
**U.S. Office of Personnel Management
Suitability Executive Agent Programs**

**Follow-Up Review of the
U.S. Agency for Global Media
Suitability Program**

July 2020



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Executive Summary

The heads of agencies that make suitability determinations must conduct their suitability programs in accordance with applicable statutes, executive orders, and regulations.

Per 5 USC 1104, the director of the U.S. Office of Personnel Management may delegate personnel management functions to the heads of agencies in the executive branch and other agencies employing persons in the competitive service. OPM has established standards that apply to the delegated functions, and OPM has established and maintains an oversight program to ensure that delegated activities are conducted in accordance with those standards. Per the statute, when OPM makes a written finding, on the basis of information obtained as part of its oversight program or otherwise, that any action taken by an agency pursuant to delegated authority is contrary to any law, rule, or regulation, or is contrary to the standards established by OPM, the agency involved shall take any corrective action OPM may require.

OPM's oversight program conducted by OPM's Suitability Executive Agent Programs (SuitEA) conducts program reviews of Executive Branch agencies' personnel suitability and vetting programs. These reviews are conducted on, among others, agencies to which OPM has granted delegated investigative authority to conduct their own investigations and/or adjudications and agencies with a documented history of performance concerns. The Office of the Director of National Intelligence (ODNI), which has similar oversight responsibility for national security programs, has established the Security Executive Agent National Assessment Program (SNAP). OPM and ODNI may jointly conduct their assessments to provide for onsite validation of metrics, policy, practices, and agency compliance with regulatory requirements regarding the personnel security and suitability programs. The reviews identify any deficiencies which may negatively impact the efficiency or integrity of the Federal service or are inconsistent with or may weaken the interests of National Security.

In 2012, OPM's Agency Oversight program notified USAGM, then known as the U.S. Broadcasting Board of Governors (BBG), that OPM's 2010 assessment of BBG's personnel security and suitability program reflected the program needed improvement. OPM provided a listing of fourteen recommendations to improve the program.

In 2014, OPM's Agency Oversight program and ODNI's Security Executive Agent National Assessment Program (SNAP) conducted a review of the U.S. Agency for Global Media (USAGM) security and suitability program. OPM issued its draft report in September of 2015 and detailed a series of critical recommendations that required USAGM's immediate corrective action. Many of these were recommendations to which OPM had alerted USAGM in 2012, for which USAGM had not taken corrective action. In USAGM's response, it indicated it would comply with the OPM's recommendations. In OPM's final report, issued in 2017, OPM

informed USAGM that failure to address the recommendations could serve as grounds to revoke USAGM's delegated authority.

In 2018, OPM's Suitability Executive Agent Programs (SuitEA) team initiated another review, again conducted jointly with ODNI's SNAP, to assess USAGM's corrective efforts on deficiencies identified in past program reviews (2010 and 2014), to assess compliance with current suitability regulations and supplemental guidance, and to determine if USAGM has effectively implemented and maintained the performance goals and measures identified by the Performance Accountability Council (PAC). The review found USAGM staff had not made required corrective efforts based on the prior reviews and further identified multiple new deficiencies. Corrective action was required due to deficiencies in USAGM's program relating to position designation, background investigations processing, Homeland Security Presidential Directive 12 credentialing, background investigations quality, adjudications, and internal controls. The review also noted potential concerns with USAGM's safeguarding of classified national security information.

USAGM responded to OPM's draft report on November 20, 2018 and agreed with all recommendations. In OPM's final report, issued to USAGM Chief Operating Officer and Director John Lansing by then OPM Acting Director Margaret Weichert in August of 2019, OPM identified 37 recommendations requiring corrective action and provided USAGM 90 days to bring all program areas into compliance. OPM informed USAGM that failure to do so could result in OPM and ODNI taking additional steps, to include revoking USAGM's delegated adjudicative authority.

In February 2020, OPM's SuitEA and ODNI's SNAP conducted follow-up activity regarding the status of corrective actions required as a result of the 2019 report. The objective of the follow-up was to determine if USAGM had made all required corrections and had successfully brought their security and suitability program into compliance.

To answer our objective, we reviewed applicable program operation manuals, policies, documentation, and OPM data. We also interviewed USAGM managers and employees.

This report includes the findings and recommendations from our 2018 inspection, which were based on data covering a specific measurement period of investigative and adjudicative activities that occurred January 1, 2016 through December 31, 2017. All results from our current 2020 follow-up review activities are included under the "Current Status" heading in each section of this report and cover a specific measurement period of investigative and adjudicative activities that occurred November 1, 2018 through January 3, 2020, unless otherwise noted.

OPM found USAGM has taken corrective action on 18 of OPM's 37 recommendations and has failed to take corrective action on 19 of OPM's 37 recommendations made in OPM's 2019 final report. Additionally, OPM identified 6 new recommendations based on data collected covering our follow-up measurement period.

OPM will take steps to revoke USAGM's adjudicative and other delegated authorities until such a time as USAGM can demonstrate to OPM's satisfaction that USAGM has taken all corrective actions. OPM does not intend to grant delegated investigative authority to USAGM.

Summary of Recommendations

Areas for Improvement

Delegation of Investigative Authority

- Previous Recommendation 1: USAGM must immediately cease all investigative activities and must immediately transfer all investigative work to the National Background Investigations Bureau (NBIB).¹
 - Previous Recommendation 1 is CLOSED.

Designation of Position Risk and Sensitivity

- Previous Recommendation 2: USAGM must ensure that all covered positions are designated for both risk and sensitivity using OPM's Position Designation System (PDS).
 - Previous Recommendation 2 is OPEN and UNRESOLVED.
- Previous Recommendation 3: USAGM must maintain a Position Designation Record (PDR) (or equivalent) for each covered agency position, per OPM's Suitability Processing Handbook.
 - Previous Recommendation 3 is CLOSED.
- Previous Recommendation 4: USAGM must ensure all USAGM employees tasked with position designation responsibilities are operating in a fair, consistent, and reliable manner.
 - Previous Recommendation 4 is CLOSED.
- Previous Recommendation 5: USAGM must re-designate all positions in accordance with 5 CFR part 1400.
 - Previous Recommendation 5 is CLOSED.
- Previous Recommendation 6: USAGM must request the correct level of investigation based on the accurate position designation, per 5 CFR part 1400, OPM's PDS, OPM issuances and Federal Investigation Notices, and the Federal Investigative Standards.
 - Previous Recommendation 6 is OPEN and UNRESOLVED.

Investigation Processing – Electronic Questionnaire for Investigations Processing (e-QIP)

- Previous Recommendation 7: USAGM must immediately begin using e-QIP for all investigation requests.
 - Previous Recommendation 7 is CLOSED.

¹ NBIB's investigative function has been transferred to the Defense Counterintelligence and Security Agency (DCSA). Per statute, Executive Order, and delegation, DCSA is the primary investigations provider for federal agencies.

- Previous Recommendation 8: USAGM must immediately begin using the current SF86 and must not allow applicants or employees to complete outdated versions of the form.
 - Previous Recommendation 8 is CLOSED.
- Previous Recommendation 9: USAGM must immediately begin using the correct security forms (to include the SF85) for any position which does not require the use of the SF86.
 - Previous Recommendation 9 is CLOSED.

Investigation Processing – Pre-Appointment Screening

- Previous Recommendation 10: USAGM staff tasked with pre-screening responsibilities must use 5 CFR part 731 criteria when making pre-screening determinations, as required by the CFR and OPM's Suitability Processing Handbook.
 - Previous Recommendation 10 is OPEN and UNRESOLVED.
- Previous Recommendation 11: USAGM must ensure all staff tasked with pre-screening responsibilities receive training and are familiar with the criteria found in 5 CFR part 731.
 - Previous Recommendation 11 is OPEN and UNRESOLVED.
- Previous Recommendation 12: USAGM must immediately discontinue use of the SF 86 (or any other security form) prior to making an offer of employment, in accordance with 5 CFR §330.1300, unless and until USAGM is granted an exception.
 - Previous Recommendation 12 is CLOSED.

Investigation Processing – Referral

- Previous Recommendation 13: USAGM must refer all cases with potential material, intentional false statement, or deception or fraud in the examination or appointment process to OPM, as required by 5 CFR part 731 and the Suitability Processing Handbook.
 - Previous Recommendation 13 is CLOSED.

Investigation Processing – Reciprocity

- Previous Recommendation 14: USAGM must update internal processes to eliminate the practice of initiating all applicants and employees into e-QIP prior to checking for reciprocity, in accordance with E.O.s 13467 and 13488.
 - Previous Recommendation 14 is CLOSED.
- Previous Recommendation 15: USAGM must work with their NBIB liaison to obtain access to all appropriate investigation databases.
 - Previous Recommendation 15 is OPEN and UNRESOLVED.
- New Recommendation A: USAGM must eliminate all duplicate investigation requests.

Investigation Processing – Investigation Request Timeliness

- Previous Recommendation 16: USAGM must ensure the e-QIP “Approver” user role is held by a Federal employee. The e-QIP Agency Administrator must immediately remove the Approver access for the Contractors currently holding that role.
 - Previous Recommendation 16 is CLOSED.
- Previous Recommendation 17: USAGM must immediately cease having applicants and employees re-sign security form releases upon Entry On Duty (EOD), in support of accurate timeliness metrics.
 - Previous Recommendation 17 is CLOSED.
- Previous Recommendation 18: USAGM must ensure background investigations are initiated no more than 14 days after the applicant’s initial certification of the investigative forms.
 - Previous Recommendation 18 is OPEN and UNRESOLVED.
- Previous Recommendation 19: USAGM must update its policies, manuals, and employee training practices to ensure all USAGM staff with a role in the initiation process are aware of the 14 day initiation timeliness standard.
 - Previous Recommendation 19 is CLOSED.

Investigation Processing – Investigation Request Quality

- New Recommendation B: USAGM must establish and implement processes to reduce the unacceptable submission rate for investigation requests to 5% or less.

Homeland Security Presidential Directive 12 (HSPD-12) Credentialing

- Previous Recommendation 20: USAGM must ensure every individual has a favorably adjudicated fingerprint before being issued a Personal Identity Verification (PIV) credential, as required by HSPD-12 and FIPS 201-2.
 - Previous Recommendation 20 is OPEN and UNRESOLVED.
- Previous Recommendation 21: USAGM must cease revoking and destroying PIV credentials when employees undergo re-investigation.
 - Previous Recommendation 21 is CLOSED.
- Previous Recommendation 22: USAGM must update its processes and implement the use of PIV cards for logical access.
 - Previous Recommendation 22 is CLOSED.
- Previous Recommendation 23: USAGM must update processes, procedures, and employee training requirements to reciprocally accept PIV credentials for physical access, in accordance with HSPD-12.
 - Previous Recommendation 23 is CLOSED.

- New Recommendation C: USAGM must develop a mechanism to track PIV expiration dates.
- New Recommendation D: USAGM must update their PIV issuance process to identify staff responsible for uploading credentialing determinations into CVS.

Suitability Investigation Quality

- Previous Recommendation 24: USAGM must work with NBIB to immediately initiate new investigations for all individuals investigated by USAGM since the expiration of USAGM's delegated investigative authority in 2012.
 - Previous Recommendation 24 is OPEN and UNRESOLVED.
- New Recommendation E: USAGM must add a "Please Call" notice in CVS for each investigation USAGM conducted after the expiration of USAGM's delegation of investigative authority.

Adjudication – Reporting Adjudicative Determinations

- Previous Recommendation 25: USAGM must perform and document a distinct suitability adjudication on every closed investigation, in accordance with 5 CFR part 731.
 - Previous Recommendation 25 is OPEN and UNRESOLVED.
- Previous Recommendation 26: USAGM should consider making arrangements to ensure OS staff are not responsible for adjudicating their direct-report employees' investigations.
 - Previous Recommendation 26 is OPEN and UNRESOLVED.
- Previous Recommendation 27: USAGM must report all suitability determinations to OPM as soon as possible, and in no event later than 90 days after receipt of the final report of investigation.
 - Previous Recommendation 27 is OPEN and UNRESOLVED.
- New Recommendation F: In lieu of reporting pending adjudications for any investigations USAGM conducted after the expiration of their delegated investigative authority, USAGM must discontinue these investigations and initiate new investigations through DCSA.

Internal Control Activities – Records of Investigation

- Previous Recommendation 28: USAGM must request the required background investigation on any USAGM appointee or employee where a record of investigation cannot be verified.
 - Previous Recommendation 28 is OPEN and UNRESOLVED.

Internal Control Activities – Record Retention

- Previous Recommendation 29: USAGM must ensure the Certification of Investigation or similar agency form is included in the eOPF, as required by OPM's Guide to Personnel Recordkeeping.
 - Previous Recommendation 29 is CLOSED.

Internal Control Activities – Physical Safeguards

- Previous Recommendation 30: Ensure all physical space containing sensitive information, including investigative and adjudicative information and PII, is properly secured and not accessible to those without a need to know.
 - Previous Recommendation 30 is OPEN and UNRESOLVED.
- Previous Recommendation 31: Update policies and procedures to implement immediate measures to ensure PII and sensitive and/or classified information will not be compromised.
 - Previous Recommendation 31 is OPEN and UNRESOLVED.

Internal Control Activities – Adjudicator Training

- Previous Recommendation 32: USAGM must ensure the personnel who perform adjudicative work receive suitability adjudications training in accordance with the National Training Standards.
 - Previous Recommendation 32 is CLOSED.
- Previous Recommendation 33: USAGM must ensure adjudicative staff is able to demonstrate a sufficient knowledge and understanding of suitability adjudications requirements and criteria.
 - Previous Recommendation 33 is OPEN and UNRESOLVED.

Internal Control Activities – Adjudicator Qualifications

- Previous Recommendation 34: USAGM must ensure personnel who perform adjudicative work maintain a favorable determination based on the results of the appropriate level of investigation.
 - Previous Recommendation 34 is OPEN and UNRESOLVED.

Internal Control Activities – Policies and Procedures

- Previous Recommendation 35: USAGM must ensure the manuals, forms, directives, and policies that govern its personnel suitability operations are in compliance with all applicable E.O.s, OPM requirements, and current investigative products.
 - Previous Recommendation 35 is OPEN and UNRESOLVED.
- Previous Recommendation 36: USAGM must ensure security and suitability staff operates in accordance with all SOPs and written guidelines.
 - Previous Recommendation 36 is OPEN and UNRESOLVED.
- Previous Recommendation 37: USAGM must immediately stop requesting information for background investigations which goes beyond the scope of the Federal Investigative Standards.
 - Previous Recommendation 37 is OPEN and UNRESOLVED.

Background

The USAGM was created when the U.S. Information Agency was consolidated in accordance with the International Broadcasting Act on April 30, 1994. The Act established the International Broadcasting Bureau (IBB) within the U.S. Information Agency and created a Broadcasting Board of Governors. On October 1, 1999, the USAGM became an independent government entity responsible for oversight of the IBB, and is responsible for all U.S. government and government-sponsored non-military international broadcasting.² Ultimately, the mission of the USAGM is to inform, engage, and connect people around the world in support of freedom and democracy.³

USAGM's personnel security and suitability functions are divided between the Office of Security (OS) and the Office of Human Resources (OHR), both located within IBB's Office of Management Services (OMS).

OS consists of two divisions: Personnel Security and Physical Security. The Personnel Security Division (PSD) is responsible for all personnel security functions and includes one Chief, three Personnel Security Specialists, three Security Specialists, and four Security Assistants.

Physical Security is responsible for issuing PIV credentials.⁴

In addition to their standard OHR responsibilities, one Senior Human Resources (HR) Program Specialist, four federal HR Specialists, and two contractor HR Specialists are directly involved in OS activities. These staff members are responsible for position designation.⁵

Chart 1 reflects a condensed version of USAGM's organizational chart, highlighting the offices with a role in the suitability program (shown in bold).

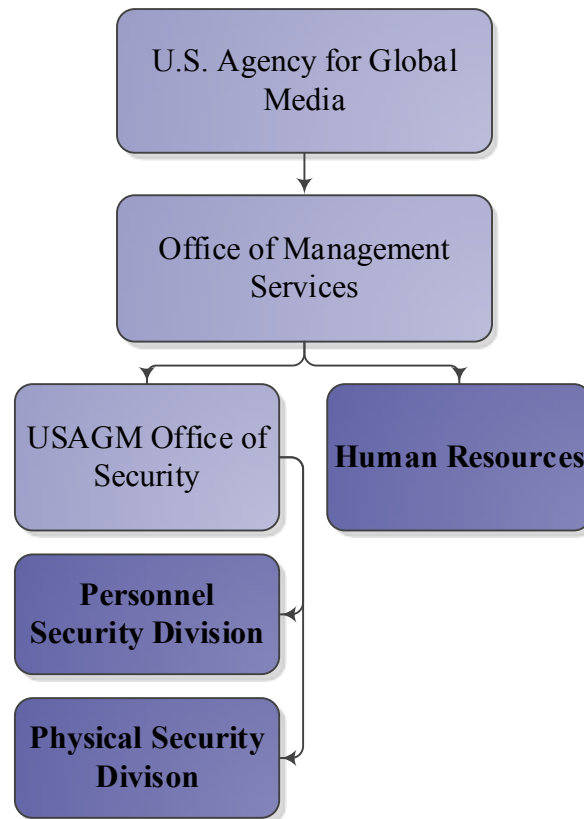
² <https://www.usagm.gov/who-we-are/history/>

³ <https://www.usagm.gov/who-we-are/>

⁴ In addition to other physical security-related duties, which we will not cover during this report.

⁵ Agency structure current as of the time of our 2020 onsite activities.

Chart 1
USAGM Organizational Chart



Source: USAGM

USAGM consists of approximately 1,412 employees, with approximately 1,067 in the competitive service.⁶

⁶ Fedscope, June 2019

Findings

Delegation of Investigative Authority

At the time of our original review, under Civil Service Rule V, 5 CFR § 5.2(a), the President delegated to OPM the authority for “[i]nvestigating the qualifications, suitability, and fitness of applicants for positions in the competitive service, positions in the excepted service where the incumbent can be noncompetitively converted to the competitive service, career appointments to positions in the Senior Executive Service, and any other positions in the excepted service of the executive branch for which the Director has standard-setting responsibility under Civil Service Rule II.” Further, except as otherwise provided by statute or executive order, personnel investigations for working for or on behalf of the United States were the responsibility of OPM’s NBIB under E.O. 13764, Amending the Civil Service Rules, E.O. 13488, and E.O. 13467, To Modernize the Executive Branch-Wide Governance Structure and Processes for Security Clearances, Suitability and Fitness for Employment, and Credentialing, and Related Matters.

Per this order, NBIB was to “serve as the primary executive branch service provider for background investigations for eligibility for access to classified information; eligibility to hold a sensitive position; suitability or, for employees in positions not subject to suitability, fitness for Government employment; fitness to perform work for or on behalf of the Government as a contractor; fitness to work as a non-appropriated fund employee, as defined in E.O. 13488 of January 16, 2009,⁷ as amended; and authorization to be issued a Federal credential for logical and physical access to federally controlled facilities or information systems.”

With the issuance of Executive Order 13869, “Transferring Responsibility for Background Investigations to the Department of Defense,”⁸ NBIB’s investigative functions were transferred to the Department of Defense’s Defense Counterintelligence and Security Agency (DCSA).

Under 5 U.S.C. §1104(a)(2), OPM may delegate its investigative authority to other agencies. Agencies seeking such delegation must request⁹ and receive approval from OPM prior to beginning investigative activities, and must stay in compliance with all performance and investigative standards established by OPM. OPM “shall, pursuant to section 1104 of title 5, United States Code, prescribe performance standards and a system of oversight for any suitability or fitness function delegated by the Director to the head of another agency, including

⁷ Executive Order 13488, *Granting Reciprocity on Excepted Service and Federal Contractor Employee Fitness and Reinvestigating Individuals in Positions of Public Trust*, January 16, 2009

⁸ Executive Order 13869, *Transferring Responsibility for Background Investigations to the Department of Defense*, April 24, 2019

⁹ OPM has prescribed basic requirements for requesting delegated investigative authority for competitive service positions in 5 CFR, part 736.

uniform and consistent policies and procedures to ensure the effective, efficient, timely, and secure completion of delegated functions” and “shall make a continuing review of agency programs for suitability and fitness vetting to determine whether they are being implemented according to this order.”¹⁰

Previous Finding: During the course of our 2014 review, we determined USAGM was operating without the proper delegated authority. The last valid MOU between USAGM and OPM was signed in 2010 and expired in December 2012. When we asked the then-Chief of Security about the existence of any current MOUs, he stated OPM staff did not provide an updated version for signature, and told him the 2010 MOU was automatically renewed and remained in effect.

However, we found that OPM sent a proposed MOU to USAGM in January 2013. USAGM asked for modifications to the signature block and requested the omission of the requirement to use e-QIP. OPM updated the signature block and provided an explanation to USAGM regarding the e-QIP requirement. The updated, proposed MOU was emailed directly to the then-Chief of Security in April 2013, and again in June 2013. USAGM did not execute the MOU. Therefore, USAGM had been operating without the proper delegated authority since December 2012.

We included this information in our prior draft report, issued September 2015, which was sent to the then-Chief of Staff of USAGM, Director of Security, and Director of Human Resources. This information was also included in the final report for our 2014 review, issued July 20, 2017, which was sent to the then-Director of Management Services, International Broadcasting Bureau, USAGM; Director of Security; Chief of the Investigations Branch; and -Chief of the Adjudications Branch.

The Director of Management Services, the Chief of the Investigations Branch (now the Director of Security), and the Chief of the Adjudications Branch still occupied these positions at the time of our 2018 review. Despite receiving our prior reports and our discussion of USAGM’s lack of authority to act as its own ISP, the Director of Security and the Chief of the Adjudications Branch (Adjudications Chief) claimed “nobody knew” of the expired MOU during our 2018 onsite activities.

The Director of Security stated he discovered the expired MOU in July of 2017 and tried to contact OPM to resolve the issue, with no results.

OPM, as the Suitability Executive Agent, found USAGM to be out of compliance and operating without any proper delegation of investigative authority, despite repeated notification from the

¹⁰ E.O. 13467, as amended, §§ 2.5(b)(v), (vii)

Suitability Executive Agent. Given the severity and quantity of the errors we identified in USAGM's security and suitability program during our 2014 review, and the ongoing nature of those errors (as identified during our April 2018 onsite activities), OPM was unwilling to consider signing a new Delegation of Investigative Authority until such a time as USAGM corrected all errors identified later in this report. In the absence of a delegation agreement, USAGM lacked the authority to conduct background investigations.

We informed USAGM that failure to comply with this recommendation would result in further action, to include referral to the Office of Inspector General of the Department of State and revocation of adjudicative authority.

Previous Recommendation 1: USAGM must immediately cease all investigative activities, and must immediately transfer all investigative work to NBIB.

Current Status: Corrective action IMPLEMENTED.

In February 2019 the Director stated USAGM discontinued all cases in progress and transferred all investigations to the Defense Counterintelligence and Security Agency (DCSA), and were fully compliant with this recommendation by January 2019. We also spoke to both USAGM Inspectors, who stated they have been assigned new duties and no longer perform investigatory work.

OPM data covering the follow-up measurement period of November 1, 2018 through January 3, 2020 reflected USAGM did not report initiating any background investigations under its own investigations program. While this information is strictly self-reported, during our onsite we found no indications that USAGM has continued to operate an investigations program without the proper delegation.

Previous Recommendation 1 is CLOSED.

Designation of Position Risk and Sensitivity¹¹

Proper position designation is the foundation of an effective and consistent suitability program. It determines what type of investigation is required and how closely an individual is screened for a position.

¹¹ Position designation is outlined in Civil Service Rule V, E.O.s 13467 and 13488, as amended, and 5 CFR §731.106 and part 1400.

By executive order, the President has directed that “[t]he Director [of OPM] may cause positions to be designated based on risk to determine the appropriate level of investigation, and may prescribe investigative standards, policies, and procedures.”¹² The President has separately directed that “[w]ith respect to the Suitability Executive Agent functions, the Director...shall, pursuant to sections 1103 and 1104 of title 5, United States Code, and the Civil Service Rules, be responsible for suitability and fitness by...prescribing position designation requirements with regard to the risk to the efficiency and integrity of the service;” and that “Contractor employee fitness or non-appropriated fund employee fitness is subject to the same position designation requirements...as prescribed by the Office of Personnel Management under the Civil Service Rules.”¹³

The suitability regulation¹⁴ requires all covered¹⁵ positions to be designated at the high, moderate, or low risk level. In addition, proper position designation is required to support many of the Joint Security and Suitability reform initiatives. The Position Designation System (PDS) is required for all positions in the competitive service, positions in the excepted service where the incumbent can be non-competitively converted to competitive service, and career appointments in the Senior Executive Service.

To clarify the requirements and procedures agencies should observe when designating positions, OPM and ODNI issued 5 CFR 1400 on June 5, 2015 and implementation guidance to executive agencies, including, specifically, to USAGM, in May 2016 explaining the regulatory requirements regarding the designation of National Security positions in the competitive service, and describing the requirements to use the PDT, to review the designation of covered positions.

The joint OPM and ODNI regulation provides guidance to assist agency heads in evaluating and designating sensitive positions. Agencies had 24 months from July 6, 2015, to review positions and determine whether or not certain positions impact National Security under the new definition and make the appropriate designation change.

Finally, in addition to using the PDS, the agency must complete and maintain the Position Designation Record (PDR) or its equivalent for each agency position, as described in the Suitability Processing Handbook.¹⁶

¹² Civil Service Rule V, 5 CFR § 5.2(a)(ii)

¹³ E.O. 13467, as amended, § 2.5(b)(i); E.O. 13488, as amended, § 3(b)

¹⁴ 5 CFR 731.106 (a)

¹⁵ Pursuant to 5 CFR 731.101(b), a “covered position” means a position in the competitive service, a position in the excepted service that can non-competitively convert to the competitive service, and a career appointment to a position in the Senior Executive Service.

¹⁶ OPM Suitability Processing Handbook, Appendix B

The Position Designation Tool (PDT) is recommended for all positions. The PDT will help to ensure a systematic, dependable, and uniform way of making position designations and maintaining the PDR or its equivalent.

Previous Finding: USAGM failed to take corrective action on a finding related to position designation following our 2014 review and as of 2018 still did not use the PDS to designate all covered positions, as required.

According to the Adjudications Chief, OHR was responsible for position designation. The Adjudications Chief stated OS was aware of the requirement to use OPM's PDS to accurately designate positions, but that OHR had been unwilling to use the system as required.

The OHR Operations Branch Chief stated they did not use the PDS, and would not use it, due to the uniqueness of USAGM's mission and the fact they employed non-citizens. The Operations Branch Chief stated OHR staff designated positions based on the duties performed, who the employee would have contact with, and whether the employee would have access to sensitive or classified information. The Operations Branch Chief stated each classifier made their own decisions and relied "more or less" on their personal judgment rather than any sort of standardized designation system. He added classifiers usually designated positions based on what the hiring manager wanted, and may have upgraded the position upon request.

The Operations Branch Chief stated USAGM recorded designations on the Optional Form (OF) 8¹⁷ and did not maintain any sort of PDR. USAGM had no policy to re-designate positions when vacant.

The Director stated position designation and meeting the requirements of 5 CFR part 1400 had been a "shaky situation." He stated USAGM's Office of General Counsel (OGC) believed USAGM was exempt from re-designation requirements because of the agency's mission and staffing patterns. The Director stated he had been aware of the requirement to use OPM's PDS since we issued the report of our 2014 review, but added that senior leadership were unwilling to comply.¹⁸

At the time of our 2018 onsite USAGM had not properly requested an extension from the Suitability and Security Executive Agents to extend the position designation review period, which ended in July 2017.

¹⁷ OF-8 Position Description

¹⁸ ODNI's report will provide further information about USAGM's compliance with 5 CFR part 1400.

In 2018 we obtained position descriptions (PDs) for 10 of the positions in our file sample and used the PDT to designate the positions, to determine if USAGM's designations were roughly in line with OPM's analysis of the PD.¹⁹ Table 1 reflects any discrepancies between the two designations.

Table 1
USAGM Position Designation Discrepancies, 2018

| PD # | Position Title | USAGM Designation and Required Investigation | OPM Designation and Required Investigation |
|--------------|--|---|--|
| PD 2 | Senior Advisor | Critical Sensitive/ ANACI | High Risk Public Trust/ T4 ²⁰ |
| PD 3 | Director for Broadcast Operations | Unknown ²¹ | High Risk Public Trust / T4 |
| PD 6 | International Broadcaster (Radio) (Creole) | Non-Critical Sensitive/ NACLC | High Risk Public Trust / T4 |
| PD 7 | Investigative Writer | Non-Critical Sensitive/ T3 | High Risk Public Trust / T4 |
| PD 8 | International Broadcaster (English) | Unknown/ T3 | High Risk Public Trust / T4 |
| PD 13 | International Broadcaster (Urdu) | Non-Critical Sensitive/ T3 | High Risk Public Trust (minimum) ²² / T4 |
| PD 15 | Deputy for Technology Support Services | Non-Critical Sensitive/ ANACI | High Risk Public Trust (minimum)/ T4 |
| PD 17 | General Manager, Persian News Network | Critical-Sensitive/ T3 | High Risk Public Trust (minimum)/ T4 |

¹⁹ We consulted with a representative from OPM's Adjudications and Clearance Processing group to obtain accurate designations for these positions. Staff in this group is responsible for designating OPM positions for risk and sensitivity, and therefore have extensive experience in accurately using the OPM PDS and the PDT.

²⁰ Refer to OPM *Federal Investigation Notices (FINs)* 15-03, 16-02, and 16-07 for information regarding how OPM's new tiered investigations relate to prior investigative types.

²¹ USAGM provided an incomplete OF-8 for this position, so we were unable to determine how USAGM's designation compared to OPM's designation.

²² USAGM's PDs were not sufficiently detailed to allow OPM staff to properly designate these positions. Based on any National Security impacts, these positions could be designated at higher levels.

Privileged under Law Enforcement Privilege; Exempt from Disclosure under FOIA Exemptions 7E, 7F

| | | | |
|--------------|--|-------------------------------------|--|
| PD 19 | Coverage Editor (Africa) | Non-Sensitive/ T3 | High Risk Public Trust (minimum)/ T4 |
| PD 20 | Supervisory International Broadcaster (Russian) | Non-Critical Sensitive/ ANACI | High Risk Public Trust (minimum)/ T4 |

Source: USAGM and OPM

OPM designated PDs 2, 6, 7, and 8 at the High Risk Public Trust level, and individuals should have been subject to a T4 investigation (based on a completed SF85P). USAGM's designations for these positions necessitated applicants filling out a more intrusive national security questionnaire, the SF86. PDs 13, 15, 17, 19, and 20 did not provide sufficient detail for OPM classifiers to make more than a minimum designation of a High Risk Public Trust.

In addition, while reviewing the USAGM -provided designations, we noted several instances where USAGM did not conduct the correct investigation required by their own designation. PDs 2 and 17 were designated as Critical Sensitive and should have undergone a T5 investigation, and PD 19 was designated as Non-Sensitive and should have undergone a T1 or T2 investigation, based on the position's risk level.²³ These are the investigation levels required by the government-wide Federal Investigative Standards jointly promulgated by OPM and ODNI pursuant to executive order.²⁴

Proper position designation allows agencies to achieve accuracy and consistency in all positions, to include aligning with the correct investigative levels. Maintaining the PDR provides proof of compliance and eliminates a duplication of efforts for the agency.

Failure to consistently designate agency positions at the proper level using established standards may result in investigating employees at a higher level than required, subjecting them to unnecessary scrutiny and placing undue financial burden on the agency. It may also allow individuals access to information they are not properly vetted for, placing the agency and the federal government at risk.

Failure to designate all agency positions using current criteria, in accordance with 5 CFR 1400, may allow individuals access to information they are not properly vetted for, placing the agency and the Federal government at risk.

²³ PDs 2 and 17 were subject to a lower investigation than required, PD 19 was subject to a higher investigation than required.

²⁴ See Civil Service Rule V, 5 CFR § 5.2(a)(ii); E.O. 13488, as amended, § 3(b); E.O. 13467, as amended, §§ 1.1(d), 2.5(b)(i), 2.5(c)(i), 3(c); E.O. 12968, as amended, §§ 3.2(b), 3.4(c).

Requesting and/or conducting a higher-level investigation than required wastes agency funds and subjects applicants or employees to an undue level of scrutiny. Requesting and/or conducting a lower level investigation than required may place the agency and the Federal Government at risk by allowing individuals access to information they are not properly vetted for.

Previous Recommendation 2: USAGM must ensure that all covered positions are designated for both risk and sensitivity using OPM's PDS.

Current Status: Corrective action PARTIALLY IMPLEMENTED.

According to USAGM's Senior HR Program Specialist six HR Specialists are tasked with position designation responsibilities.²⁵ After an HR Specialist receives a PD from a classifier, they run the PD against the PDS, attach the newly created PDR to the PD, and then provide both documents to PSD. PDRs are also saved in a SharePoint library accessible by the HR Specialists and PSD.

As part of our follow-up activities we asked for a PDR for the positions in our original sample roster (Table 1) as well as for 21 positions in a new follow-up sample roster. USAGM provided an updated PDR for each position in our original roster. All positions were designated at or higher than the OPM-suggested designation made in 2018.

To further verify the accuracy of USAGM's designation process, we had personnel from OPM's Personnel Security division designate 10 randomly-selected PDs from the follow-up sample roster. Table 2 shows the discrepancies between USAGM's designation and OPM's designation.

Table 2
USAGM Position Designation Discrepancies, 2020

| PD # | Position Title | USAGM Designation and Required Investigation | OPM Designation and Required Investigation |
|-------------------------------|-----------------------|---|---|
| NPD 2²⁶ | Editor (Bridge) | Non-Critical Sensitive, Moderate Risk/T3 | Non-Sensitive, High Risk/T4 |
| NPD3 | Electronics Engineer | Non-Critical Sensitive, Moderate Risk/T3 | Non-Sensitive, Moderate Risk/T2 |

²⁵ In addition to their normal HR duties

²⁶ New PD 2, etc.

| | | | |
|--------------|----------------------------|--|---------------------------------|
| NPD9 | IT Program Manager (APPSW) | Non-Critical Sensitive, Moderate Risk/T3 | Non-Sensitive, High Risk/T4 |
| NPD10 | IT Specialist (CUSTSPT) | Non-Critical Sensitive, Moderate Risk/T3 | Non-Sensitive, Moderate Risk/T2 |
| NPD15 | Multimedia Production Spec | Non-Critical Sensitive, Moderate Risk/T3 | Non-Sensitive, Moderate Risk/T2 |
| NPD17 | Project Manager | Non-Critical Sensitive, High Risk/T5 | Non-Sensitive, Moderate Risk/T2 |
| NPD18 | Purchasing Agent | Non-Sensitive, Low Risk/T1 | Non-Sensitive, Moderate Risk/T2 |

Source: OPM and USAGM

USAGM's designations for NPDs 2, 9, and 18 were lower than OPM's suggested designation, meaning the individuals in the position may have been investigated insufficiently for the position. USAGM's designations for NPDs 3, 10, 15, and 17 were higher than OPM's suggested designation, meaning the individuals in those positions may have been subject to a more strenuous investigation than necessary.

In addition, the Senior HR Program Specialist stated USAGM does not have a schedule in place to re-designate positions on a regular basis, and that any future re-designations would depend on hiring managers updating the PD. The Senior HR Program Specialist stated if the PD was more than five years old, or was "outdated" or reflected language or terms that were no longer in use at the agency, an HR Specialist would "probably" prompt the hiring manager to make an update.

While we are not issuing a new recommendation in this area, USAGM should ensure there is an established re-designation schedule in place to ensure PDs accurately reflect the duties of the position, and that applicants or employees are investigated appropriately for the duties they perform.

Previous Recommendation 2 is OPEN and UNRESOLVED.

Previous Recommendation 3: USAGM must maintain a PDR (or equivalent) for each covered agency position, per OPM's Suitability Processing Handbook.

Current Status: Corrective action IMPLEMENTED.

USAGM provided an updated PDR for every position in our original file sample, as well as for the 21 positions in our follow-up file sample.

Previous Recommendation 3 is CLOSED.

Previous Recommendation 4: USAGM must ensure all USAGM employees tasked with position designation responsibilities are operating in a fair, consistent, and reliable manner.

Current Status: Corrective action IMPLEMENTED.

The Senior HR Program Specialist stated six²⁷ HR Specialists are responsible for designating positions in the PDT. Of the six HR Specialists, three have successfully completed OPM's Automated Position Designation Tool (ADPT) training.²⁸ We verified their attendance through USAGM-provided training certificates.

Previous Recommendation 4 is CLOSED.

Previous Recommendation 5: USAGM must re-designate all positions in accordance with 5 CFR part 1400.

According to the Senior HR Program Specialist, USAGM re-designated all positions by January 2020. We verified this by reviewing PDRs (discussed above), which were all updated as required.

Previous Recommendation 5 is CLOSED.

Previous Recommendation 6: USAGM must request the correct level of investigation based on the accurate position designation, per 5 CFR part 1400, OPM's PDS, OPM issuances and Federal Investigation Notices, and the Federal Investigative Standards.

Current Status: Corrective Action NOT IMPLEMENTED.

USAGM has not initiated the correct level of investigation required by the position designation for 15 of the cases from our original sample list, as shown in Table 3.

²⁷ Four FTEs and 2 Contractors

²⁸ Formal training is not required to use OPM's PDT, as the system is designed to be self-explanatory.

Table 3
Incorrect Investigations, 2018 Sample Roster

| OPM File Number | Position Title | Investigation Required by Updated Designation | Current Investigation of Record |
|------------------------|--|--|---|
| 1 | International Broadcaster | T3 | T3* |
| 2 | Senior Advisor | T5 | ANACI* (no adjudication reported) |
| 3 | Supv TV Production Specialist | T5 | T3* |
| 4 | International Broadcaster | T3 | NACLC* (no adjudication reported) |
| 6 | INT Broadcaster (Radio) (Creole) | T3 | NACLC (no adjudication reported) |
| 8 | International Broadcaster | T3 | NACLC |
| 9 | International Broadcaster | T3 | NAC* |
| 10 | Human Resources Specialist (Information Systems) | T2 | ANACI (no adjudication reported) |
| 11 | International Broadcaster | T3 | ANACI* |
| 12 | Payroll Specialist | T3 | NACLC* (no adjudication reported) |
| 13 | INT Broadcaster (Urdu) | T3 | T3* |
| 14 | International Broadcaster | T3 | NACLC (no adjudication reported) |
| 17 | General Manager Persian News Network | T5 | T3* (no data regarding case close date, no adjudication reported) |
| 18 | TV Production Specialist (Graphics) | T3 | ANACI |
| 20 | Supv Int Broadcaster (Russian) | T3 | ANACI* |

Source: OPM file review

Files 2, 3, 9, and 17 have not been subject to the correct (higher) level of investigation, based on the updated designation. Files 2, 4, 6, 10, 12, 14, and 17²⁹ do not show any adjudicative data, so we were unable to verify if these individuals are eligible to occupy their positions. Further, investigations 1, 2, 3, 4, 9, 11, 12, 13, 17, and 20 were completed by USAGM after the expiration of USAGM's delegated investigative authority, and therefore are not valid.

USAGM has also not initiated the correct level of investigation required by the position designation for any of the cases from our follow-up sample list, as shown in Table 4.

²⁹ File 17 also does not show that the investigation was completed.

Table 4
Incorrect Investigations, 2020 Sample Roster

| OPM File Number | Position Title | Investigation Required by Updated Designation | Current Investigation of Record |
|------------------------|---|--|--|
| NPD1 | Director of Research | T5 | T3* (no adjudication reported) |
| NPD2 | Editor (Bridge) | T3 | T3* |
| NPD3 | Electronics Engineer | T3 | T3* (no adjudication reported) |
| NPD4 | Electronics Technician | T3 | ANACI (no adjudication reported) |
| NPD5 | Equal Employment Specialist | T2 | NACLC (no adjudication reported) |
| NPD6 | Executive Officer | T2 | T3R* (no adjudication reported) |
| NPD7 | Executive Producer | T3 | PRI (no adjudication reported) |
| NPD8 | General Assignments Reporter (English) | T3 | T3* (no adjudication reported) |
| NPD9 | IT Program Manager (APPSW) | T3 | BI (no adjudication reported) |
| NPD10 | IT Specialist (CUSTSPT) | T3 | T3* (no adjudication reported) |
| NPD11 | Library Technician | TI | T3* |
| NPD12 | Logistics and Operations Specialist | T1 | No Investigation on Record |
| NPD13 | Logistics and Operations Technician Team Leader | T1 | No Investigation on Record |
| NPD14 | Mail Operations Assistant | T5 | T1 |
| NPD15 | Multimedia Production Spec | T3 | T3* (no adjudication reported) |
| NPD16 | Procurement Assistant | T1 | T3* |
| NPD17 | Project Manager | T5 | SBI (no adjudication on record) |
| NPD18 | Purchasing Agent | T1 | SSBIPR* (no adjudication on record) |
| NPD19 | Supervisory Staff Accountant | T4 | T3* |
| NPD20 | Telecommunications Manager | T5 | T3* |
| NPD21 | Telecommunications Specialist | T5 | T2S |

Source: OPM

Files NPD12 and NPD13 do not have an investigation on record. Files NPD1, NPD14, NPD19, NPD20, and NPD21 have not been subject to the appropriate level of investigation, as required by the current position designation. NPD3 through NPD10, NPD15, NPD17, and NPD18 do not have an adjudication on record, so we were unable to verify if these individuals are eligible to occupy their positions.

Further, files NPD1, NPD2, NPD3, NPD6, NPD8, NPD11, NPD15, NPD16, NPD18, NPD19, and NPD20 were investigated by USAGM after the expiration of USAGM's delegated investigative authority, and therefore are not valid.

Previous Recommendation 6 is OPEN and UNRESOLVED.

Investigation Processing

Electronic Questionnaires for Investigations Processing

The Electronic Questionnaires for Investigations Processing (e-QIP) goals established for agencies and reportable under the PAC for suitability and security programs support the expectation that agencies will use e-QIP to request investigations. The use of e-QIP automation encourages accuracy and timeliness in the investigations request process. Federal Investigative Notice (FIN) 11-07³⁰ mandated use of e-QIP and FIN 17-07³¹ mandates use of the 2016 SF86. Under the Paperwork Reduction Act, agencies are required to use only current, OMB-approved information collections.

Previous Finding: At the time of our 2014 review, USAGM was not using e-QIP and required applicants to complete the 2008 paper version of the SF 86.³² This form expired with the issuance of the 2010 SF 86.

USAGM failed to take corrective action on the 2014 finding and as of our 2018 review still was not using e-QIP and the current security forms as required.

According to the Adjudications Chief, USAGM's e-QIP system was not connected to OPM's systems until the week before our onsite, so USAGM had not received updates to the security

³⁰ Discontinuing the 2008 Standard Form (SF) 86; Implementing the Fully Electronic 2010 SF 86, August 29, 2011

³¹ Revised Standard Form 86 Implementation, August 18, 2017

³² While USAGM and OPM signed a Memorandum of Understanding (MOU) regarding the use of e-QIP in 2013, at the time of our 2014 review OHR and SEC staff stated funding was not approved until October 2014. At the time, staff was unable to provide a timeline for implementation.

forms. The Adjudications Chief also stated interns and “grantees”³³ at USAGM were not required to use e-QIP, and often completed outdated paper versions of the security forms because the 2010 and 2016 SF 86 forms were too long to fill out manually.³⁴

During our 2018 onsite activities we reviewed a file sample of 13³⁵ individuals. Eight of these individuals had completed security forms which were outdated at the time of signature, as shown in Table 5.

Table 5
USAGM Investigations Completed on Incorrect Case Papers, 2018

| OPM File # | Case Paper Certification Date³⁶ | Correct Case Papers³⁷ | Case Papers Completed |
|-------------------|---|---|------------------------------|
| 4 | January 40, 2012 | 2010 SF 86 | 2008 SF 86 |
| 5 | August 29, 2012 | 2010 SF 86 | 2008 SF 86 |
| 8 | March 9, 2015 | 2010 SF 86 | 2008 SF 86 |
| 9 | September 23, 2013 | 2010 SF 86 | 2008 SF 86 |
| 11 | May 2, 2014 | 2010 SF 86 | 2008 SF 86 |
| 14 | September 23, 2013 | 2010 SF 86 | 2008 SF 86 |
| 15 | October, 2014 | 2010 SF 86 | 2008 SF 86 |
| 20 | August 12, 2015 | 2010 SF 86 | 2008 SF 86 |

Source: OPM review of USAGM security files

By not complying with *FINs 11-07 and 17-07*, USAGM was not operating effectively or efficiently. Further, older versions of the SF86 did not utilize branching questions for issue resolution. Reciprocity could not be properly applied to a USAGM -conducted investigation as they were not being conducted based on current investigative standards. Further, the use of expired and unauthorized information collections risked noncompliance with the Paperwork Reduction Act and the Privacy Act.

³³ Individuals in media organizations who receive grants from USAGM to promote freedom and democracy and enhance understanding through multimedia communication of accurate, objective, and balanced news, information, and other programming about America and the world to audiences overseas.

³⁴ When printed, the current SF 86 is approximately 120 pages long. However, this is because the form uses a branching questions methodology, in which certain threshold responses require the completion of branching responses. As properly completed in e-QIP, the degree of burden of the information collection depends on whether the respondent's threshold responses require the completion of branching responses, and if so, how many. A print-out of the full content of the information collection includes all possible branching questions, and thus does not accurately represent what a respondent will actually be required to fill out.

³⁵ Due to the egregious quality of errors we found in these 13 files, we did not feel it necessary to review all 20 of our sample files.

³⁶ Certification date is the date Subject signed the case papers

³⁷ Based on the case papers which were current at the time of certification

Previous Recommendation 7: USAGM must immediately begin using e-QIP for all investigation requests.

Current Status: Corrective action IMPLEMENTED.

USAGM provided a Memorandum of Understanding between USAGM and OPM for the use of e-QIP, signed November 19, 2018. This MOU verifies USAGM's efforts to cease having applicants complete hardcopy versions of security forms. OPM data covering the follow-up measurement period also confirms USAGM submitted 100% of their investigation requests to DCSA via e-QIP.

Previous Recommendation 7 is CLOSED.

Previous Recommendation 8: USAGM must immediately begin using the current SF86 and must not allow applicants or employees to complete outdated versions of the form.

Current Status: Corrective action IMPLEMENTED.

e-QIP is continually updated to reflect the current version of all security forms. Further, DCSA does not accept investigation requests submitted on out-of-date forms. As part of our follow-up activities we also selected a sample of 20 investigations which were submitted to DCSA by USAGM during our follow-up measurement period. All 20 investigation requests were submitted on up-to-date forms.

Please note, however, that USAGM has not requested new investigations for the 8 individuals identified in Table 2. These investigations remain invalid, as they were conducted under an expired Delegation for Investigative Authority and on expired security forms. We will address this further later in this report.

Previous Recommendation 8 is CLOSED.

Use of Appropriate Security Forms

E.O. 13467 (as amended) states "[t]he appointment or retention of each covered individual shall be subject to an investigation," the scope of which be determined "according to the degree of

material adverse effect the occupant of the position sought to be filled could bring about, by virtue of the nature of the position, on the national security.”³⁸

Under the Federal Investigative Standards, agencies must ensure applicants and employees complete the security form which corresponds with the required level of investigation.

Previous Finding: As stated earlier in this report, most positions at USAGM were classified as non-critical sensitive, requiring employees to complete the SF 86 and undergo a Tier 3 background investigation. Interns at USAGM were classified as low risk, non-sensitive, and underwent a Tier 1 investigation, which required completion of the SF 85.³⁹

However, the Director stated all employees at USAGM completed the SF 86, regardless of their position classification or the level of investigation. He stated this policy was because USAGM employed individuals from “criteria countries”⁴⁰ and the SF 85 and 85P⁴¹ did not collect information regarding foreign influence or connections.

The SF 86 is to be used in conducting investigations for “persons under consideration for, or retention of, national security positions...and for individuals requiring eligibility for access to classified information under E.O. 12968.”⁴² Using this form for low risk, non-sensitive positions ran counter to the purpose of the form itself and violated OPM guidance and the Federal Investigative Standards.

Instructing employees to complete the SF 86 when not required subjected employees to investigative questioning that went beyond the current investigative standards for their position. This also imposed an unnecessary paperwork burden on employees and risked noncompliance with the Paperwork Reduction Act and the Privacy Act.

We notified USAGM that if their agency wished to go beyond questioning allowed by the Federal Investigative Standards they must first request and receive approval from the Suitability and Security Executive Agents, as specified in section 2.2 of E.O. 13467, as amended.

Previous Recommendation 9: USAGM must immediately begin using the correct security forms (to include the SF85) for any position which does not require the use of the SF86.

³⁸ Executive Order 13764, “Amending the Civil Service Rules, Executive Order 13488, and Executive Order 13467 to Modernize Executive Branch-Wide Governance Structure and Processes for Security Clearances, Suitability and Fitness for Employment, and Credentialing, and Related Matters,” Part 3, Section 1.1 (d)

³⁹ Standard Form 85, Questionnaire for Non-Sensitive Positions

⁴⁰ Countries that pose a National Security risk

⁴¹ Standard Form 85P, Questionnaire for Public Trust Positions

⁴² SF 86, “Purpose of this Form”

Current Status: Corrective action IMPLEMENTED.

As of January 2019, USAGM has transferred all investigative work to DCSA, which requires the use of e-QIP and will not accept investigation requests which have been submitted on outdated or incorrect investigative forms.

As part of our follow-up activities we selected a sample of 20 USAGM investigation requests from our current measurement period. We verified these investigations were submitted on the correct forms, to include the SF85 and SF85P.

Previous Recommendation 9 is CLOSED.

Pre-Appointment Screening and Referral

Upon collection of the Optional Form 306 (OF 306),⁴³ agencies should screen for and address any adverse suitability issues prior to appointment and initiation of the investigation required for the position.⁴⁴ This is an essential part of the suitability process as it saves the costs of investigation if there are actionable issues, and ensures an unsuitable person does not start work before resolution of known issues.

According to the OPM *Suitability Processing Handbook (SPH)*, the screening and referral process involves:

- Reviewing applications, OF-306, and any other application related materials received or developed to identify any potentially disqualifying suitability issues,⁴⁵ and
- Referral of applications in cases involving potentially disqualifying issues to qualified Adjudicators for a determination of whether the known information is disqualifying, or for referral to OPM's Suitability Adjudication Branch (SAB) for a determination.⁴⁶

OPM must be informed in all cases where there is evidence of material, intentional false statement, or deception or fraud in examination or appointment (MIF). OPM reserves the right to undertake a determination of suitability based upon evidence of falsification or fraud relating

⁴³ Declaration for Federal Employment

⁴⁴ In accordance with 5 CFR § 731.106(c)(3), if appointed, the minimum level of background investigation must be conducted.

⁴⁵ OPM's Suitability Processing Handbook, Chapter III describes that conduct which may constitute a suitability issue.

⁴⁶ OPM's Suitability Processing Handbook, Chapter VI, reflects suitability issues should fall under the purview of 5 CFR 731.202 while Chapter V describes the methodology for assessing issue seriousness.

to an examination or appointment at any point when information giving rise to such a charge is discovered.⁴⁷ Such information is relevant to a government-wide debarment, which only OPM is permitted to undertake.

Pre-Appointment Screening

Previous Finding: During our 2018 onsite, USAGM did not appropriately conduct pre-screening.

OHR was responsible for initiating and pre-screening investigation requests for all non-OS new USAGM employees. According to the HR Operations Branch Chief, after a hiring official selected an applicant, an OHR HR Specialist initiated the applicant into e-QIP⁴⁸ and allowed two weeks for completion. When the applicant released the completed SF 86 to USAGM, OHR HR Specialists reviewed the e-QIP forms, OF-306, credit release, and USAGM-specific credit release using suitability referral criteria found in OPM's SPH.

If staff identified a potential suitability issue, they notified OS, at which point a Personnel Security Specialist attempted to mitigate the information and made the ultimate decision about an applicant's suitability for employment. Once the Personnel Security Specialist made a determination, they notified OHR via email, at which point an OHR HR Specialist either notified the hiring manager to select another applicant or issued an offer of employment and established an EOD, as appropriate.

The Adjudications Chief stated OS was responsible for initiating investigations for new OS staff.⁴⁹ When OHR notified OS of a new OS employee, OS staff initiated the applicant⁵⁰ in e-QIP and allowed 45 days for completion.⁵¹ When the applicant returned the completed SF 86 to OS, a Personnel Security Specialist reviewed the forms for completeness and accuracy.

If OS staff identified issues on the SF 86, they attempted to obtain additional information from the applicant. If the individual did not provide this information, staff instructed OHR to perform a non-select action and to notify the hiring manager to select a new candidate. However, the Adjudications Chief stated if the issue was not "glaring"⁵² staff let the investigation proceed and

⁴⁷ OPM's Suitability Processing Handbook, Chapter IV, B and 5 CFR 731.103(d)(2) & (g).

⁴⁸ In the event USAGM staff had individuals complete paper copies of the SF 85 or 86, USAGM staff would later input that information into e-QIP on the individual's behalf.

⁴⁹ As well as re-investigations for current USAGM employees

⁵⁰ Or employee, in the case of re-investigations

⁵¹ Please note this is not consistent with the two weeks HR allows individuals they are processing.

⁵² The Adjudications Chief did not provide information about what would constitute a "glaring" issue.

made a final determination based on the completed investigation. If the SF 86 did not contain derogatory information, or OS staff deemed the issues not serious enough to non-select the applicant, staff notified OHR to issue an offer of employment and establish an EOD.

While OS staff did review submitted forms for potentially derogatory information, the Adjudications Chief⁵³ stated they used the “13 areas of personnel conduct guidelines,” but could not specify what those guidelines were, and made no mention of 5 CFR part 731. USAGM was required to use the suitability factors in 5 CFR part 731 as a condition of its exercise of delegated adjudicative authority.⁵⁴

Without consistently using the standards found in 5 CFR part 731 during pre-screening process, staff could have overlooked potentially derogatory information. This posed a potential risk as well as an undue financial burden to the agency by requesting investigations on individuals who could possibly be found unsuitable or unfit in the pre-screening process.

According to the HR Operations Branch Chief, USAGM did not issue tentative offers of employment. OS and OHR issued one final offer following a favorable pre-screening of the completed SF 86. This was not permitted per 5 CFR §330.1300, which stated that unless an exception was granted by OPM:

“A hiring agency may not make specific inquiries concerning an applicant’s criminal or credit background of the sort asked on the OF-306 or other forms used to conduct suitability investigations for Federal employment (i.e., inquiries into an applicant’s criminal or adverse credit history) unless the hiring agency has made a conditional offer of employment to the applicant.”⁵⁵

Requiring applicants to complete the SF 86 (or any other security form) prior to an offer of employment violated 5 CFR §330.1300 and threatened the integrity of the competitive hiring process.

Previous Recommendation 10: USAGM staff tasked with pre-screening responsibilities must use 5 CFR part 731 criteria when making pre-screening determinations, as required by the CFR and OPM’s Suitability Processing Handbook.

Current Status: Corrective action NOT implemented.

⁵³ The then Adjudications Chief had become the Chief, Personnel Security Division by our 2020 review.

⁵⁴ See 5 CFR § 731.103(c)

⁵⁵ 5 CFR §330.1300 “Timing of suitability inquiries in competitive hiring”

According to a Personnel Security Assistant, after an individual returns their completed e-QIP to USAGM, a Personnel Security Assistant reviews the forms for accuracy and completeness, and look for potentially derogatory information (to include foreign citizenship or contact, drug use, or other derogatory information). If the Assistant identifies derogatory information, they forward the file to the PSD Chief, who makes the pre-screening determination and decides whether to continue the hiring process, or to perform a non-select action.

However, we spoke to the PSD Chief, who stated she does not perform pre-screening duties, which she claimed were the responsibility of the USAGM adjudicators.

We were unable to verify which USAGM staff currently conduct pre-screening duties, or what criteria they use to do so. Furthermore, staff's inability to identify who is responsible for specific duties may indicate a lack of general program knowledge.

Previous Recommendation 10 is OPEN and UNRESOLVED.

Recommendation 11: USAGM must ensure all staff tasked with pre-screening responsibilities receive training and are familiar with the criteria found in 5 CFR part 731.

Current Status: Corrective Action NOT EVALUATED.

As we were unable to identify which USAGM staff are currently responsible for pre-screening, we were unable to validate their training or knowledge of pre-screening requirements.

Previous Recommendation 11 is OPEN and UNRESOLVED.

Previous Recommendation 12: USAGM must immediately discontinue use of the SF 86 (or any other security form) prior to making an offer of employment, in accordance with 5 CFR §330.1300, unless and until USAGM is granted an exception.

Current Status: Corrective Action IMPLEMENTED

According to a Personnel Security Assistant, PSD staff only provide applicants and employees with a link to e-QIP after OHR has issued a tentative offer of employment and PSD staff have determined reciprocity does not apply. During the course of our follow-up activities we did not find any indication that USAGM continued use security forms prior to making an offer of employment.

Previous Recommendation 12 is CLOSED.

Referral

Previous Finding: The OS Personnel Security Specialist we interviewed stated she had seen instances of potential MIF but had not yet referred any cases to OPM.

While we contacted OPM's SAB and found that USAGM made one referral to OPM within the three years prior to our onsite, USAGM's adjudicative staff required education regarding referral requirements.

When an individual obtains a position after making material, intentional false statements, the competitive examining process is compromised and the individual gains, or potentially gains, an unfair advantage. Therefore, OPM retains jurisdiction in these types of cases under 5 CFR § 731.103(g). This permits OPM to determine whether the case warrants a government-wide debarment, which only OPM is permitted to undertake.

Previous Recommendation 13: USAGM must refer all cases with potential material, intentional false statement, or deception or fraud in the examination or appointment process to OPM, as required by 5 CFR part 731 and the Suitability Processing Handbook.

Current Status: Corrective action IMPLEMENTED

According to OPM data USAGM staff have not made any referrals since our last onsite, but staff we interviewed were aware of the requirement to report cases involving potential material, intentional falsification to OPM's SAB.

Previous Recommendation 13 is CLOSED.

Reciprocity

E.O.s 13467, as amended,⁵⁶ and 13488, as amended,⁵⁷ requires reciprocal recognition of suitability and fitness investigations and adjudications so long as specified conditions are met.⁵⁸

⁵⁶ E.O. 13467, "Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information"

⁵⁷ E.O. 13488, "Granting Reciprocity on Excepted Service and Federal Contractor Employee Fitness and Reinvestigating Individuals in Positions of Public Trust"

⁵⁸ To include the existing favorably adjudicated investigation meeting or exceeding the requirements of the position being sought.

OPM's regulations at 5 CFR 731 provide additional supplemental guidance for agencies' use in exercising suitability requirements for investigative and adjudicative reciprocity in 5 CFR §§ 731.104 and 731.202. Agencies must check the Central Verification System (CVS), the government-wide reciprocity database for the suitability program, to properly support reciprocity.

Previous Finding: USAGM did not appropriately apply reciprocity.

OS staff checked CVS for reciprocity for USAGM employees receiving an upgrade or re-investigation, and for newly hired OS employees. The OS Head Special Agent stated after the employee completed the SF 86, OS staff checked CVS for an existing favorably adjudicated investigation that met or exceeded the requirements of the position being sought. If one existed, USAGM staff applied reciprocity and continued the onboarding process. She stated staff only requested copies of the investigation when there was a "Please Call" notice or when the previous investigation was completed but not adjudicated.

If staff could not apply reciprocity, they scheduled an investigation.

OHR staff checked CVS for reciprocity for interns and all other new USAGM employees. According to the Operations Branch Chief, after the employee completed the SF 86 the Branch Chief checked CVS for an existing favorably adjudicated investigation that met or exceeded the requirements of the position being sought. The Branch Chief stated he consulted with OS for advice as to whether reciprocity applied. He then initiated the background investigation as needed and continued the onboarding process.

Both OS and OHR improperly required all applicants and employees to complete the SF 86 prior to determining if an investigation was required. Individuals should only be initiated into e-QIP when reciprocity cannot be applied.

USAGM also did not have access to the Joint Personnel Adjudication System (JPAS)⁵⁹ or Scattered Castles,⁶⁰ and therefore could not check all applicable databases for existing favorably-adjudicated national security investigations. This could have hindered USAGM's ability to apply security reciprocity requirements prescribed by ODNI.

By requiring all applicants and employees to complete the SF 86 prior to determining if reciprocity applies, USAGM placed an unnecessary burden on the applicant and contributed to an extra and unnecessary workload, which affected the efficiency of USAGM's overall hiring

⁵⁹ Joint Personnel Adjudication System; a DoD system to record clearance eligibility determinations

⁶⁰ A database used by the Intelligence Community to record eligibility and access to Sensitive Compartmented Information

process. Failing to check all appropriate investigations databases may have also lead to duplicate investigation requests, wasting agency funds and negatively impacting the efficiency of USAGM's suitability program.

Previous Recommendation 14: USAGM must update internal processes to eliminate the practice of initiating all applicants and employees into e-QIP prior to checking for reciprocity, in accordance with E.O.s 13467 and 13488.

Current Status: Corrective action IMPLEMENTED.

A PSD Personnel Security Specialist stated after PSD front office staff receive an applicant's paperwork from OHR, a Personnel Security Assistant checks CVS for an investigation which meets or exceeds the requirements of the position being sought. They then forward the case to the Personnel Security Specialist, who performs a second check and then writes a memo indicating if reciprocity applies. This memo stays in the individual's file.

If reciprocity applies, the Personnel Security Specialist annotates this in a memo and then sends the file to a Security Specialist who proceeds with PIV processing.

If reciprocity does not apply, the Personnel Security Specialist writes a memo explaining why, and then returns the file to the PSD front office staff to initiate the individual into e-QIP.

Previous Recommendation 14 is CLOSED.

While USAGM has updated their reciprocity processes and now check CVS for all applicants/employees, USAGM is not appropriately applying reciprocity. OPM data covering our follow-up measurement period reflects USAGM had 7 (2.65%) duplicate requests of their 264 total investigation requests.

By not following the established standards, USAGM runs the risk of re-investigating applicants more frequently than required, thereby wasting agency funds and negatively impacting the efficiency of USAGM's suitability and security program.

New Recommendation A: USAGM must eliminate all duplicate investigation requests.

Previous Recommendation 15: USAGM must work with their NBIB liaison to obtain access to all appropriate investigation databases.

Current Status: Corrective action PARTIALLY IMPLEMENTED.

The Security Specialist told us they access JPAS through CVS. They are still waiting on Scattered Castles access, however, as they are waiting for their user accounts to be created.

Previous Recommendation 15 is OPEN and UNRESOLVED.

Investigation Request Timeliness and Quality

The 2010 Security and Suitability Process Reform Strategic Framework established an initiation timeliness metric of 14 days for the fastest 90% of all investigation requests from the date of the applicant's signature on the investigative forms to the date the investigative service provider receives the forms. The metrics also require investigations to be requested using e-QIP with 5% or less returned by the NBIB due to missing information or forms.

Investigation Request Timeliness

Previous Finding: USAGM did not initiate investigations within 14 days as required.⁶¹

According to the Adjudications Chief, individuals in the appropriate hiring office were responsible for initiating applicants/employees in e-QIP following an offer of employment.⁶² USAGM allowed individuals 45 days to complete e-QIP; the Security Assistant monitored each applicant or employee's status and provided email reminders as necessary. Once the applicant or employee certified the security forms and returned them to USAGM, USAGM staff established an EOD and conducted pre-screening and reciprocity checks.

On EOD OS staff directed the employee to re-certify (and re-sign) their security forms, at which point a contractor Security Assistant released e-QIP, scheduled any required investigation, and assigned fieldwork to a USAGM contract Investigator.

The Adjudications Chief stated the time between initial certification (applicant/employee signature on the completed SF 86) and EOD averaged two weeks. If this estimation was correct, USAGM routinely exceeded the 14-day timeliness metric before staff began processing and scheduling the required investigation. The Adjudications Chief was not aware of the 14 day initiation timeliness metric.

⁶¹ As USAGM acted as its own ISP and did not maintain initiation timeliness data, we were unable to obtain metrics to support our findings in this area. All recommendations in this section were based on testimony we received from USAGM staff.

⁶² OS initiated re-investigations for employees and investigations for new OS employees, the Office of Contracts initiated investigations for contractors, and OHR initiated investigations for all other new USAGM employees.

According to OPM guidance, the Approver releases the e-QIP request to the ISP and commits the government funds needed to schedule an investigation. According to the Office of Management and Budget Circular A-76, Attachment A, Section B, the obligation of government funds is inherently a governmental function, to be conducted by a Federal employee. Per OPM and OMB guidance, the e-QIP Approver must be a Federal employee.

Instructing applicants and employees to re-sign investigative forms upon EOD prevents the collection of accurate timeliness metrics.

Delayed completion of e-QIP forms can adversely affect the efficiency of the hiring processes and overall investigative timeliness.

Previous Recommendation 16: USAGM must ensure the e-QIP “Approver” user role is held by a Federal employee. The e-QIP Agency Administrator must immediately remove the Approver access for the Contractors currently holding that role.

Current Status: Corrective action IMPLEMENTED

During our follow-up activities we requested a list of all SEC staff with roles in e-QIP, and instructed USAGM to identify if those individuals were contractors or federal employees, as well as which specific e-QIP roles each held. We verified that only federal employees hold the Approver role in e-QIP.

Previous Recommendation 16 is CLOSED.

Previous Recommendation 17: USAGM must immediately cease having applicants and employees re-sign security form releases upon EOD, in support of accurate timeliness metrics.

Current Status: Corrective action IMPLEMENTED.

According to the Personnel Security Specialist, USAGM staff no longer have applicants re-certify their e-QIP forms on EOD.

Previous Recommendation 17 is CLOSED.

Previous Recommendation 18: USAGM must ensure background investigations are initiated no more than 14 days after the applicant's initial certification of the investigative forms.

Current Status: Corrective action NOT IMPLEMENTED.

USAGM is not meeting the investigation request timeliness goal. OPM data covering our follow-up measurement period reflects USAGM requested the fastest 90% (418) of their 464 total investigation requests in an average of 18 days.

A Personnel Security Assistant (Assistant) stated after a Personnel Security Specialist confirms reciprocity does not apply, a Personnel Security Assistant initiates the applicant or employee in e-QIP, and allow the individual 72 hours to complete the forms. Assistants check e-QIP daily to monitor individuals' progress, and will send reminder emails as necessary.

Once the individual completes the e-QIP forms, an Assistant reviews them for completeness, accuracy, and potentially derogatory information, before releasing the investigation request to DCSA.

The Assistant was not aware that USAGM was not meeting the timeliness goal, and could not explain why they were over the 14 day limit.

Previous Recommendation 18 is OPEN and UNRESOLVED.

Previous Recommendation 19: USAGM must update its policies, manuals, and employee training practices to ensure all USAGM staff with a role in the initiation process are aware of the 14 day initiation timeliness standard.

Current Status: Corrective action IMPLEMENTED.

Page 4 of USAGM's Personnel Security Management Directive states "[a]ll investigations must be initiated within fourteen (14) days of applicant certifying and releasing security questionnaire to SEC."

While USAGM's timeliness does not currently meet standards, staff were aware of the 14 day timeliness metric.

Previous Recommendation 19 is CLOSED.

Investigation Request Quality

Previous Finding: We were not able to evaluate this area during our 2018 review, as USAGM conducted its own investigations and did not maintain data regarding investigation request quality.

Current Status: USAGM is not meeting the investigation request quality goal. OPM data covering our follow-up measurement period reflects DCSA returned 167 (38.75%) of USAGM's 431 total investigation requests for correction.

According to a Personnel Security Assistant, Security Specialists receive unacceptable notifications from DCSA, and then tell the Assistant what errors need to be corrected. The Assistant contacts the subject if necessary, and allows three days for the subject to provide the required information. The Assistant believes USAGM's unacceptable investigation request rate is due to the fact nobody in PSD was assigned to resolve these unacceptable requests, prior to the Assistant's arrival in July 2019.

Inaccurate information on the e-QIP forms can adversely impact the efficiency of the hiring process and overall investigative timeliness.

New Recommendation B: USAGM must establish and implement processes to reduce the unacceptable submission rate for investigation requests to 5% or less.

HSPD-12 Credentialing

HSPD-12⁶³ requires all Federal Executive departments and agencies to issue Personal Identity Verification (PIV) credentials based on a common Federal standard for secure and reliable forms of identification; and to require the use of the PIV to the extent practicable for physical access to federally controlled facilities and for logical access to federally controlled information systems. The PIV is for "other than occasional or intermittent access to federally controlled facilities or intermittent systems."⁶⁴

FIPS 201-2, "*Personal Identity Verification (PIV) of Federal Employees and Contractors*,"⁶⁵ outlines the standard used to issue and manage PIV cards. This guidance outlines the minimum

⁶³ <https://www.dhs.gov/homeland-security-presidential-directive-12>

⁶⁴ E.O. 13467, as amended, § 1.3(m)

⁶⁵ NIST, *Personal Identity Verification (PIV) of Federal Employees and Contractors*, August 2013

standards for PIV card issuance, specifically the requirement that a minimum of a NACI (now Tier 1) investigation be initiated⁶⁶ and FBI fingerprint check completed before a PIV card may be issued.

OPM, as Credentialing Executive Agent, develops standards for investigations, reinvestigations, and continuous vetting, adjudicative guidelines, guidelines for reporting and recording eligibility, and standards for suspending, denying and revoking eligibility for PIV cards. OPM also “may develop guidelines and instructions to the heads of agencies” related to PIV eligibility processes and “shall monitor and make a continuing review of agency programs for determining eligibility for a PIV credential to determine whether they are being implemented according to this order.”⁶⁷

Agencies, in turn must “promptly furnish, or cause to be promptly furnished” to OPM “the information deemed by the Executive Agents to be necessary for purposes of record keeping and reciprocity.”⁶⁸ For this purpose OPM’s 2008 Final Credentialing Standards, as amended in 2016, require HSPD-12 credentialing determinations be reported into CVS in order to reciprocate acceptance of PIV credential determinations among agencies.

HSPD-12 – Issuing PIV Credentials

Previous Finding: USAGM did not issue PIV credentials appropriately.

On EOD the OS Senior Physical Security Specialist collected employees’ fingerprints manually and then scanned them to NBIB⁶⁹ to conduct a fingerprint check through the FBI. Physical Security staff then issued a temporary, USAGM -specific badge. This badge was valid for a year, though staff could renew it as needed if the employee’s background investigation was not completed in that time. Employees were also issued a ProxCard for facility access and were required to go through security screening to access the building.

Once the employee’s background investigation was completed and favorably adjudicated by OS, the Physical Security Specialist issued the PIV credential and reported the determination into CVS. USAGM used PIV credentials for physical access only.

According to the Senior Physical Security Specialist, when an employee was due for a re-investigation the employee returned their PIV credential to the badging office, where Physical Security staff electronically revoked and sometimes physically destroyed the PIV credential.

⁶⁶ Page 5 of FIPS 201-2 defines “initiated” as “submission of the investigative request to the Office of Personnel Management (OPM), or other Federal background investigation service provider (if authorized).”

⁶⁷ E.O. 13467, as amended, § 2.5(c)

⁶⁸ *Id.* § 2.7(b)(vi)

⁶⁹ At the time of our 2018 review, NBIB performed this function. Such duties are now the responsibility of DCSA.

When the employee's re-investigation was favorably adjudicated, the employee received a new PIV credential. While the re-investigation was ongoing the employee used a USAGM -specific badge and ProxCard and was required to go through security screening to access the building.

The Senior Physical Security Specialist stated USAGM revoked and destroyed the employee's existing PIV credential to ensure the employee completed their security forms in a timely manner.

Once an employee separated⁷⁰ from USAGM, they returned their PIV credential to the badging office as part of out-processing. Physical Security staff revoked the credential electronically and then destroyed the physical card.

We obtained a list of USAGM employees who were recently issued a PIV credential. We compared this list of employees against investigations information contained in OPM's Personnel Investigation Processing System (PIPS), and identified 1 of the 20 employees were approved for PIV issuance without an appropriate investigation initiated. Details of these files are listed in Table 6.

Table 6
USAGM Improperly-Issued PIV Credentials, 2018

| OPM File # | Investigation Conducted⁷¹ | Investigation Start Date | PIV Issuance Date |
|-------------------|---|---------------------------------|--------------------------|
| P4 | T3 | 12/22/2017 | 12/01/2017 |

Source: USAGM

Neither the Senior Physical Security Specialist nor the Director were able to provide information about why this credential was issued inappropriately.

While the majority of the files we reviewed were issued PIV credentials correctly, USAGM had not corrected their PIV issuance process since our 2014 review and still did not adjudicate fingerprint results prior to issuance. The Senior Physical Security Specialist stated she thought the Director or Adjudications Chief adjudicated the fingerprint results, but the Adjudications Chief stated the Senior Physical Security Specialist was responsible for all such adjudications.

USAGM also did not use PIV credentials for logical access. As noted above, under HSPD-12 and E.O. 13467, as amended, the PIV is to be used for other than occasional or intermittent

⁷⁰ Or if access is revoked or suspended

⁷¹ All individuals were subject to a Special Agreement Check (SAC), which does not meet the minimum requirements for PIV issuance.

logical access, the maximum extent practicable. Additionally, in 2015, the government initiated a 30-day Cybersecurity Sprint,⁷² designed to strengthen the Federal Government's overall cybersecurity infrastructure. Agencies were required to "dramatically" accelerate implementation of multi-factor authentication for access to Federal networks, systems, and data. According to USAGM staff, only OHR personnel used PIV credentials for logical access, meaning the majority of USAGM staff were not in compliance with multi-factor authentication requirements. The Director was not able to provide information about why USAGM was not in compliance.

Granting a PIV without the minimum standards being met (specifically, a favorably adjudicated fingerprint check) poses a risk to the agency and to the Federal Government as a whole, by granting access to facilities and information systems to individuals who have not been appropriately vetted.

Revoking, destroying, and re-issuing PIV credentials to individuals undergoing re-investigation places an unnecessary financial and logistical burden on the agency, and may weaken the efficiency of USAGM's security and suitability program.

Failing to comply with federal multi-factor authentication requirements weakens the security of USAGM's logical systems, and may allow intruders to access Federal networks, systems, and data.

Previous Recommendation 20: USAGM must ensure every individual has a favorably adjudicated fingerprint before being issued a PIV credential, as required by HSPD-12 and FIPS 201-2.

Current Status: Corrective action NOT IMPLEMENTED.

The Physical Security Specialist stated when a new hire requires a PIV credential, onboarding staff in SEC add an appointment to the Physical Security Specialist's schedule. When the applicant arrives, she inspects their identification, takes their fingerprints, and submits them via C-CURE 9000.⁷³

The Physical Security Specialist stated she later receives a PIV request sheet from SEC when the applicant or employee is approved for a PIV credential. This request sheet does not contain any information about if or when fingerprint results were favorably adjudicated, and does not indicate the level of investigation conducted (or when said investigation was initiated).

⁷² https://obamawhitehouse.archives.gov/sites/default/files/omb/budget/fy2016/assets/fact_sheets/enhancing-strengthening-federal-government-cybersecurity.pdf

⁷³ A security management software program

We requested a list of personnel who were issued a PIV credential since October 2018, and selected a random sample of 20. 18 of those 20 credentials were issued a PIV credential inappropriately, as reflected in Table 7, below.

Table 7
Improperly Issued PIV Credentials, 2020

| OPM File # | Investigation Conducted | Investigation Start Date | PIV Issuance Date | Notes |
|------------|-------------------------|--------------------------|-------------------|---|
| PIV1 | T3 | 6/27/19 | 8/28/17 | <ul style="list-style-type: none"> • USAGM-conducted investigation • Investigation discontinued 3/4/19; no new investigation initiated • No indication fingerprint SAC was favorably adjudicated |
| PIV2 | T3 | 3/18/19 | 6/27/17 | <ul style="list-style-type: none"> • USAGM-conducted investigation • No indication fingerprint SAC was favorably adjudicated |
| PIV3 | MBI | (closed) 2/5/98 | 3/18/19 | <ul style="list-style-type: none"> • No adjudication reported • 1998 investigation was an MBI; now out of scope |
| PIV4 | T3 | 2/1/16 | 12/20/19 | <ul style="list-style-type: none"> • USAGM-conducted investigation • No indication fingerprint SAC was favorably adjudicated |
| PIV5 | NA | NA | 11/5/19 | <ul style="list-style-type: none"> • No investigation initiated |

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| | | | | |
|--------------|-------|----------------------|---------|---|
| PIV6 | ANACI | 8/5/15 | 12/4/18 | <ul style="list-style-type: none"> • USAGM-conducted investigation • No indication fingerprint SAC was favorably adjudicated |
| PIV8 | T1 | 7/17/19 | 6/27/19 | <ul style="list-style-type: none"> • PIV issued before investigation initiated |
| PIV9 | T3 | 11/8/17 | 9/23/19 | <ul style="list-style-type: none"> • USAGM-conducted investigation • Investigation discontinued 3/13/19 (no new investigation initiated) • No indication fingerprint SAC was favorably adjudicated |
| PIV10 | PRI | (closed) 2/21/06 | 8/12/19 | <ul style="list-style-type: none"> • No reported adjudication • Investigation out of scope |
| PIV11 | T3R | 11/15/19 | 8/30/19 | <ul style="list-style-type: none"> • PIV issued before investigation initiated |
| PIV12 | ANACI | (closed) 6/17/15 | 3/11/19 | <ul style="list-style-type: none"> • No reported adjudication • USAGM-conducted investigation |
| PIV13 | ANACI | (closed) 10/19/11 | 9/10/19 | <ul style="list-style-type: none"> • No indication fingerprint SAC was adjudicated |
| PIV14 | T3 | 10/26/17 | 5/20/19 | <ul style="list-style-type: none"> • USAGM-conducted investigation |
| PIV16 | NACLC | 7/21/15 | 10/2/18 | <ul style="list-style-type: none"> • USAGM-conducted investigation |

| | | | | |
|--------------|--------|-----------------|---------|--|
| | | | | <ul style="list-style-type: none"> No indication fingerprint SAC was adjudicated |
| PIV17 | SSBIPR | 1/28/13 | 6/3/19 | <ul style="list-style-type: none"> USAGM-conducted investigation Investigation expired in 2018 Fingerprint SAC scheduled after PIV issued (11/19/19) No indication fingerprint SAC was adjudicated |
| PIV18 | ANACI | 8/17/15 | 6/3/19 | <ul style="list-style-type: none"> USAGM-conducted investigation No indication fingerprint SAC was adjudicated |
| PIV19 | NACLC | (closed) 9/9/15 | 10/7/19 | <ul style="list-style-type: none"> USAGM-conducted investigation No indication fingerprint SAC was adjudicated |
| PIV20 | ANACI | (closed) 3/2/15 | 2/7/19 | <ul style="list-style-type: none"> USAGM-conducted investigation No indication fingerprint SAC was adjudicated |

MBI: Minimum Background Investigation; ANACI: Access National Agency Check with Inquiries; TI: Tier 1; PRI: Periodic Reinvestigation; T3R: Tier 3; NACLC: National Agency Check with Law and Credit; SSBIPR: Single Scope Background Investigation Periodic Reinvestigation
Source: OPM file review

As noted in the chart, we could not find evidence that many of the required fingerprint SACs were adjudicated, and all cases with the notation “USAGM-conducted investigation” were investigations conducted by USAGM after the expiration of USAGM’s delegated investigative authority.

USAGM staff did not provide who adjudicates fingerprint results, and did not have any information about why the PIV credentials in Table 7 were issued inappropriately.

Previous Recommendation 20 is OPEN and UNRESOLVED.

Previous Recommendation 21: USAGM must cease revoking and destroying PIV credentials when employees undergo re-investigation.

Current Status: Corrective Action IMPLEMENTED.

According to the Physical Security Specialist, USAGM no longer destroys PIV credentials when employees undergo re-investigations. During the course of our inspection we found no evidence to indicate otherwise.

Previous Recommendation 21 is CLOSED.

Previous Recommendation 22: USAGM must update its processes and implement the use of PIV cards for logical access, to improve the security of USAGM's network, system, and data security.

Current Status: Corrective Action IMPLEMENTED.

According to the Physical Security Specialist, PIV cards are now used for physical and logical access.

Previous Recommendation 22 is CLOSED.

While USAGM has made some progress in correcting the deficiencies in their credentialing program, during our latest review we developed that USAGM does not track PIV credentials which are expiring and require re-issuance. The Physical Security Specialist told us employees are responsible for tracking their own PIV expiration dates, and must reach out to Physical Security staff to have a new credential issued.

Failing to identify expiring PIV credentials could negatively impact the agency's efficiency, as employees could lose access to facilities or systems.

New Recommendation C: USAGM must develop a mechanism to track PIV expiration dates.

HSPD-12 – Reporting PIV Credentials

Previous Finding: OPM data reflected USAGM reported 815 PIV credentials into CVS during our initial measurement period.

Current Status: OPM data reflects USAGM reported 476 PIV credential actions⁷⁴ into CVS during our follow-up measurement period.

However, the Physical Security Specialist stated she does not update PIV credentials into CVS and we were unable to identify which USAGM staff perform these updates.

New Recommendation D: USAGM must update their PIV issuance process to identify staff responsible for uploading credentialing determinations into CVS.

Additional Physical Security Concerns

Previous Finding: While we do not normally report on physical security issues beyond PIV issuance, we identified several additional areas of concern during the course of our 2018 review.

Physical Security staff did not operate under consistent procedures. At various points during our onsite activities, our review team (1) was required to go through security screening, (2) was allowed to access the building through turnstiles that read our PIV credentials, (3) was required to be escorted at all times, and (4) was allowed to access all areas of the building without an escort. Physical Security staff were not aware of who their supervisor was, and were unable to locate them to ask for guidance on granting us access to the building.

The Senior Physical Security Specialist told us USAGM did not yet reciprocally accept PIV credentials from other agencies, and at several points during our onsite guard staff told us we would not be allowed to access the facility without going through a full security screening (though on different occasions, different guards allowed us to access the building without screening).

⁷⁴ “actions” include active credentials, revocations, denials, administrative withdrawals, and suspensions

NIST and OMB issuances recognize that agencies must make risk-based access control and level of authorization decisions, to determine what resources PIV card holders may access.⁷⁵ But failing to reciprocally accept PIV credentials issued by other federal agencies for any purpose is counter to the policy of having a common, interoperable platform for identity authentication based on standard investigative and adjudicative criteria. Lack of reciprocity contributes to an extra and unnecessary workload, which affects the efficiency of USAGM's overall process.

We did not issue a recommendation regarding the other areas of concern, but USAGM was required to ensure physical security staff was operating consistently and in accordance with standard procedures.

Previous Recommendation 23: USAGM must update processes, procedures, and employee training requirements to reciprocally accept PIV credentials for physical access, in accordance with HSPD-12.

Current Status: Corrective action IMPLEMENTED.

During our 2020 onsite, USAGM physical security staff demonstrated far fewer inconsistencies, to include reciprocally accepting our PIV credentials and maintaining escort procedures.

Previous Recommendation 23 is CLOSED.

Suitability Investigation Quality⁷⁶

5 USC §1104(a)(2) states OPM may delegate its investigative authority to other agencies. However, OPM is required to establish performance standards for agencies exercising delegated investigative authority, and to conduct oversight to ensure that the activities performed under the delegation are in accordance with its standards.⁷⁷

Agencies operating under Delegated Investigative Authority must implement and maintain a personnel suitability and security investigations program which complies with federal laws, regulations, standards, and policies, including, but not limited to:

⁷⁵ See generally FIPS 201-2, chapter 6

⁷⁶ ODNI will discuss USAGM's investigative program and any findings related to National Security investigation quality in their report.

⁷⁷ See 5 USC §1104(b), 2301

- Compliance with Federal Investigative Standards and OPM coverage requirements, including the 2012 Federal Investigative Standards as they are implemented according to the Federal Investigative Standards Implementation Plan;
- Compliance with 5 CFR part 736, which prescribes requirements for the timely initiation of investigations, compliance with the Privacy Act, notices to investigative sources, and the protection of source confidentiality;
- Compliance with E.O. 13488 which requires public trust re-investigations under standards to be prescribed by OPM.

Previous Finding: In addition to conducting investigations without a current MOU for delegated investigative authority, USAGM did not conduct its investigations in accordance with federal standards.

During our 2018 onsite activities, we reviewed the investigative files for the individuals in our file sample. Every file we reviewed was missing crucial investigative information, to include discussions of admitted derogatory information, required records and/or personal sources, and law coverage. Other files contained records or Secret-marked information about individuals who were not the subject and were not under investigation, and several cases had all leads closed as a backlog-mitigation effort due to “passage of time,” despite the fact that in most of these instances, less than a month had elapsed.

Specific details of the errors we identified are included in Table 8.

Table 8
USAGM Suitability Investigation Deficiencies, 2018⁷⁸

| OPM File # | Identified Coverage Deficiencies |
|---------------|--|
| 3 | <ul style="list-style-type: none"> • Not reviewed; USAGM could not locate security file |
| 4 | <ul style="list-style-type: none"> • Missing employment record • SSN missing from case papers • File contained Secret-marked information that did not relate to Subject or any individual listed in Subject’s investigation • Submitted on out of date case papers |
| 5 | <ul style="list-style-type: none"> • Missing six employment records • All social reference leads closed as a risk management effort, citing “length of time since request” • Submitted on out of date case papers |

⁷⁸ Due to the egregious quality and quantity of errors we found in these files, we did not feel it necessary to review files 1, 2, 10, 12, and 13.

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7E, 7F

| | |
|----|--|
| 6 | <ul style="list-style-type: none">• ROI referred to Subject by incorrect pronoun• Did not address possible foreign relatives• Did not address foreign bank account• Did not address foreign travel |
| 7 | <ul style="list-style-type: none">• Not reviewed; USAGM could not locate security file |
| 8 | <ul style="list-style-type: none">• Copy of Subject's passport maintained in security file• Copy of Subject's relatives' passports maintained in security file• Security file contains no records of investigation or testimony• Submitted on out of date case papers |
| 9 | <ul style="list-style-type: none">• Security file contains no records of investigation or testimony• Employment and residence reference leads closed as a risk management effort, citing "length of time since request"• Submitted on out of date case papers |
| 11 | <ul style="list-style-type: none">• Copy of Subject's passport and driver's license maintained in security file• Employment record and reference leads closed as a risk management effort, citing "length of time since request"• Submitted on out of date case papers |
| 14 | <ul style="list-style-type: none">• Missing law check• Copy of Subject's passport maintained in security file• Missing employment record• Missing personal sources for employment and residence• Submitted on out of date case papers |
| 15 | <ul style="list-style-type: none">• Submitted on out of date case papers |
| 16 | <ul style="list-style-type: none">• Missing residence record• Missing Selective Service check• Missing all social references |
| 17 | <ul style="list-style-type: none">• Missing employment record• Copy of Subject's mother's Social Security card maintained in security file• Copy of Subject's sister's passport maintained in security file |
| 18 | <ul style="list-style-type: none">• Employment and residence leads closed as a risk management effort, citing "length of time since request" |
| 19 | <ul style="list-style-type: none">• Referred to Subject by incorrect pronoun• Missing employment record• Did not include Subject's alias on a law check• Copy of Subject's passport maintained in security file• Missing Spouse National Agency Checks |
| 20 | <ul style="list-style-type: none">• Missing employment record• Missing FBI fingerprint and name checks |

- Missing all law checks
- Submitted on out of date case papers

Source: OPM File Review

The quality of USAGM's background investigations posed a serious risk to both the agency and the Federal Government as a whole, as USAGM employees had not been appropriately or thoroughly vetted before being granted access to Federal systems, facilities, and, in many instances, sensitive or classified information.

Given the severity and quantity of the errors we identified in USAGM's investigations during our 2014 review, and the ongoing nature of those errors (as identified during our April 2018 onsite activities), we did not believe USAGM was running an acceptable investigations program.

We referred back to Recommendation 1 of this report and reiterated that USAGM must immediately cease all investigative activities and must work with their DCSA liaison to transfer all ongoing and future investigations to DCSA.

Additionally, as USAGM was not operating under a current MOU for delegated investigative authority and therefore was not authorized to conduct background investigations, and because the quality of their investigations was not up to standards and compromised reciprocity, USAGM must initiate new investigations for all employees investigated since the delegation of investigative authority expired in 2012.

Previous Recommendation 24: USAGM must work with NBIB to immediately initiate new investigations for all individuals investigated by USAGM since the expiration of USAGM's delegated investigative authority in 2012.

Current Status: Corrective action NOT IMPLEMENTED.

USAGM has failed to complete the required corrective action for this recommendation.

On January 17, 2020, the Director of the Office of Security provided a letter addressing USAGM's progress in this area.⁷⁹ This letter stated USAGM is "still in the process of identifying, prioritizing, and reinitiating investigations working backwards to 2012." During our 2020 onsite the PSD Chief stated it was a priority to initiate new investigations, but that OS was waiting for HR to re-designate all agency positions. Neither the Director of the Office of Security nor the PSD Chief could provide a timeframe for when all investigations would be initiated as required by our 2019 final report.

⁷⁹ Refer to Attachment D

We provided USAGM with a list of 1,527 investigations USAGM conducted under expired delegated authority, to assist them in identifying the individuals who require a new investigation. As of our February 2020 onsite, USAGM has only scheduled investigations for 314 individuals.

USAGM's failure to schedule new investigations as required poses a series risk to the agency and the federal government as a whole. USAGM employees have not been properly vetted, yet currently have access to government systems, facilities, and, in some cases, sensitive or classified information. More importantly, USAGM employees wishing to change jobs could have their investigations reciprocally accepted by a new agency, which would not know the investigations (and subsequent favorable adjudication) were invalid.

Until USAGM re-investigates all applicable individuals, USAGM must add a "Please Call" notice in CVS for each investigation that was conducted after the expiration of USAGM's delegation of authority.

We will notify the U.S. Department of State's Office of the Inspector General regarding USAGM's status in this area.

Previous Recommendation 24 is OPEN and UNRESOLVED.

New Recommendation E: USAGM must add a "Please Call" notice in CVS for each investigation USAGM conducted after the expiration of USAGM's delegation of investigative authority.

Adjudication

Suitability Review and Determination

Agencies are responsible for establishing and maintaining an effective suitability program to ensure the employment of each person in a covered position will promote the efficiency and protect the integrity of the service.⁸⁰

A suitability determination must be made for all appointments that are subject to investigation under the Suitability regulation.⁸¹

⁸⁰ OPM's *Suitability Processing Handbook*, Chapter I D

⁸¹ 5 CFR 731.104(b)(3)

Previous Finding: We were unable to verify that USAGM appropriately adjudicated for suitability.

According to a Personnel Security Specialist, the Adjudications Chief hand carried completed investigations to USAGM's two Personnel Security Specialists and tracked assignments through each adjudicator's Case Tracking queue.

If the completed investigation contained no derogatory information, the Personnel Security Specialist updated Case Tracking, signed USAGM's favorable adjudication memo, and reported the adjudication to OPM via CVS.

When completed investigations contained potentially derogatory information, the Personnel Security Specialist tracked the issues on an adjudicative worksheet and contacted the subject of investigation for additional information. The assigned adjudicator allowed the subject two weeks to provide potentially mitigating information and discussed issues with the Adjudications Chief as needed.

If the Personnel Security Specialist was able to mitigate the issues with the provided information, they updated Case Tracking, signed the favorable adjudication memo, and reported the determination to OPM. If they could not mitigate the issues, the Adjudications Chief was required to approve the unfavorable determination. If the Adjudications Chief agreed with the unfavorable determination, OSM/S staff worked with USAGM's OGC to issue a letter of removal and proceeded through due process procedures.

The Personnel Security Specialist estimated USAGM had approximately 6-8 unfavorable determinations in the previous three years.

While USAGM staff described an acceptable suitability adjudication process, during the course of our file review we found no documentation to support the fact a suitability determination was made on USAGM's closed investigations. The Personnel Security Specialist told us adjudicators did not maintain any adjudicative worksheets and USAGM's favorable adjudication memo did not make any reference to 5 CFR 731.⁸² Staff we interviewed also were not familiar with the suitability adjudication criteria; the Adjudications Chief could not name the standards and the Personnel Security Specialist could only name them after looking at notes they brought into our interview.⁸³

The Adjudications Chief also stated she was responsible for adjudicating her direct employees' investigations. If not carefully managed, this posed a potential conflict of interest for the agency,

⁸² We discuss this memo in depth later in this report.

⁸³ We discuss staff training in depth later in this report.

as the Adjudications Chief could be a witness in subsequent due process proceedings involving her subordinates.

Failure to use established standards and to make a distinct suitability determination on every investigation increases the odds of an unsuitable person being granted Federal employment, placing the government at risk. Failure to document such an adjudication may hinder reciprocity across government, as other agencies will be unable to verify such an adjudication was made.

Given the ongoing nature of USAGM's weaknesses in this area and the agency's failure to take corrective action despite multiple warnings from the Suitability Executive Agent, OPM declared we will take action to revoke USAGM's adjudicative authority if these errors were not corrected immediately.

Previous Recommendation 25: USAGM must perform and document a distinct suitability adjudication on every closed investigation, in accordance with 5 CFR part 731.

Current Status: Corrective action NOT VERIFIED.

A Personnel Security Specialist stated USAGM receives closed investigations via mail from DCSA. The PSD Chief assigns cases to adjudicators, who review the investigation for completeness before making an adjudicative determination and documenting their decision in a narrative write-up.

If a case has no derogatory information, the adjudicating Personnel Security Specialist completes the narrative write-up, closes the case in CaseTracking, and notifies HR.

If a case has potentially derogatory information, the adjudicating Personnel Security Specialist contacts the Subject via email and allows a week for them to provide mitigating information. The Personnel Security Specialist will discuss any provided information with the Subject in person. If the derogatory information can be mitigated, the Personnel Security Specialist then closes the investigation and continues the onboarding process as described above.

If the mitigating information cannot be mitigated, the Personnel Security Specialist writes a denial letter stating the agency's intention to make an unfavorable determination. The applicant has 30-45 days to respond to this letter with any mitigating information.

If the derogatory information still cannot be mitigated, the adjudicating Personnel Security Specialist reports the adjudication into CVS and notifies HR that the applicant cannot be brought on board.

While this process is appropriate as described, USAGM staff expressed confusion about when determinations should be made using 5 CFR 731 criteria. The Personnel Security Specialist we interviewed stated 5 CFR 731 would be used “if needed,” but could not specify when that would be the case. After further questioning the Personnel Security Specialist explained that 5 CFR 731 criteria would be used “for all cases which require suitability,” on those individuals in National Security positions, “may” be used on contractors, but would not be used on Tier 1 investigations.

As part of our inspection activities we reviewed the adjudicative write-ups for 34 cases adjudicated within our follow-up measurement period. Only one investigation was for a federal employee, and while this write-up did reflect the adjudicator used 5 CFR 731 criteria to make a suitability determination, the available sample is not sufficient for us to determine that USAGM is uniformly making suitability determinations as required.

Previous Recommendation 25 is OPEN and UNRESOLVED.

Previous Recommendation 26: USAGM should consider making arrangements to ensure OS staff are not responsible for adjudicating their direct-report employees’ investigations.

Current Status: Corrective action NOT IMPLEMENTED

The Personnel Security Specialist we interviewed stated USAGM was still attempting to find another office to adjudicate SEC investigations, but that there had not been a need to adjudicate any SEC employees since our prior onsite.

Our record review, however, revealed two SEC employees were adjudicated by SEC staff since our 2018 review.

Previous Recommendation 26 is OPEN and UNRESOLVED.

Reporting Suitability Adjudicative Determinations

Agencies are required to report their suitability decisions to OPM by sending the INV Form 79A⁸⁴ or by uploading their determinations electronically through PIPS.⁸⁵ According to

⁸⁴ INV Form 79a, “Report of Agency Adjudicative Action on OPM Personnel Investigations.”

⁸⁵ Personnel Investigations Processing System

regulation⁸⁶ all unfavorable suitability actions must be reported to OPM within 30 days after the action was taken. All other actions based on an OPM investigation must be reported as soon as possible, and in no event later than 90 days after receipt of the final report of investigation.⁸⁷

USAGM is not meeting the suitability adjudicative timeliness goal. OPM data reflects USAGM reported 94 suitability determinations in an average of 51 days. However, OPM data also reflects that as of March 15, 2018, USAGM has 66 unreported adjudications more than 90 days old.

According to the Personnel Security Specialist, each adjudicator reports adjudicative determinations through PIPS upon adjudication. The Personnel Security Specialist was not able to provide any information about the 66 unreported adjudications.

The Adjudications Chief stated she was aware USAGM was not meeting the standard, as they have a “huge” backlog and do not have sufficient staff to adjudicate all cases within the required timeframe.

It is critical to report all suitability adjudications to OPM to ensure the most accurate information exists and to promote reciprocity when warranted. Adjudicating cases in a timely manner ensures employees in covered positions are suitable to begin work right away while protecting the integrity and promoting the efficiency of the service.

Previous Recommendation 27: USAGM must report all suitability determinations to OPM as soon as possible, and in no event later than 90 days after receipt of the final report of investigation.

Current Status: Corrective Action NOT IMPLEMENTED.

OPM data reflects during the follow-up measurement period USAGM adjudicated 49 cases in an average of 34.5 days. However, OPM data also reflects that USGAM still has 349 unreported adjudications more than 90 days old.

Previous Recommendation 27 is OPEN and UNRESOLVED.

⁸⁶ 5 CFR 731.203(g)

⁸⁷ 5 CFR 731.203(g) and 5 CFR 732.302

New Recommendation F: In lieu of reporting pending adjudications for any investigations USAGM conducted after the expiration of their delegated investigative authority, USAGM must discontinue these investigations and initiate new investigations through DCSA.

“D” Level Suitability Adjudications

OPM’s Suitability Adjudications Branch (SAB) conducts a review of some agency decisions on “D” issue suitability cases. When SAB disagrees with an agency’s adjudication decision on a “D” issue case, SAB issues a letter requesting details regarding the adjudicative determination.

Previous Finding: We were unable to review USAGM’s status in this area; during the measurement period, SAB did not review any of USAGM’s suitability adjudications.

Current Status: We contacted OPM’s SAB, who stated they did not review any of USAGM’s adjudications during the follow-up measurement period.

Internal Control Activities

Internal control is an integral component of an entity’s management that provides reasonable assurance that the objectives of an entity are being achieved.⁸⁸ Internal control activities are the policies, procedures, techniques, and mechanisms that help ensure management’s directives are carried out.⁸⁹

We reviewed the agency’s internal control activities related to records of investigation, record retention, physical safeguards, adjudicator training and qualifications, and policies and procedures to ensure operational effectiveness and efficiency.

Records of Investigation

E.O. 13764 states “[t]he appointment or retention of each covered individual shall be subject to an investigation,” the scope of which be determined “according to the degree of material adverse

⁸⁸ GAO “Standards for Internal Control in the Federal Government,” 2013 Exposure Draft, dated September 2013

⁸⁹ GAO-01-1008G “Internal Control Management and Evaluation Tool,” dated August, 2001

effect the occupant of the position sought to be filled could bring about, by virtue of the nature of the position, on the national security.”⁹⁰

The employing agency is responsible for requesting the appropriate level of investigation to be conducted based on the position designation. According to the regulation,⁹¹ background investigations must be initiated within 14 days of an individual’s placement into the position.

Previous Finding: In 2018 we conducted an electronic comparison of USAGM’s employee roster against OPM’s Security and Suitability Investigations Index (SII), which retains investigative records information in the SII for a minimum of 16 years. We found 6 employees with no record of a prior investigation.

We provided a list of employees with no record of investigation to the Adjudications Chief, who stated she would look into these no-record results.

Failure to investigate an employee as required can place the agency at risk by granting access to a person who has not been appropriately vetted.

Previous Recommendation 28: USAGM must request the required background investigation on any USAGM appointee or employee where a record of investigation cannot be verified.

Current Status: Corrective action NOT IMPLEMENTED.

As of our February 3rd 2020 onsite activities, USAGM had not initiated investigations for the 6 individuals identified as having no record during our prior review.

While we provided a list of these no records to USAGM in 2018, it was only after our 2020 onsite that they took action; On February 18, 2020 a Security Assistant stated USAGM initiated investigations for 4 of those individuals. However, as of February 25, 2020, OPM’s PIPS still shows no record of these individuals, to include any investigations in-progress.

⁹⁰ Executive Order 13764, “Amending the Civil Service Rules, Executive Order 13488, and Executive Order 13467 to Modernize Executive Branch-Wide Governance Structure and Processes for Security Clearances, Suitability and Fitness for Employment, and Credentialing, and Related Matters,” Part 3, Section 1.1 (d)

⁹¹ 5 CFR 736.201(c); 5 CFR §731.106(c)(1) (“Persons receiving an appointment made subject to investigation under this part must undergo a background investigation. OPM is authorized to establish minimum investigative requirements correlating to risk levels. Investigations should be initiated before appointment but no later than 14 calendar days after placement in the position”).

The remaining two individuals do now have investigations on record, but both were completed by USAGM following the expiration of their delegation of investigative authority, and are therefore invalid.

Previous Recommendation 28 is OPEN and UNRESOLVED

Record Retention

OPM's Guide to Personnel Recordkeeping (GPR) provides instructions for filing documents related to the investigative process. The GPR requires that the OPF includes a notice showing the case was investigated, the level of the investigation, confirmation the case was adjudicated, and the date a determination was made. These notices include the Certification of Investigation (COI) or similar agency form. According to the GPR, investigative reports, memos, or other materials are not to be retained in the OPF.

Previous Finding: USAGM did not maintain COIs as required.

We reviewed 20 eOPFs associated with the individuals in our file sample. Of the 20 eOPFs reviewed, 19 (95%) did not contain an investigative notice as required.⁹²

The Adjudications Chief stated USAGM began creating and maintaining a USAGM -specific COI approximately three to four months prior to our 2018 onsite.⁹³ The Personnel Security Specialist we interviewed stated upon adjudication, adjudicators sent a physical copy of the COI to OHR for inclusion in the eOPF.

The HR Operations Branch Chief stated his staff received the COI from OS and scanned it into the employee's eOPF within a week. USAGM staff was not able to provide any additional information.

Missing COIs hinder interagency transfers and overall hiring efficiency, as other agencies may not be able to accurately verify that appropriate investigations have been conducted.

Previous Recommendation 29: USAGM must ensure the Certification of Investigation or similar agency form is included in the eOPF, as required by OPM's Guide to Personnel Recordkeeping.

⁹² The other 19 files did contain a memo of adjudication, but this document did not include any of the information required to qualify as a COI.

⁹³ Please note USAGM was notified of the requirement to maintain such documentation in the draft and final reports of our prior review, issued in 2015 and 2017, respectively.

Current Status: Corrective action NOT EVALUATED.

We no longer evaluate this area during our reviews.

Previous Recommendation 29 is CLOSED.

Physical Safeguards

Reports, records, and files pertaining to background investigations contain privacy protected information and must be properly safeguarded to allow access only to those requiring access to perform assigned duties. For classified information, “each agency head or senior agency official ...shall establish controls to ensure that classified information is used, processed, stored, reproduced, transmitted, and destroyed under conditions that provide adequate protection and prevent access by unauthorized persons.”⁹⁴ An agency maintaining its own investigative records must adhere to the safeguards described in section 1.1(e) of E.O. 13467, as amended. Additionally, an agency maintaining OPM reports of investigation in its security files must adhere to the safeguards prescribed for those reports under the Privacy Act.⁹⁵

Previous Findings: Our review raised concerns over whether USAGM appropriately safeguarded its security files.

USAGM adhered to record retention schedules set by the National Archives and Records Administration. OS maintained hardcopy security files in file cabinets within OS, which was badge-locked and accessible only by OS staff.

OS staff stored background investigations, employee security files, and Secret information in “open” storage within the OS file room (during our onsite activities, we identified files marked Secret left on top of cabinets within the file room). While all OS staff had the appropriate level of investigation to access this information, not all staff had a favorably adjudicated investigation and therefore may not be eligible to access these files.

During our 2018 onsite activities OS staff provided the review team files containing Secret information without verifying all inspection staff was appropriately cleared to view such information.

⁹⁴ E.O. 15526, § 4.1(g); see also 32 C.F.R. pt. 2001, subpart E

⁹⁵ 81 Fed. Reg. 70191, 70196 (Oct. 11, 2016)

Failure to properly secure sensitive and/or classified information and personally identifiable information (PII) places the agency at risk of a security breach.⁹⁶

Previous Recommendation 30: Ensure all physical space containing sensitive information, including investigative and adjudicative information and PII, is properly secured and not accessible to those without a need to know.

Current Status: Corrective action NOT IMPLEMENTED.

According to an OS Investigator, USAGM stores all sensitive or adjudicative material in Lektrievers within a locked file room, inside the secure OS suite.

In their response to our previous final report, USAGM stated the OS Director “implemented enhanced security protocols to ensure...only those with a need to know are permitted access to sensitive information.” However, during our latest follow-up activities a PSD Security Specialist told us all while not all PSD employees have a need to access the file room, all PSD employees have access.

Previous Recommendation 30 is OPEN and UNRESOLVED.

Previous Recommendation 31: Update policies and procedures to implement immediate measures to ensure PII and sensitive and/or classified information will not be compromised.

Current Status: Corrective action NOT IMPLEMENTED.

According to the PSD Inspector, adjudicative material is stored in a GSA-approved safe or in the locked file room within the PSD suite. All Top Secret information is stored within a GSA-approved safe within USAGM’s new SCIF.⁹⁷

However, OPM data reflects 9 of PSD’s staff members were investigated by USAGM after the expiration of USAGM’s delegated authority and have not had new investigations initiated with DCSA. These employees have not been properly investigated or adjudicated and may not be eligible to access the files within PSD’s file room.

⁹⁶ Because the Information Security Oversight Office (ISOO) of the National Archives and Records Administration, not OPM, is the entity responsible for oversight of classified information safeguards, OPM will make an informational copy of our draft and final reports available to ISOO.

⁹⁷ Sensitive Compartmented Information Facility

Previous Recommendation 31 is OPEN and UNRESOLVED.

Adjudicator Training and Qualifications

OPM's Suitability Processing Handbook⁹⁸ states that adjudications shall be performed by "appropriately trained personnel," and that agencies are responsible for providing appropriate training for designating position risk and adjudicating suitability."

Adjudicator Training

As of August 2015, agencies are required to document that adjudicators have been trained according to National Training Standards.⁹⁹

Previous Findings: USAGM adjudicators were not appropriately trained in suitability adjudications.

Only one USAGM adjudicator provided training certificates from OPM's Essentials of Suitability Training Program (ESAP). The other two adjudicators received on the job training, but could not provide if their trainers had been trained in accordance with the National Training Standards.¹⁰⁰

Additionally, neither of the adjudicators we spoke to could name the suitability adjudicative criteria without referring to written notes they brought in to the interview.

A lack of proper training can lead to inefficient or incorrect personnel security and suitability activities.

Previous Recommendation 32: USAGM must ensure the personnel who perform adjudicative work receive suitability adjudications training in accordance with the National Training Standards.

Current Status: Corrective action IMPLEMENTED.

⁹⁸ OPM's *Suitability Processing Handbook*, pg. I-3

⁹⁹ July 2014 Implementation Plan for Background Investigator and Adjudicator National Training Standards

¹⁰⁰ Please note that this goes against USAGM's *PSP Directive*, which states "all personnel responsible for determining individuals' eligibility for access to classified information shall have completed a minimum of 2 weeks of formal suitability training." ([USAGM] *PSP Directive FINAL*, page 4)

USAGM has two adjudicators responsible for suitability adjudications. We verified both USAGM adjudicators attended OPM's Essentials of Suitability Adjudication Program training through USAGM-provided training certificates.

Previous Recommendation 32 is CLOSED.

Previous Recommendation 33: USAGM must ensure adjudicative staff is able to demonstrate a sufficient knowledge and understanding of suitability adjudications requirements and criteria.

Current Status: Corrective action NOT IMPLEMENTED.

According to the PSD Personnel Security Specialist, USAGM adjudicators apply 5 CFR 731 to suitability cases "as needed", and stated it was not applied to T1 cases. The Personnel Security Specialist could not tell us why suitability criteria are not used for T1 cases and could not explain what "as needed" meant. We were not able to positively verify that USAGM adjudicative staff have a comprehensive understanding of suitability adjudications requirements and criteria.

Previous Recommendation 33 is OPEN and UNRESOLVED.

Adjudicator Qualifications

In accordance with OPM's *Suitability Processing Handbook*, each adjudicator must maintain a favorable determination based on the results of at least a Background Investigation (BI).¹⁰¹

Additionally, at least one adjudicator must maintain a favorably adjudicated SSBI¹⁰² in the event classified material at the Top Secret level is included in a file.

Previous Finding: We confirmed through PIPS that all USAGM adjudicators had the appropriate level of investigation for the position, but one adjudicator did not have a favorably adjudicated investigation on record. The Adjudications Chief stated she would look into this issue and ensure the investigation is adjudicated as required.

¹⁰¹ As of October 1, 2016, the BI product has been replaced by the Tier 4 investigative product. Please refer to OPM FIN 16-07.

¹⁰² As of October 1, 2016, the Tier 5 investigative product has replaced the SSBI product. Please refer to OPM FIN 16-07.

Failure to investigate and adjudicate an employee as required can place the agency at risk by allowing a person who has not been appropriately vetted access to sensitive investigative information.

Previous Recommendation 34: USAGM must ensure personnel who perform adjudicative work maintain a favorable determination based on the results of the appropriate level of investigation.

Current Status: Corrective action PARTIALLY IMPLEMENTED.

We confirmed through PIPS that both of USAGM’s current adjudicators maintain a favorable determination based on the results of the appropriate level of investigation. However, the investigations themselves are not valid, as they were conducted by USAGM after the expiration of USAGM’s delegated investigative authority in 2012. USAGM must initiate new investigations for these individuals.

Previous Recommendation 34 is OPEN and UNRESOLVED.

Policies and Procedures

Agencies are responsible for establishing structure for the suitability program. They must “implement policies and maintain records demonstrating that they employ reasonable methods to ensure adherence to...OPM issuances” related to the suitability program.¹⁰³

Previous Findings: We evaluated the following USAGM-provided documents:

- *3-550 Approved Records Disposition Schedules*
- *3-570 Disposition Schedule for Management Records*
- *Adjudication Standard Operating Procedures October 28, 2014*
- *[USAGM] PSP Directive FINAL, undated*
- *Broadcasting Board of Governors Personal Identity Verification (PIV) Request for [USAGM] Credential, November 2005*
- *[USAGM] Request for Security Information*
- *Notification Regarding [USAGM] Drug Policy*
- *[USAGM] Notification of Coercible Hostage Statement*
- *Scope Information worksheet*
- *T5 Scoping Information worksheet*

¹⁰³ 5 CFR § 731.103(c)

- *T5R Scoping Information worksheet*
- *[USAGM] Personal Financial Statements*
- *[USAGM] Foreign Travel Briefing and Acknowledgment*
- *Anomaly Detection and Reporting*
- *Foreign Travel Debriefing*

We identified multiple discrepancies between USAGM’s written policies and USAGM’s daily processes, as summarized in Table 9.

Table 9
USAGM SOP Discrepancies, 2018

| USAGM PSP Directive Quote and Page # | Discrepancy |
|---|---|
| “The [USAGM] has been delegated the authority to administer its own [personnel security program] by [OPM] and [ODNI].” (introduction pg. 8) | USAGM does not have a current delegation of investigative authority, as stated in our September 2015 final report. |
| Documents to verify U.S. citizenship or legal status are: U.S. Citizenship and Immigration Services (USCIS) Form N-560 or N-561; USCIS Form 550, 551, or 571; valid or expired U.S. passport; USCIS form 1-551, Form 1-94 Departure Record with visa; USCIS Form 1-766; valid U.S. Travel Document; Form 1-327 (page 22) | USAGM policy does not call for requesting or maintaining copies of relatives’ social security cards (as documented earlier in this report) |
| “[Security] will initiate all background investigations using OPM’s e-QIP.” (page 27) | USAGM staff does not initiate all investigations through OPM’s e-QIP (as documented earlier in this report) |
| “The OHR must provide, in addition to the previously submitted PIV and identifications, the following to [security] as soon as the organization has selected an individual for a position as a Federal employee and the individual has accepted a tentative offer...” (page 45) | According to staff, USAGM does not issue tentative offers of employment, and OHR provides all forms to [security] prior to issuing the sole and final offer of employment to the applicant. |
| “[Security] will receive all investigative returns/reports from OPM and in some cases will receive reports of investigation completed by other agencies.” (page 54) | USAGM does not utilize OPM (or NBIB) as an investigative service provider. |

| | |
|---|---|
| “Upon request of OPM, [USAGM] is required to report the final adjudicative action based on an OPM report of investigation or a file OPM furnishes in response to a check of its CVS.” (page 55) | Reporting adjudicative determinations to OPM is a requirement, and not dependent on any request from OPM. |
| “All foreign positions shall be designated at least noncritical sensitive.” (page 78) | USAGM must not make blanket designations; all position descriptions must support the applicable designation. Further, this contradicts page 5 of USAGM’s PSP Directive, which states “[Position sensitivity designation] is determined utilizing the OPM, Position Designation Tool.” |
| “Minimum Background Investigation (MBI): An investigation consisting of a National Agency Check and Inquiries (NACI), a credit search, a face-to-face personal interview between the investigation and the subject and telephone inquiries to follow up on written inquiries not returned.” (page 83-84) | The MBI investigative product no longer exists. |

Source: OPM review of USAGM-provided documents

USAGM also utilized Personal Financial Statements¹⁰⁴ that asked for detailed financial information to include salary, Subject’s spouse’s net income, monthly expenses, investment earnings, educational and charitable expenses, insurance and medical expenses, child/elder care costs, and personal care expenses (to include makeup and toiletries). These questions went well beyond the scope of what is allowed by the current Federal Investigative Standards.

Failure to maintain updated policies and procedures—and to operate in accordance with these written manuals—may contribute to inefficient or incorrect personnel security and suitability activities.

Requiring applicants or employees to provide detailed financial information goes beyond the scope of the Federal Investigative Standards, which are binding on the Executive branch.

Previous Recommendation 35: USAGM must ensure the manuals, forms, directives, and policies that govern its personnel suitability operations are in compliance with all applicable E.O.s, OPM requirements, and current investigative products.

¹⁰⁴ Refer to Attachment A.

Current Status: Corrective action NOT IMPLEMENTED.

The Director of the Office of Security told us USAGM has a new SOP, which will be assessed and updated annually. We reviewed this document and note that it is largely unchanged from the SOP we reviewed during our 2018 inspection. We have included examples of unchanged sections which conflict with current USAGM processes (as described to us by USAGM staff) in Table 10, below.

Table 10
USAGM SOP Discrepancies, 2020

| USAGM PSP Directive Quote & Page # | Discrepancy |
|--|---|
| “When requested, advise and assist OHR when they are adjudicating suitability of applicants or employees” (pg. 5) | Per SEC staff, OHR has no role in the adjudication process. |
| “The OHR shall...Notify SEC of the need to initiate an investigative request through the e-QIP system...” (pg. 6) | This function is performed by SEC front office staff. |
| “The OHR shall...assist applicant or employee with accessing personnel security questionnaires in e-QIP, fingerprints, and other forms as required for personnel security processing. Ensure required documents are properly completed and submitted in time to initiate investigations as required...” (pg. 6) | These functions are performed by SEC front office staff. |
| “The [Position Designation Tool] is available on the OPM Web site at www.opm.gov/investigate.” (pg. 18) | The PDT is no longer at this address. |
| “Team Leads, Personnel Security Division...conducts periodic “check rides” (oversight) with individuals...to ensure that interviews and other components of casework are conducted per OPM and ODNI standards.” (pg. 7) | USAGM does not have delegated investigative authority, and therefore does not have authority to conduct (or oversee) investigative work. |
| “The USAGM has been delegated the authority to administer it’s own PSP by the Office of Personnel Management (OPM) and the Office of the Director of National Intelligence (ODNI).” (pg. 8) | USAGM has not been granted such authority by either OPM or ODNI. |
| “Chapter V: Personnel Security Investigation Requirements” (pg. 20) | Section 4 of this chapter covers Investigative Methodology, to include standards for conducting interviews and record checks. USAGM does not have delegated |

investigative authority and is therefore not authorized to perform any of these activities.

Source: OPM review of USAGM-provided SOP

In addition to the issues identified in Table 10, we compared this SOP to the manual¹⁰⁵ USAGM provided during our 2018 inspection, and found that aside from minor wording changes, the two manuals are the same. Contrary to what the Director of Security told us, the SEC SOP has not been substantively updated.

Previous Recommendation 35 is OPEN and UNRESOLVED.

Previous Recommendation 36: USAGM must ensure security and suitability staff operates in accordance with all SOPs and written guidelines.

Current Status: Corrective action NOT IMPLEMENTED

As reflected in Table 10, above, USAGM's policies (as stated to us during interviews) do not align with USAGM's written policies and guidance.

Previous Recommendation 36 is OPEN and UNRESOLVED.

Previous Recommendation 37: USAGM must immediately stop requesting information for background investigations which goes beyond the scope of the Federal Investigative Standards.

Current Status: Corrective action PARTIALLY IMPLEMENTED

While USAGM has transferred all investigative work to DCSA and therefore no longer requests investigative information, USAGM must identify and properly dispose of all improperly-requested information contained in their existing security files.

Previous Recommendation 37 is OPEN and UNRESOLVED.

¹⁰⁵ BBG PSP Directive

Conclusion and Agency Comments

This follow-up report contains 19 outstanding corrective actions to be undertaken and an additional six recommendations. OPM will take steps to revoke USAGM's adjudicative and other delegated authority until such time as USAGM can demonstrate to OPM's satisfaction that USAGM has taken all corrective actions. OPM does not intend to grant delegated investigative authority to USAGM.

Consolidated List of Open Recommendations:

Previous Recommendation 2: USAGM must ensure that all covered positions are designated for both risk and sensitivity using OPM's PDS.

Previous Recommendation 6: USAGM must request the correct level of investigation based on the accurate position designation, per 5 CFR part 1400, OPM's PDS, OPM issuances and Federal Investigation Notices, and the Federal Investigative Standards.

Previous Recommendation 10: USAGM staff tasked with pre-screening responsibilities must use 5 CFR part 731 criteria when making pre-screening determinations, as required by the CFR and OPM's Suitability Processing Handbook.

Recommendation 11: USAGM must ensure all staff tasked with pre-screening responsibilities receive training and are familiar with the criteria found in 5 CFR part 731.

Previous Recommendation 15: USAGM must work with their NBIB liaison to obtain access to all appropriate investigation databases.

Previous Recommendation 18: USAGM must ensure background investigations are initiated no more than 14 days after the applicant's initial certification of the investigative forms.

Previous Recommendation 20: USAGM must ensure every individual has a favorably adjudicated fingerprint before being issued a PIV credential, as required by HSPD-12 and FIPS 201-2.

Previous Recommendation 24: USAGM must work with NBIB to immediately initiate new investigations for all individuals investigated by USAGM since the expiration of USAGM's delegated investigative authority in 2012.

Previous Recommendation 25: USAGM must perform and document a distinct suitability adjudication on every closed investigation, in accordance with 5 CFR part 731.

Previous Recommendation 26: USAGM should consider making arrangements to ensure OS staff are not responsible for adjudicating their direct-report employees' investigations.

Previous Recommendation 27: USAGM must report all suitability determinations to OPM as soon as possible, and in no event later than 90 days after receipt of the final report of investigation.

Previous Recommendation 28: USAGM must request the required background investigation on any USAGM appointee or employee where a record of investigation cannot be verified.

Previous Recommendation 30: Ensure all physical space containing sensitive information, including investigative and adjudicative information and PII, is properly secured and not accessible to those without a need to know.

Previous Recommendation 31: Update policies and procedures to implement immediate measures to ensure PII and sensitive and/or classified information will not be compromised.

Previous Recommendation 33: USAGM must ensure adjudicative staff is able to demonstrate a sufficient knowledge and understanding of suitability adjudications requirements and criteria.

Previous Recommendation 34: USAGM must ensure personnel who perform adjudicative work maintain a favorable determination based on the results of the appropriate level of investigation.

Previous Recommendation 35: USAGM must ensure the manuals, forms, directives, and policies that govern its personnel suitability operations are in compliance with all applicable E.O.s, OPM requirements, and current investigative products.

Previous Recommendation 36: USAGM must ensure security and suitability staff operates in accordance with all SOPs and written guidelines.

Previous Recommendation 37: USAGM must immediately stop requesting information for background investigations which goes beyond the scope of the Federal Investigative Standards.

New Recommendation A: USAGM must eliminate all duplicate investigation requests.

New Recommendation B: USAGM must establish and implement processes to reduce the unacceptable submission rate for investigation requests to 5% or less.

New Recommendation C: USAGM must develop a mechanism to track PIV expiration dates.

New Recommendation D: USAGM must update their PIV issuance process to identify staff responsible for uploading credentialing determinations into CVS.

New Recommendation E: USAGM must add a “Please Call” notice in CVS for each investigation USAGM conducted after the expiration of USAGM’s delegation of investigative authority.

New Recommendation F: In lieu of reporting pending adjudications for any investigations USAGM conducted after the expiration of their delegated investigative authority, USAGM must discontinue these investigations and initiate new investigations through DCSA.

Appendix I

Objectives, Scope and Methodology

This report documents the OPM performance review of the U.S. Agency for Global Media (USAGM) personnel vetting program. The objective of this review was to inspect USAGM's policies and processes, identify any corrective efforts as a result of our 2018 review, and to measure performance towards reform goals and Performance Accountability Council (PAC) metrics.

The authority and parameters for this review can be found in Executive Orders (E.O.s) 10577, 13467, 13488, and 13764; U.S. Code (USC), Title 5, Chapter 33, Subchapter I: Sections 3301-3302; and Code of Federal Regulations (CFR), Title 5, Parts 731, 732, and 1400.

We conducted the onsite review in Washington, DC on February 3, 2020.

We analyzed relevant USAGM -provided data, as well as data extracted from OPM's Personnel Investigations Processing System (PIPS) and Case Information Request System (CIRS), including the following reports:

- HSPD-12 Reporting
- Duplicate Case Submissions Summary
- Adjudication Timeliness Report
- Report of Unacceptable Case Submissions
- Investigations Summary
- Report of Unreported Adjudications
- Security and Suitability Investigations Index

We also interviewed the following USAGM managers and employees:

- Director, Office of Security
- Chief, Personnel Security Division
- Security Specialists
- Personnel Security Specialist
- Security Assistant
- Deputy Director, OHR

OPM case study activities focused on a specific measurement period of investigative and adjudicative activities that occurred November 1, 2018 through January 3, 2020, unless otherwise noted.

Appendix II

Contributors to this Report

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Security Executive Agent National Assessment Program (SNAP), ODNI

Attachment A – USAGM Personal Financial Statements

| Personal Financial Statement | | | |
|--------------------------------------|----------|----------------------------------|----------|
| Name: _____ | | | |
| Monthly Income: | | | |
| Net Salary | \$ _____ | Real Estate | \$ _____ |
| Spouse's Net Income | \$ _____ | Vehicles | \$ _____ |
| Other Income (specify) | \$ _____ | Savings/Checking | \$ _____ |
| | | Retirement Accounts | \$ _____ |
| | | Stocks/Bonds | \$ _____ |
| TOTAL NET MONTHLY INCOME: \$ _____ | | TOTAL ASSETS: | \$ _____ |
| Monthly Expenses: | | | |
| HOUSING: | | CLOTHING: | |
| Mortgage/Rent | \$ _____ | Monthly Purchase | \$ _____ |
| 2 nd Mortgage/Home Equity | \$ _____ | Dry Cleaning | \$ _____ |
| Insurance | \$ _____ | Other | \$ _____ |
| HOA Fees | \$ _____ | | |
| Property Maintenance | \$ _____ | FOOD: | |
| Storage Fees | \$ _____ | Groceries | \$ _____ |
| | | Lunches out | \$ _____ |
| UTILITIES: | | School lunches | \$ _____ |
| Electric | \$ _____ | Pet Food | \$ _____ |
| Water/Sewer | \$ _____ | | |
| Gas/Oil Heat | \$ _____ | AUTOMOBILE: | |
| Trash Service | \$ _____ | Car Note | \$ _____ |
| Cable TV/Internet | \$ _____ | Insurance | \$ _____ |
| | | Fuel & Oil | \$ _____ |
| PERSONAL COMMS: | | Repairs, Etc. | \$ _____ |
| Telephone (land) | \$ _____ | Commuting/Parking | \$ _____ |
| Cell Phone(s) | \$ _____ | Property Taxes | \$ _____ |
| Pager/PDA | \$ _____ | | |
| Internet Fee | \$ _____ | ENTERTAINMENT: | |
| Other (specify) | \$ _____ | Movies/Concerts/Theater | \$ _____ |
| | | Dining Out | \$ _____ |
| EDUCATION: | | Sports/Hobbies/Clubs | \$ _____ |
| Tuition | \$ _____ | Beverages/Tobacco | \$ _____ |
| Room/Board | \$ _____ | Baby Sitting | \$ _____ |
| Books/Supplies | \$ _____ | Vacation Payments | \$ _____ |
| Other | \$ _____ | Other | \$ _____ |
| | | | |
| INSURANCE: | | PERSONAL: | |
| Life | \$ _____ | Barber/Salon | \$ _____ |
| Disability | \$ _____ | Allowances | \$ _____ |
| Health | \$ _____ | Make-up/Toiletries | \$ _____ |
| Other: | \$ _____ | Other | \$ _____ |
| | | | |
| MEDICAL: | | OTHER EXPENSES: | |
| Doctor/Dentist: | \$ _____ | Alimony | \$ _____ |
| Medications | \$ _____ | Child Support | \$ _____ |
| Vet & Pet Supplies | \$ _____ | Child Care | \$ _____ |
| Other: | \$ _____ | Elder Care | \$ _____ |
| | | Family Support | \$ _____ |
| | | Other | \$ _____ |
| GIFTS: | | | |
| Charitable/Tithes | \$ _____ | | |
| Birthday/Holiday | \$ _____ | | |
| Other: | \$ _____ | | |
| | | | |
| | | TOTAL MONTHLY EXPENSES: \$ _____ | |

PERSONAL FINANCIAL STATEMENT

Name: _____ SSN: _____ Date: _____

MONTHLY INCOME:

Gross Salary \$ _____
 Total Deductions \$ _____
 Net Salary (Take Home Pay) \$ _____
 Spouse's Net Income \$ _____
 Other Income (please specify) \$ _____

ASSETS:

Real Estate \$ _____
 Vehicles \$ _____
 (Car/Boat/Motorcycle/Trailer, etc.) \$ _____
 Savings/Checking \$ _____
 Stocks/Bonds \$ _____
 Retirement Accounts \$ _____
 Miscellaneous \$ _____

TOTAL NET MONTHLY INCOME \$ _____ TOTAL ASSETS \$ _____

MONTHLY EXPENSES:

HOUSING: (Primary and Investment)
 Mortgage/Rent \$ _____
 Mobile Home(s) \$ _____
 2nd Mortgage/Home Equity \$ _____
 Insurance (also Renters) \$ _____
 Real Estate Taxes \$ _____
 Home Owner Assoc Fees \$ _____
 Property Maintenance Costs \$ _____
 Storage Fees \$ _____

UTILITIES:
 Electric \$ _____
 Water/Sewer \$ _____
 LP Gas/Fuel Oil/Natural Gas \$ _____
 Trash Service \$ _____

PERSONAL COMM:
 Telephone \$ _____
 Auto Telephone \$ _____
 Pager \$ _____
 Personal Data Assistant \$ _____
 Internet Connection Fees \$ _____
 Other (specify) \$ _____

CHARITY/DONATIONS \$ _____

EDUCATION:
 Tuition/Fees \$ _____
 Books/Supplies Etc. \$ _____
 Other (Specify) \$ _____

INSURANCE:
 Life \$ _____
 Disability \$ _____
 Medical/Health \$ _____
 Other Insurance \$ _____

MEDICAL:
 Doctor \$ _____
 Dentist \$ _____
 Vet & Pet Supplies \$ _____
 Medication \$ _____
 Other (specify) \$ _____

GIFTS:
 Birthdays \$ _____
 Holidays \$ _____
 Cards/Stamps \$ _____
 Other (Specify) \$ _____

CLOTHING:
 Personal \$ _____
 Family (incl Uniforms) \$ _____
 Dry Cleaning/Laundry \$ _____
 Other (Specify) \$ _____

FOOD:
 Groceries \$ _____
 School Lunches \$ _____
 Other Lunches \$ _____
 Pet Food \$ _____

Privileged under Law Enforcement Privilege; Exempt from Disclosure under FOIA Exemptions 7E, 7F

| | | | |
|-------------------------------|----------|--|----------|
| AUTOMOBILE: | | PERSONAL: | |
| Insurance | \$ _____ | Allowances | \$ _____ |
| Fuel & Oil | \$ _____ | Barber/Salon | \$ _____ |
| Repairs/Tires Etc | \$ _____ | Cigarettes/Tobacco | \$ _____ |
| Licensing/Personal | \$ _____ | Toiletries | \$ _____ |
| Property Taxes | \$ _____ | Other (Specify) | \$ _____ |
| Taxi/Van Pool/Parking | \$ _____ | | |
| Other (Specify) | \$ _____ | | |
| ENTERTAINMENT: | | OTHER EXPENSES: | |
| Movies/Plays/Dinner Theaters | \$ _____ | Alimony | \$ _____ |
| Dining Out/Parties | \$ _____ | Child Support | \$ _____ |
| Clubs/Sports/Hobbies | \$ _____ | Child Care | \$ _____ |
| Beverages, Alcoholic or Not | \$ _____ | Elder Care | \$ _____ |
| Baby Sitting | \$ _____ | Family Member Support | \$ _____ |
| Vacations | \$ _____ | Other (specify) | \$ _____ |
| Cable Television/Satellite TV | \$ _____ | | |
| Other (specify) | \$ _____ | OTHER MONTHLY EXPENSES (specify): | \$ _____ |
| | | TOTAL MONTHLY EXPENSES: | \$ _____ |

DEBTS:

List all expenses/debts to include but not limited to: loans against 401k plans or other similar retirement accounts, auto loans/leases, recreational vehicles, boats, motorcycles, timeshares, student loans, family loans, credit union(s), finance company(ies), home improvement loans, bank loans, and credit cards. List each account separately by name of person/company/firm. Include all debts for which you are obligated as a co-signer. Continue on a separate sheet if necessary.

| NAME: | AMOUNT OWED | MONTHLY PAYMENT |
|-------|-------------|-----------------|
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |
| _____ | \$ _____ | \$ _____ |

TOTALS: \$ _____ \$ _____
 (bring forward any line items from a separate page)

Subjects Signature: _____ Date: _____

Attachment B – USAGM Response to Draft Report



November 20, 2018

Ms. Margaret M. Weichert
Acting Director
Office of Personnel Management

Dear Ms. Weichert:

Thank you for the opportunity to respond to the Office of Personnel Management's (OPM) draft report, addressing findings from OPM's review in April 2018 of U.S. Agency for Global Media's (USAGM) suitability program. (*Review of the U.S. Agency for Global Media Suitability Program*, dated October 22, 2018).

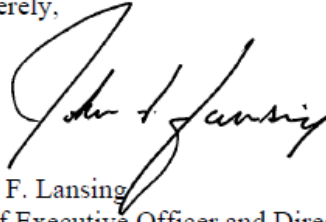
We have reviewed the draft report carefully, including the identified deficiencies and proposed recommendations. I assure you that my staff and I understand the critical importance of proper background investigations of employees, contractors, and applicants, particularly given our unique mission in the foreign affairs/national security space. I take this matter seriously and have directed my staff to begin taking corrective actions immediately. We are committed to bringing the agency's suitability program into full compliance with applicable laws, rules, and regulations, and we look forward to re-establishing a Memorandum of Understanding (MOU) with OPM for delegated investigative authority.

Enclosed is the agency's response to the draft report, describing the corrective actions we are taking to address each of OPM's recommendations. For all 37 recommendations, actions have been initiated or completed. These are actions that will either immediately bring the agency into compliance with applicable legal authorities, or provide a strong start for achieving full compliance in the near future.

In particular, I would like to address the two significant recommendations highlighted in your letter of October 22, 2018. Reflecting our commitment to address OPM's concerns, USAGM has ceased all investigative activities related to personnel security investigative actions and begun the transition of USAGM investigative functions to the National Background Investigations Bureau (NBIB). It is our intent that this transition will be temporary, and that USAGM will utilize NBIB's investigative services until USAGM corrects the deficiencies identified by your program review and is able to enter into a new MOU with OPM for delegated investigative authority.

Again, thank you for the opportunity to comment on the draft report. Should you or your staff have any questions, please feel free to contact Marie Lennon, Director of the Office of Management Services (202) 203-4515 or Andrew Jansen, Director of the Office of Security at (202) 382-7789.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Lansing". The signature is fluid and cursive, with the first name "John" and last name "Lansing" clearly distinguishable.

John F. Lansing
Chief Executive Officer and Director

Enclosure

**Recommendation-by-Recommendation Response to OPM Draft Report
Review of the U.S. Agency for Global Media Suitability Program**

November 16, 2018

Throughout this response there are numerous references to documents such as Standard Operating Procedures (SOP) and other guidance materials. Copies can be provided if requested. The two primary management directives noted throughout are attached.

The U.S. Agency for Global Media (USAGM) generally concurs with the 37 recommendations in the draft report, and describes below the corrective actions taken to date:

Recommendation 1: USAGM must immediately cease all investigative activities, and must immediately transfer all investigative work to NBIB.

USAGM Response: After receiving OPM's letter, dated October 22, 2018, USAGM has ceased initiating investigations and has coordinated with National Background Investigations Bureau (NBIB) to assume USAGM investigative actions. NBIB will continue to provide investigative coverage until USAGM receives authorization from OPM to reengage investigative efforts through the issuance of an updated Memorandum of Understanding (MOU), granting USAGM delegated investigative authority.

Recommendation 2: USAGM must ensure that all covered positions are designated for both risk and sensitivity using OPM's PDS.

USAGM Response: The USAGM Office of Security (SEC) and the Office of Human Resources (OHR) have identified and scheduled training in November 2018, December 2018, and January 2019 related to the use of the Position Designation System (PDS). In the meantime, using OPM guidance, Office of Management Services (OMS) staff have begun using OPM's Position Designation Tool (PDT) to designate both risk and sensitivity and to produce a Position Designation Records (PDR) for each USAGM covered position, as defined in Executive Order (EO) 13467. USAGM expects to complete a PDR for all Federal and contractor positions by February 1, 2019.

While moving forward to comply fully with this recommendation and given the agency's unique mission in the foreign affairs / national security space, USAGM respectfully reiterates the concerns it expressed regarding position sensitivity designations under 5 C.F.R. 1400 in its letter dated May 8, 2018 to OPM and the Office of the Director of Intelligence. To date, USAGM has not received a response to this letter.

Recommendation 3: USAGM must maintain a PDR (or equivalent) for each covered agency position, per OPM's Suitability Processing Handbook.

USAGM Response: As stated above in our response to Recommendation 2, efforts are currently underway to run all agency positions through the PDT to ensure that a PDR, or equivalent, will be maintained for each covered agency position. USAGM expects to

complete this effort by February 1, 2019. The PDR will then be utilized when determining the level of Investigation conducted.

While moving forward to comply fully with this recommendation and given the agency's unique mission in the foreign affairs / national security space, USAGM respectfully reiterates the concerns it expressed regarding position sensitivity designations under 5 C.F.R. 1400 in its letter dated May 8, 2018, to OPM and the Office of the Director of Intelligence. To date, USAGM has not received a response to this letter.

Recommendation 4: USAGM must ensure all USAGM employees tasked with position designation responsibilities are operating in a fair, consistent, and reliable manner.

USAGM Response: Trained SEC and OHR personnel are currently performing PDS operations in a fair, consistent, and reliable manner. To ensure accountability in following this instruction, the OMS Director, in conjunction with the Directors of OHR and SEC, is developing a plan for ongoing review of this work. In addition, once an employee has received training, his/her performance plan will include tasks related to the use of the PDT for position sensitivity.

Recommendation 5: USAGM must re-designate all positions for all employees whose position does not accurately reflect the requirements of the position, in accordance with 5 CFR part 1400.

USAGM Response: As discussed in our response to Recommendation 2, all USAGM employee and contractor positions will be re-designated by no later than February 1, 2019. While re-designating positions, OHR personnel will evaluate whether employee position descriptions accurately reflect the requirements of the position, as required under 5 CFR 1400.101 (b). If the evaluation leads to an updated position description, the updated position description will be utilized for PDS evaluation. Where a sensitivity designation has changed, requiring a higher investigation, USAGM will initiate an investigation within 14 days of the PDS assessment, as required under 5 CFR 1400.204(b)(1).

While moving forward to comply fully with this recommendation and given the agency's unique mission in the foreign affairs / national security space, USAGM respectfully reiterates the concerns it expressed regarding position sensitivity designations under 5 C.F.R. 1400 in its letter dated May 8, 2018, to OPM and the Office of the Director of Intelligence. To date, USAGM has not received a response to this letter.

Recommendation 6: USAGM must request the correct level of investigation based on the accurate position designation, per 5 CFR part 1400, OPM's PDS, OPM issuances and Federal Investigation Notices, and the Federal Investigative Standards.

USAGM Response: OHR personnel and their delegates will receive training on accurate position designation and the correct level of investigation to request. We anticipate that all eligible staff will complete this training no later than the end of the second quarter of FY 2019. SEC will initiate the correct level of personnel investigation based on an accurate PDR, per 5 CFR Part 1400. Close coordination between SEC and OHR will assist in the

process to initiate investigative action on all agency personnel holding covered positions. SEC will ensure OHR is aware of any newly released Federal Investigative Standards or other authorities.

While moving forward to comply fully with this recommendation and given the agency's unique mission in the foreign affairs / national security space, USAGM respectfully reiterates the concerns it expressed regarding position sensitivity designations under 5 C.F.R. 1400 in its letter dated May 8, 2018, to OPM and the Office of the Director of Intelligence. To date, USAGM has not received a response to this letter.

Recommendation 7: USAGM must immediately begin using e-QIP for all investigation requests.

USAGM Response: The OMS Director, in coordination with the SEC Director, issued a management directive to Security staff on November 15, 2018 mandating that e-QIP shall be used for all investigation requests. Beginning November 30, 2018, SEC will initiate all e-QIP requests, relieving OHR and the Office of Contracts (CON) of their e-QIP case initiation responsibilities. This step will ensure proper procedures are followed prior to initiation of e-QIP for new employees and contractors.

Recommendation 8: USAGM must immediately begin using the current SF86 and must not allow applicants or employees to complete outdated versions of the form.

USAGM Response: The OMS Director, in coordination with the SEC Director, issued a management directive on November 15, 2018 mandating the use of current forms for investigative purposes. Beginning November 30, 2018, SEC will initiate all requests for investigations utilizing the e-QIP system; therefore, eliminating the possible use of outdated forms.

Recommendation 9: USAGM must immediately begin using the correct security forms (to include the SF85) for any position which does not require the use of the SF86.

USAGM Response: The OMS Director, in coordination with the SEC Director, issued a management directive on November 15, 2018 mandating that e-QIP shall be used for all investigation requests and prohibiting use of incorrect or outdated forms. As previously stated in our response to Recommendation 8, SEC will use e-QIP to initiate all investigation requests, based on a valid PDR that documents the appropriate position sensitivity designation, and it will eliminate the possibility of utilizing the wrong questionnaire.

Recommendation 10: USAGM staff tasked with pre-screening responsibilities must use 5 CFR Part 731 criteria when making pre-screening determinations, as required by the CFR and OPM's Suitability Processing Handbook.

USAGM Response: The OMS Director, in coordination with the SEC Director, issued a management directive on November 15, 2018 to OHR personnel that only criteria found in OPM Suitability Processing Handbook (Chapter IV(B) and 5 CFR 731.101(a) /

731.103(d)(1) shall be used in pre-screening determinations. More specifically, standards delineated in 5 CFR 731.202(b) will be utilized to determine suitability issues and/or the identification of mitigating circumstance. Additionally, all personnel responsible for pre-screening will be trained and certified in this activity. We have two employees scheduled for classes in December 2018 and January 2019 and anticipate that training for remaining employees will be completed by no later than the end of the second quarter of FY 19.

Recommendation 11: USAGM must ensure all staff tasked with pre-screening responsibilities receive training and are familiar with the criteria found in 5 CFR part 731.

USAGM Response: Through periodic reviews of employee training records, the OMS Director will ensure any USAGM employee performing pre-screening responsibilities has received OPM-recognized training to perform these duties. A Standard Operating Procedures (SOP) has been developed to guide personnel engaged in pre-screening activities and to ensure compliance with 5 CFR Part 731.

Recommendation 12: USAGM must immediately discontinue use of the SF 86 (or any other security form) prior to making an offer of employment, in accordance with 5 CFR §330.1300, unless and until USAGM is granted an exception.

USAGM Response: The OMS Director issued a management directive on November 15, 2018 to all USAGM employees performing pre-screening responsibilities regarding compliance with 5 CFR §§ 330.1300 and 731.103(d)(1). Going forward, candidates for employment shall not be given a link to e-QIP, nor any current security form(s) to complete, until the candidate has first been pre-screened and a conditional offer of employment has been issued. Additionally, the OHR Director will produce and distribute on-boarding/screening guidance for OHR specialists to assist in this process.

Recommendation 13: USAGM must refer all cases with potential material, intentional false statement, or deception or fraud in the examination or appointment process to OPM, as required by 5 CFR part 731 and the Suitability Processing Handbook.

USAGM Response: On November 15, 2018, the OMS Director issued a management directive to all SEC and OHR personnel mandating the proper reporting to OPM of any instance of material-intentional false statement, or deception or fraud in examination or appointment, or refusal to furnish testimony as required, as delineated under 5 CFR 731.103(g).

Recommendation 14: USAGM must update internal processes to eliminate the practice of initiating all applicants and employees into e-QIP prior to checking for reciprocity, in accordance with E.O.s 13467 and 13488.

USAGM Response: On November 30, 2018, USAGM will introduce updated on-boarding procedures requiring that SEC personnel handle all in-processing of new personnel. The process relieves OHR and CON personnel of on-boarding responsibilities while centralizing

all on-boarding procedures within SEC. This process also requires SEC personnel to conduct checks related to reciprocity prior to authorizing an e-QIP application.

Recommendation 15: USAGM must work with their NBIB liaison to obtain access to all appropriate investigation databases.

USAGM Response: The NBIB liaison was contacted on November 1, 2018, and advised that NBIB cannot coordinate USAGM access to the Joint Personnel Adjudication System (JPAS). USAGM will reach out to DOD to determine accessibility. Until full JPAS access is attained, USAGM will continue to utilize the partial JPAS access offered through Central Verification System (CVS). Moreover, USAGM has recently built a Sensitive Compartmented Information Facility (SCIF), which will allow for access to Scattered Castles. The SCIF should be functional within 60 days of this response. The 60-day estimate is the timeframe provided by Verizon for installation of the network connection.

Recommendation 16: USAGM must ensure the e-QIP “Approver” user role is held by a Federal employee. The e-QIP Agency Administrator must immediately remove the Approver access for the Contractors currently holding that role.

USAGM Response: Under current practice and going forward, SEC will not authorize non-FTE personnel to assume the role as Approver within the e-QIP domain. SEC understands the issues associated with the approval of monetary transactions by unauthorized personnel and will not allow such activities. At this time, no contracted personnel have Approver access.

Recommendation 17: USAGM must immediately cease having applicants and employees re-sign security form releases upon EOD, in support of accurate timeliness metrics.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the SEC Director, issued a management directive to staff to cease requiring employees to re-sign security forms that have already been submitted via e-QIP. Moreover, effective immediately, SEC will maintain a proper Investigative timeline with OPM/NBIB via the proper e-QIP and CVS channels.

Recommendation 18: USAGM must ensure background investigations are initiated no more than 14 days after the applicant’s initial certification of the investigative forms.

USAGM Response: On November 15, 2018, SEC issued a directive mandating new on-boarding procedures, which includes a provision requiring the initiation of investigations within 14 days of receiving certified investigative forms through e-QIP. Moreover, at the end of FY 18, SEC acquired a new Case Tracking System that will not only modernize the handling of cases within SEC but will assist with the expeditious handling of all assigned cases during Administrative, Investigative, and Adjudication processes. We are working with the vendor towards an implementation date by the end of January 2019.

Recommendation 19: USAGM must update its policies, manuals, and employee training practices to ensure all USAGM staff with a role in the initiation process are aware of and adhere to the 14-day initiation timeliness standard.

USAGM Response: The OMS Director, in coordination with the SEC Director, is drafting new policies and SOP that outline who initiates e-QIP requests, which Federal employee will release the certified e-QIP forms, and that it is the responsibility of every SEC staff member involved in managing and releasing e-QIP forms that an investigation must begin within 14 days of certification. It is anticipated that these policies and SOP will be completed January 30, 2019.

Recommendation 20: USAGM must ensure every individual has a favorably adjudicated fingerprint before being issued a PIV credential, as required by HSPD-12 and FIPS 201-2.

USAGM Response: On November 15, the OMS Director, in coordination with the SEC Director, issued a management directive requiring that credentialing only occur after an employee's fingerprints have been favorably adjudicated. SEC produced SOP that provides instruction related to all aspects of the investigative service, consistent with HSPD-12 and FIPS 201-2. Included in the SOP are provisions related to the issuance of PIV Identification cards, subsequent to the adjudication of the fingerprint return from FBI and a case review. Additionally, the SOP contains a systematic process for on-boarding.

Recommendation 21: USAGM must cease revoking and destroying PIV credentials when employees undergo re-investigation.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the SEC Director, issued a management directive to prohibit the revocation or destruction of PIV credentials when employees undergo re-investigation. USAGM acknowledges that ensuring employees complete re-investigation applications in a timely manner does not constitute cause for revocation or destruction of a PIV credential.

Recommendation 22: USAGM must update its processes and implement the use of PIV cards for logical access, to improve the security of USAGM's network, system, and data security.

USAGM Response: The SEC Director has addressed the issue of logical access with USAGM's technical services personnel. Efforts are underway to implement the use of PIV cards for logical access and to improve the security of the agency's network. Preliminary conversations with CIO staff indicate that USAGM will begin the rollout of this product in February 2019. The agency is committed to agency-wide implementation of two-factor authentication to the agency's network, though it is difficult at this time to estimate when this effort will be completed.

Recommendation 23: USAGM must update processes, procedures, and employee training requirements to reciprocally accept PIV credentials for physical access, in accordance with HSPD-12.

USAGM Response: The Federal Protective Services (FPS) controls the activities of locally assigned guard services; however, some oversight is granted to SEC personnel serving as Agency Technical Representatives (ATR). An ATR acts as a direct link to FPS, but cannot drive conformity or issue Post Orders. Post Orders are provided to the guard service by FPS.

To address OPM's recommendation, the ATR has reviewed post orders and found them sufficient to properly control entry and exit to/from the building. SEC also contacted the FPS guard captain to review the proper application and use of FPS policy concerning PIV credentials and requested training on this topic for guard force personnel. SEC will continually spot check the entry process for non-conformity.

In addition, on November 16, 2018, a physical security policy memorandum was issued within SEC addressing issues related to HSPD-12 and FIPS 201. SEC personnel will receive training related to the proper escort processes as well as conformity to risk-based access control policies.

Recommendation 24: USAGM must work with NBIB to immediately initiate new investigations for all individuals investigated by USAGM since 2012.

USAGM Response: The OMS Director, in coordination with the SEC Director, will work with NBIB and OPM regarding the initiation of new background investigations for all personnel investigated since the last MOU for delegated investigative authority expired. SEC has already initiated a process with NBIB to transfer USAGM investigative responsibility to NBIB. NBIB will conduct all USAGM investigations until further notice.

Recommendation 25: USAGM must perform and document a distinct suitability adjudication on every closed investigation, in accordance with 5 CFR part 731.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the SEC Director, issued a management directive that all USAGM adjudicators must keep a record of any adjudication in both electronic and paper files. It is an established agency protocol that a distinct suitability adjudication is performed and incorporated in each Subject's electronic file (Case Tracking), but the agency acknowledges that up until now, the suitability adjudication was not made a part of the paper file. Effective immediately, the electronic adjudication will be printed and a copy will be retained in each Subject's security file.

Recommendation 26: USAGM should consider making arrangements to ensure SEC staff are not responsible for adjudicating their direct-report employees' investigations.

USAGM Response: The OMS Director, in coordination with the SEC Director, is in the process of implementing an alternative process to having the Adjudications Chief adjudicate his/her direct reports. USAGM anticipates entering into an MOU with another USG Agency with adjudicative authority by January 30, 2019.

Recommendation 27: USAGM must report all suitability determinations to OPM as soon as possible, and in no event later than 90 days after receipt of the final report of investigation.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the SEC Director, issued a management directive that, effective immediately, all USAGM adjudicators must follow OPM timeliness goals and must report all suitability decisions to OPM.

Recommendation 28: USAGM must request the required background investigation on any USAGM appointee or employee where a record of investigation cannot be verified.

USAGM Response: Currently, it is SEC policy that all personnel will be investigated as prescribed by Federal regulations and Executive Orders. SEC will work with NBIB and determine any deficiencies in this process and make corrections as required. Regarding the six employees identified in OPM's Draft Report as having no investigation listed in the Suitability Investigations Index (SII), the SEC Director will initiate the required background investigation. At this time, USAGM is aware of only these employees whose records of investigation cannot be verified.

Recommendation 29: USAGM must ensure the Certification of Investigation or similar agency form is included in the eOPF, as required by OPM's Guide to Personnel Recordkeeping.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the Directors of SEC and OHR, issued a management directive requiring, effective immediately, that a Certification of Investigation (COI) must be added to every USAGM employee's eOPF file subsequent to investigation.

Recommendation 30: Ensure all physical space containing sensitive information, including investigative and adjudicative information and PII, is properly secured and not accessible to those without a need to know.

USAGM Response: On November 19, 2018, the SEC Director implemented enhanced security protocols to ensure sensitive information is properly stored when housed on-site, and that only those with a need to know are permitted access to sensitive information. A copy of the agency's policy on safeguarding PII will also be distributed to all SEC personnel and USAGM-wide to remind all employees of the importance of protecting this sensitive data.

Recommendation 31: Update policies and procedures to implement immediate measures to ensure PII and sensitive and/or classified information will not be compromised.

USAGM Response: The SEC Director has reviewed existing agency policy and SOPs for the safeguarding and handling of PII and/or classified information. As a result of this review, SEC has initiated changes concerning the storage of sensitive or classified material to include the removal of all classified material from open sight within our secured and manned file repository. SEC will institute better verification practices to include all

personnel with access to secure areas located within the restricted area that SEC occupies. Lastly, please note that SEC personnel are all cleared for access to Secret material, at a minimum. SEC is not currently authorized to store top-secret information and has no top secret information stored on site.

Recommendation 32: USAGM must ensure the personnel who perform adjudicative work receive suitability adjudications training in accordance with the National Training Standards.

USAGM Response: All permanent adjudicative staff have been trained and certified in both suitability and national security adjudicative process. Training certificates for adjudicators are available for review. We are awaiting a new training schedule to initiate Advanced Suitability Adjudication Program (ASAP) training.

Concerning the two trainee adjudicators, they are registered for Fundamentals of Suitability for Suitability and Fitness Adjudicators training in 11/2018 and 2/2019.

Recommendation 33: USAGM must ensure adjudicative staff is able to demonstrate a sufficient knowledge and understanding of suitability adjudications requirements and criteria.

USAGM Response: The SEC Director will ensure all adjudicators are knowledgeable about applicable regulations, OPM and ODNI guidance, and FIS standards. Adjudicators will now receive regular distributions of current OPM guidance and annual training in adjudicative functions. Further, when possible, adjudicators will attend OPM sanctioned meetings, like Background Investigators Stakeholders Group (BISG), to expose them to changes in the security community. Lastly, adjudicative performance will be closely monitored by supervisory personnel utilizing performance management plans.

Recommendation 34: USAGM must ensure personnel who perform adjudicative work maintain a favorable determination based on the results of the appropriate level of investigation.

USAGM Response: The SEC Director has verified that all adjudicative staff have investigative and adjudicative actions properly annotated within CVS. The failure to report the adjudication of one of the adjudicative staff members, which was identified in the draft report, appears to have been an oversight. All associated personnel were counseled concerning the proper reporting of adjudicative actions.

Recommendation 35: USAGM must ensure the manuals, forms, directives, and policies that govern its personnel suitability operations are in compliance with all applicable E.O.s, OPM requirements, and current investigative products.

USAGM Response: The SEC Director of Security will begin a systematic review of all manuals, forms, directives, and policies in use within the USAGM SEC to ensure they are in compliance with all applicable E.O.s, OPM requirements, and current investigative products. The current expected timeframe for completion is January 2019.

Recommendation 36: USAGM must ensure security and suitability staff operates in accordance with all SOPs and written guidelines.

USAGM Response: Within 45 days of this response, the SEC Director will issue a management directive requiring all security and suitability staff to operate according to documented SOPs and written policy/guidance. The SEC Director, or delegate, will perform random spot checks of practices and procedures throughout the year to ensure compliance and will produce written reports of findings for review by the OMS Director.

Recommendation 37: USAGM must immediately stop requesting information for background investigations which goes beyond the scope of the Federal Investigative Standards.

USAGM Response: On November 15, 2018, the OMS Director, in coordination with the SEC Director, issued a management directive to immediately cease collecting or requesting information for background investigations that go beyond the scope of the Federal Investigative Standards (FIS). Current NBIB/OPM procedures concerning the collection of information will be reviewed with SEC staff within 45 days of this response. All investigations taking place within USAGM, or on behalf of USAGM at NBIB, will be based on the FIS and the position's sensitivity level.



Management Directive on USAGM's Suitability Program: Activities to Cease Immediately

Date: November 15, 2018
From: Marie Lennon, Director of Management Services
To: OMS/S Staff
Re: Practices to Cease Immediately

As many of you are aware, the Office of Personnel Management recently released its draft inspection report, dated October 22, 2018, of the Agency's Suitability program. The Office of Management Services is committed to bringing the program into full compliance with applicable laws and regulations and is utilizing the recommendations in OPM's draft report as the first step in this process. To that effect, I am instructing that the following activities cease immediately, as of the date of this directive, in the manner and method directed by Andrew Jansen, Director of Security:

1. Requiring applicants and employees to re-sign security form releases upon EOD (See OPM recommendation number 17).
2. Revoking and destroying PIV credentials when employees undergo re-investigation (See OPM recommendation number 21).
3. Requesting information for background investigations which goes beyond the scope of the Federal Investigative Standards (See OPM recommendation number 37).
4. Use of the SF 86 (or any other security form) prior to making an offer of employment, in accordance with 5 CFR §330.1300, unless and until USAGM is granted an exception (See OPM recommendation number 12).

The Director of Security has issued Standard Operating Procedures and interim policies that outline new workflows addressing the above changes. There will be additional efforts aimed at outlining SEC's practices and policies, as well as those of HR. All newly authored interim policies and guidance can be found on the Office of Security's intranet page here: <https://bbg.sharepoint.com/sites/offices/security/>.

Office of Management Services staff will conduct ongoing management reviews to ensure Office of Security staff cease the four prohibited activities enumerated in this management directive.


Marie Lennon
Director of Management Services


Andrew Jansen
Director of Office of Security



Management Directive on USAGM's Suitability Program: Activities to Begin Immediately

Date: November 15, 2018
From: Marie Lennon, Director of Management Services
To: OMS/S Staff
Re: Practices to Begin Immediately

As many of you are aware, the Office of Personnel Management (OPM) recently released its draft inspection report, dated October 22, 2018, of the Agency's Suitability program. The Office of Management Services is committed to bringing the program into full compliance with applicable laws and regulations and are utilizing the recommendations in OPM's draft report as the first step in this process. To that effect, I am instructing Security staff (and OHR as appropriate), under the direction of Andrew Jansen, the Director of Security, to ensure that, as of the date of this directive, the following activities are either being performed, or to begin immediately:

1. Conduct PDS operations in a fair, consistent, and reliable manner (See OPM Recommendation number 4).
2. Ensure use of e-QIP for all investigation requests (See OPM recommendation number 7).
3. Ensure use of the current SF86, and advise applicants or employees that outdated versions of the form are not valid (See OPM recommendation number 8).
4. Ensure use of the correct security forms (to include the SF85) for any position which does not require the use of the SF86 (See OPM recommendation number 9)
5. Report all suitability determinations to OPM as soon as possible, and in no event later than 90 days after receipt of the final report of investigation (See OPM recommendation number 27).
6. Update internal processes to eliminate the practice of initiating all applicants and employees into e-QIP prior to checking for reciprocity, in accordance with E.O.s 13467 (as amended) and 13488 (See OPM recommendation number 14).
7. Refer all cases with potential material, intentional false statement, or deception or fraud in the examination or appointment process to OPM, as required by 5 CFR part 731 and the Suitability Processing Handbook (See OPM recommendation number 13).
8. Perform and document a distinct suitability adjudication on every closed investigation, in accordance with 5 CFR part 731 (See OPM recommendation number 25).
9. Ensure the e-QIP "Approver" user role is held by a Federal employee. The e-QIP Agency Administrator must immediately remove the Approver access for the contractors currently holding that role (See OPM recommendation number 16).

10. Ensure background investigations are initiated no more than 14 days after the applicant's initial certification of the investigative forms (See OPM recommendation number 18).
11. Ensure every individual has a favorably adjudicated fingerprint before being issued a PIV credential, as required by HSPD-12 and FIPS 201-2 (See OPM recommendation number 20).
12. Ensure the Certification of Investigation or similar agency form is included in the eOPF, as required by OPM's Guide to Personnel Recordkeeping (See OPM recommendation number 29).
13. Ensure personnel who perform adjudicative work maintain a favorable determination based on the results of the appropriate level of investigation (See OPM recommendation number 34).
14. Ensure the manuals, forms, directives, and policies that govern its personnel suitability operations are in compliance with all applicable E.O.s, OPM requirements, and current investigative products (See OPM recommendation number 35).
15. Strictly adhere to all SOPs and written guidelines (See OPM recommendation number 36).
16. Use 5 CFR part 731 criteria when making pre-screening determinations, as required by the CFR and OPM's Suitability Processing Handbook (See OPM recommendation number 10).

The Director of Security has updated and issued Standard Operating Procedures and interim policies that outline new workflows addressing the above changes. There will be additional efforts aimed at outlining SEC's practices and policies, as well as those of HR. All newly authored interim policies and guidance can be found on the Office of Security's intranet page here:

<https://bbg.sharepoint.com/sites/officesecurity/>.

Office of Management Services staff will conduct ongoing management reviews to ensure Office of Security staff continuously implement the sixteen corrective activities enumerated in this management directive. As appropriate, some items enumerated above will be addressed in employee performance plans and evaluated through that annual process.



Marie Lennon
Director of Management Services



Andrew Jansen
Director of Office of Security

Attachment C – USAGM Waiver Request to 5 CFR 1400



**BROADCASTING BOARD OF GOVERNORS
UNITED STATES OF AMERICA**

May 8, 2018

Office of the Director of National Intelligence
National Counterintelligence and Security Center
Security Executive Agent

Office of Personnel Management
Suitability and Credentialing Executive Agent

To Whom It May Concern:

The Broadcasting Board of Governors (BBG) has assessed the matter of *position sensitivity designation*, pursuant to a review of 5 CFR Part 1400; Executive Order 13467, as amended by EO 13764; and other relevant guidance and authorities.¹

A “sensitive position” is a position “in which the occupant could bring about by virtue of the nature of the position, a material adverse effect on the national security”;² this corresponds by definition to a “national security position”, which “includes any position in a department or agency, the occupant of which could bring about, by virtue of the nature of the position, a material adverse effect on the national security.”³ The head of Agency is called upon to “designate, or cause to be designated” any position which the head of Agency determines should be designated as a “national security position”; and “to determine whether changes in position sensitivity designations are necessary.”^{4, 5}

¹ As elaborated below, this includes 5 CFR 1400.201(a); 5 CFR 1400.204(a) and (d); section 2.7(b) of EO 13467, as amended by EO 13764; and 22 USC 1464b. The latter is a BBG specific provision of law which posits the requirement that the BBG to investigate/assess whether BBG staff are subject to foreign influence/loyalty, and which by definition would appear to categorize all positions at least, the non-critical, sensitive level (i.e. as at a minimum requiring the type of investigation required for a national security position under 5 CFR 731.106 at the moderate level, unless the agency determines that the position should be designated at the high level.)

² Section 2.7(b) of EO 13467, as amended

³ 5 CFR 1400.102(a)

⁴ Section 2.7(b) of EO 13467, as amended (“Heads of agencies shall: (i) designate, or cause to be designated, as a ‘sensitive position,’ any position occupied by a covered individual in which the occupant could bring about by virtue of the nature of the position, a material adverse effect on the national security”. 5 CFR 1400.201(a) (“the head of each agency must designate, or cause to be designated, a position within the department or agency [that the head of agency believes is a national security position] as a national security position pursuant to §1400.102(a)”)

⁵ 5 CFR 1400.204(a) (Agency heads must assess, using relevant regulation and guidance “to determine whether changes in position sensitivity designations are necessary within 24 months of July 6, 2015” or later if a waiver is granted)

Based on that review, the Agency has determined that changes in current Agency position designations are not warranted at this time. Accordingly, pursuant to that review, **the Agency will continue to consider every covered position at BBG a “National security position,” given the ability of the occupant of each position to potentially bring about a material adverse effect upon the national security.**

As a result, all Agency positions will remain at a minimum as non-critical sensitive⁶, while positions requiring Special-Sensitive and Critical Sensitive designations are assigned based on definitions provided under 1400.201 (see below).

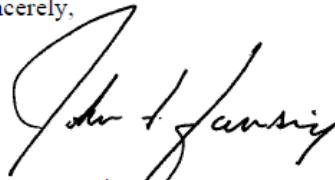
This designation is consistent with BBG’s longstanding practice. As the Agency indicated back in 1991 to OPM, given our unique mission in the foreign affairs/national security space, we face risks of “hostile foreign intelligence services, which endeavor to place agents within [the Agency] to influence or alter the content of the broadcasts for disinformation purposes, to intimidate its personnel, or to otherwise disrupt the mission of the agency and the conduct of foreign affairs of the United States.” That practice is also consistent with the need that Congress has recognized for the BBG to investigate/assess whether any potential staff are subject to foreign influence/loyalty. *See* 22 USC 1464b.⁷ Protecting against these and similar risks is precisely the reason that the BBG established its current practice and seeks to continue this practice.

Per 5 CFR 1400.201(d) agencies may determine that national security positions may be designated at a higher level than non-critical sensitive, where warranted on the basis of criteria set forth in OPM issuances as described in 5 CFR 731.102(c). Currently we have 81 critical-sensitive and 15 special-sensitive positions.

We wish to thank the Office of the Director of National Security for their insight and support of the Agency as we assessed 5 CFR Part 1400.

If you require any additional information about the BBG’s current suitability and security programs, please do not hesitate to contact Ms. Marie Lennon at 202.203.4504.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Lansing". The signature is fluid and cursive, with a large initial "J" and "L".

John F. Lansing
Chief Executive Officer and Director

⁶ In accordance with 5 CFR 1400.201(d) a noncritical-sensitive position automatically initially carries with it a risk designation under 5 CFR 731.106 at the moderate level.

⁷ *See* footnote 1, *supra*.

Attachment D – USAGM’s Response to OPM Information Request



U.S. AGENCY FOR
GLOBAL MEDIA

UNITED STATES
BROADCASTING
BOARD OF
GOVERNORS

330 Independence Avenue SW | Washington, DC 20237 | usagm.gov

January 17, 2020

Attn: Mary Miltner and Tiffany Barnes

Ref: USAGM’s responses to the information request dated January 8, 2020

USAGM believes the attached documents will demonstrate the significant progress we have made to bring USAGM's security operations into compliance, and to address recommendations made during OPM's and ODN's 2018 inspection of USAGM’s Suitability and Personnel Security Programs. USAGM hopes that the actions it has taken since the 2018 inspection demonstrate the Agency's commitment to improving its personnel security program; the Agency will diligently address any new recommendations that result from this review.

Please note that in response to item eight, referenced in the information request, USAGM will provide information related to the re-initiation of personnel security investigations since 2012, as that information is developed. USAGM is committed to re-initiating investigations for all personnel whose investigation was conducted under lapsed investigative authority. To accomplish this while prioritizing resources and minimizing impacts to Agency operations, USAGM has prioritized the issuance of Position Designation Records for existing positions while initiating investigations for current staff and new hires. We are still in the process of identifying, prioritizing, and reinitiating investigations working backwards to 2012. Moreover, the USAGM Office of Security has successfully contracted, but has yet to procure a case management system to track, manage, and report on current and prior investigations. Implementing a case management system will significantly accelerate USAGM's efforts and improve our ability to provide requested documentation in the future.

Again, USAGM looks forward to demonstrating our progress on areas requiring improvement. If there is any further information we can provide your team, please do not hesitate to reach out.

Sincerely,

Andrew Jansen
Director, Office of Security
p. 202.382.7789
f. 202.382.7794