

THE WHITE HOUSE

WASHINGTON

March 8, 2018

The Honorable Trey Gowdy
Chairman
United States House of Representatives
Committee on Oversight and Government Reform
2157 Rayburn House Office Building
Washington, D. C. 20515

Dear Chairman Gowdy:

We appreciate the opportunity to provide information concerning security clearance procedures.

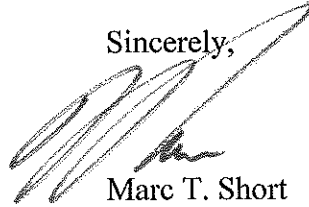
The White House has acted to improve its security clearance procedures, which it inherited from prior administrations. These efforts have included ending the granting of new interim clearances absent extraordinary circumstances; taking steps to facilitate the timely return of complete and fulsome background investigations; reviewing and improving the structure, processes, and resources of the Personnel Security Office; and emphasizing training and best practices for handling classified information.

On February 16, 2018, following a review of existing policies and processes, the Chief of Staff issued a memorandum directing further reforms, a copy of which is provided here. Under the memorandum, the White House is acting to implement additional procedures to provide for the prompt and clear identification by the appropriate investigative authorities of any significant derogatory information pertaining to senior White House staff; to discontinue Top Secret or SCI-level interim clearances for personnel with long-outstanding investigations; and to limit the duration of new interim clearances. Based on the memorandum, the White House is also working to develop and implement written protocols governing the review of security files and to formalize the delivery and notification process between the White House and the Federal Bureau of Investigation.

These efforts are intended to complement necessary government-wide changes. In a recent appearance before Congress, the Director of National Intelligence testified that the clearance process is "broken" and "needs to be reformed." Greater uniformity among agencies when implementing security standards is needed, and certain standards should be updated. The memorandum establishes a working group consisting of certain White House and other Executive Branch officials to streamline, harmonize, and modernize applicable standards across the Administration. Consistent with your letters' requests, we would be pleased to update you and others on the progress of the working group at the appropriate time.

Thank you again for your inquiry. If you have remaining questions, please do not hesitate to contact this office to discuss how we might meet your information needs.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Short', written over a large, light-colored scribble or mark.

Marc T. Short
Assistant to the President

Cc.: Rep. Elijah Cummings, Ranking Member

Encl.: February 16, 2018 Memorandum Titled "Improvements to the Clearance Process."

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FROM: JOHN F. KELLY, CHIEF OF STAFF *Kelly*
TO: DONALD F. McGAHN II, COUNSEL TO THE PRESIDENT
H.R. McMASTER, NATIONAL SECURITY ADVISOR
JOSEPH W. HAGIN, DEPUTY CHIEF OF STAFF FOR OPERATIONS
CC: JEFFERSON B. SESSIONS III, ATTORNEY GENERAL OF THE
UNITED STATES
DANIEL R. COATS, DIRECTOR OF NATIONAL INTELLIGENCE
CHRISTOPHER A. WRAY, DIRECTOR OF THE FEDERAL BUREAU OF
INVESTIGATION
DATE: FEBURARY 16, 2018
RE: IMPROVEMENTS TO THE CLEARANCE PROCESS

The events of the last ten days have focused immense attention on a clearance process that has been in place for multiple administrations. The American people deserve a White House staff that meets the highest standards and that has been carefully vetted -- especially those who work closely with the President or handle sensitive national security information.

We should -- and in the future, must -- do better.

As you know, when I started as Chief of Staff, several of the systems in the White House needed attention. Security clearances were one of my earliest and most immediate concerns, and we have made significant progress since the first days of the Administration. Specifically, a number of reforms have already been implemented:

- **Clearance Review:** With your assistance, I reviewed who had clearances at what levels -- and made corresponding reductions to the overall number of clearances and, when appropriate, adjusted the level of an individual's clearance to correspond to that individual's job duties. We also now require the Chief of Staff's office's approval of all new security clearance requests.

- **Handling Classified Information:** I renewed emphasis on training and best practices for handling classified information.
- **Hiring Process:** I have insisted that we enforce the necessary safeguards and processes to review an individual's suitability for employment at the White House before that individual begins work. This includes going through a vetting process, including completing an SF-86 and suitability questionnaire, and having the Personnel Security Office make a suitability determination before being on-boarded and granted access to the White House complex.
- **Interim Clearances:** In September, I ended the granting of new interim clearances absent extraordinary circumstances and my explicit approval.
- **Outstanding Requests:** We have conducted a review of outstanding background investigations (BIs) and adjudications, specifically the amount of time they have been pending. In connection with that review, we have:
 - Prioritized and encouraged the timely return of complete and fulsome BIs from the Federal Bureau of Investigation (FBI);
 - Required that the White House Personnel Security Office (PSO) and FBI generate estimated return dates to create benchmarks and set expectations on timing;
 - Worked to implement reforms to speed the adjudication process to clear the backlog remaining from the beginning of the Administration while maintaining the highest standards on quality; and
 - Reviewed interim clearances and worked to get as many as possible adjudicated as quickly as possible to reduce the number of interim clearances, again while maintaining the highest standards.
- **Personnel Security Office:** We have been working to review and improve the structure, processes, and resources allocated to the PSO -- including implementing closer oversight of the PSO, making better use of existing staff,

hiring additional staff, and creating redundancies to reduce bottlenecks in the adjudication process.

Over the past week, I have convened a number of after-action meetings with you and others overseeing the clearance and suitability review processes. We discussed what actions likely led to the recent situation, how the processes were working up until this week, and the shortcomings within these processes. We also met with senior FBI leadership this week regarding their process and our process in general. They have offered to assist us with reviewing and improving our protocols, and we have accepted their assistance.

In ordinary circumstances, the existing processes we inherited, along with the reforms I have implemented in the past months, have generally worked well. But recent events have exposed some remaining shortcomings. Since we are now past the one-year mark of this Administration and the reduction in volume of new entrants now allows more significant formalization and reforms of the process, now is the time to take a hard look at the way the White House processes clearance requests. My goal is to improve accountability while maintaining the critical objectivity necessary for the process to continue functioning without political interference.

Accordingly, I am directing the following actions be carefully considered and implemented as appropriate:

- Develop and implement written protocols governing the review of security files, and work with the FBI in developing best practices.
- Formalize the delivery and notification process between the White House and FBI and update the existing Memorandum of Understanding between the White House and the Department of Justice regarding BIs as necessary. Going forward, all BIs of potential Commissioned Officers should be flagged for the FBI at the outset and then hand-delivered to the White House Counsel personally upon completion. The FBI official who delivers these files should verbally brief the White House Counsel on any information in those files they deem to be significantly derogatory. The White House Counsel will then deliver the BIs to the Personnel Security Office for adjudication.

This change ensures (1) accountability by ensuring that critical material will be differentiated from the ordinary volume of communications and delivered quickly and directly to the appropriate person rather than through layers of intermediaries and offices; and (2) that subjectivity will be minimized, i.e., eliminating the need to decide whether certain information is "derogatory" or not.

- Work with the FBI to reduce the time lag between discovery of significant derogatory information from fieldwork to the disclosure to the White House. Going forward, the goal of receiving a briefing regarding significant derogatory information about senior staff is within 48 hours of discovery. Please consult with the FBI to ascertain whether this goal is achievable.
- Continue to work closely with the Personnel Security Office to ensure timely recommendations of the highest quality that are free from political interference or considerations. Formalize processes between the White House Counsel's Office and the PSO regarding suitability and clearance reviews. Going forward, I am directing that those who have a need to know the contents of BIs for personnel or national security reasons -- to include me or a designee in the Chief of Staff's office -- be memorialized.
- For future approved interim clearances, grant a temporary clearance for a period of 180 days, with an option to extend interim clearance for another 90 days if no significant derogatory information that would call into question whether interim status is appropriate has been discovered in the BI.
- Effective one week from today, discontinue any Top Secret or SCI-level interim clearances for individuals whose investigations or adjudications have been pending since June 1, 2017 or before. Similar reviews will occur monthly for long-outstanding adjudications.
- Limit access to certain highly classified information for those individuals working with interim clearance status absent explicit Chief of Staff's office approval, which would be granted only in the most compelling circumstances.

Going forward, I expect to receive status reports on all pending White House staff background investigations and adjudications at least once a month and as needed as situations arise.

In addition to the events of the last week, others have drawn attention to issues with security clearances across the government. Director Coats testified this week that the security clearance process needs to be reviewed, saying that "[t]he process is broken; it needs to be reformed . . . it's not evolution, it is revolution." Different agencies have different standards and we need to do better across the board. For example, in the past, credible and substantiated reports of past domestic abuse -- even physical abuse -- were not considered automatic disqualifiers for suitability for employment or a security clearance. That needs to be revisited. Generally, our treatment of behavior that traditionally may not have been disqualifying should be modernized.

I am creating a working group comprised of the four of us, those copied on this memorandum, the heads of appropriate agencies (in addition to those copied, the Department of Defense and the Central Intelligence Agency), and their counsels to study the clearance process generally and to take action to streamline, harmonize, and modernize standards across the Executive Branch.

Finally, it is clear that new administrations will face similar challenges in the future and one of the most important things that a new White House staff must do correctly starting on Inauguration Day is to get the security clearance and suitability reviews processes right. The presidential transition process is unique in that on January 19, a veteran president and his staff run the Executive Branch and by noon the next day, most everyone in the White House is new on the job. At the same time, the FBI and PSO are inundated with hundreds of new requests for BIs, suitability reviews, and clearance determinations in order to allow that new staff to fulfill their basic job duties, which, in turn, are vital to the nation. So I am personally ensuring that we create and maintain a file to ensure that our knowledge and experience on this topic are passed to future administrations. We have a duty to the American people to ensure that, if nothing else, clearance and security protocols are passed down and become institutional knowledge of the White House.