



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

Wednesday, July 9, 2003

### **MEMORANDUM FOR: Heads Of Executive Departments And Agencies**

**FROM:** Kay Coles James, Director

**Subject:** Reporting of Adjudicative Actions In Personnel Background  
Investigations By Federal Agencies

The Office of Personnel Management (OPM) delegates to the heads of agencies the authority to adjudicate background investigations for suitability and security purposes. This memorandum is to remind agencies of the Executive Order (E.O.) 10450 requirement to notify OPM's Center for Investigations Services (CIS) of their adjudicative actions, and the importance of timely and careful adjudication of investigations. E.O. requirements are further addressed in 5 C.F.R. 731.203(e) and 5 C.F.R. 732.302(b). This requirement applies to all agencies for which OPM conducts personnel background investigations. The results of agency adjudicative actions help ensure adjudicative information is properly documented in the CIS system of records for later use by both OPM and its customer agencies.

Derogatory issues such as serious criminal acts, drug or alcohol abuse, patterns of employment problems and falsification of pertinent facts are often developed during OPM investigations. As the Federal personnel security community continues to strive to protect homeland security, it becomes increasingly important that serious suitability issues are dealt with promptly and effectively.

Our CIS has a number of processes in place to notify agencies when serious issues arise and to fulfill our responsibility under Executive Order 10450 to oversee agency adjudication of the investigations we conduct. Among these is a notice (form 79A, Report of Agency Adjudicative Action on OPM Personnel Investigations) that we send to the agency Security Office with the results of investigation. The form instructs agencies to call the CIS Suitability Adjudications Branch to coordinate adjudication of major issue cases and to report the final agency adjudication to CIS.

Although prompt reporting of adjudication is a requirement, agencies frequently do not report their adjudication actions to OPM. In FY 2002 issue cases, no adjudication action was reported in over 80 percent of the NACI investigations we conducted for non-sensitive/low risk positions, 52 percent of the NACL/ ANACI cases conducted for secret clearance, and 45 percent of the field investigations conducted for higher clearance levels or public trust positions. I am asking each agency to be more diligent in adjudicating issue cases promptly and in reporting your adjudication to CIS via the 79A.

CIS enters 79A data in its system of records to document the actions agencies take when issues arise in OPM investigations. OPM uses this data to evaluate the effectiveness of agency personnel security programs. This data is also available to agency Security Offices. Upon request, CIS will provide agency Security Offices with statistical information showing the number of adjudicative reports returned by your agency and the actions your security office has taken for each issue seriousness level. You can use this information to help manage security issues, identify inconsistencies in adjudicative decisions, and determine staff training needs.

Based on the statistical information for FY 2002, and the requirement of E.O. 10450 that agencies adjudicate the investigations as soon as possible but no later than 90 days from the date the closed report was received, I am requesting that your agency review all investigations on hand and (1) determine whether an adjudication was taken and (2) within 60 days of the date of this memorandum, report to OPM's CIS all adjudicative actions not reported to OPM via the 79A. I will receive a report after this period to review your agency's progress on this matter. OPM will institute oversight audits of agency personnel security programs if adjudication decisions are not reported back as requested. Further, as Chair of the Chief Human Capital Officers Council, I plan to keep members apprised of agency and Governmentwide progress on this critical issue.

I also want to remind you of your responsibility to consider all information obtained from OPM background investigations in making appointment and suitability decisions. You may have recently read about the inclusion on resumes of degrees from schools that are not properly accredited. Such degrees are from schools, often referred to as "diploma mills," that are not accredited by an appropriate authority subject to oversight by the U.S. Department of Education, and generally involve payment of a fee in exchange for a degree, without any significant academic requirements. When employees or prospective employees list these in documents required for OPM background investigations, we notify agencies of the issue. If this occurs, the agency is responsible for taking any necessary and appropriate steps through its adjudication process to address the issue.

To assist you and your staff to understand the background and issues related to these schools, OPM has provided your personnel security staff with Guidance for Agencies Concerning Bogus Degree Claims. To further assist you in this area, we are presenting a half-day seminar next month, and ask that you have appropriate staff, especially your personnel security staff, attend. The seminar will be given twice, on August 12 at 1:00 p.m. and on August 13 at 9:30 a.m. The program will be held in the auditorium of the Theodore Roosevelt Building (OPM), at 1900 E Street, N.W. Invitations are also being sent to your personnel security staff.

If you have any questions, please contact Kathy Dillaman, Deputy Associate Director, CIS, at 724-794-5612. Compliance will increase the effectiveness and efficiency of your suitability/security programs.

cc: Chief Human Capital Officers Council