership and enjoys extensive participation from leaders, senior executives, and intelligence experts in government, industry, and academia.

ABOUT INSA’S SECURITY POLICY REFORM COUNCIL

INSA’s Security Policy Reform Council seeks to transform the paradigms that govern the design and execution of security policy and programs and to serve as a thought leader on security issues. The Council works with industry and government stakeholders to identify and mitigate security challenges, develop security solutions, and advocate for security reforms to enhance industry's ability to support and protect national security.

ACKNOWLEDGEMENTS

The issue of reciprocity was the subject of extensive discussion by members of INSA’s Security Policy Reform Council, whose ideas have been reflected in this paper. The Council's chair and vice-chair, Charlie Allen and Kathy Pherson, encouraged INSA to address this topic by collecting and analyzing reciprocity data for the purpose of presenting it to stakeholders and generating much-needed dialogue on the subject of reciprocity. Appreciation is also due to the INSA member companies that provided data for the study.

Special thanks are also due to:

Security Policy Reform Council Members
Mary Edington, Deloitte
Jeremy Erb, Deloitte

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