



**UNITED STATES OFFICE OF PERSONNEL MANAGEMENT**

**STATEMENT OF  
THE HONORABLE KATHERINE ARCHULETA  
DIRECTOR  
U.S. OFFICE OF PERSONNEL MANAGEMENT**

**before the**

**UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON  
OVERSIGHT AND GOVERNMENT REFORM**

**on**

**“DC NAVY YARD SHOOTING: FIXING THE SECURITY CLEARANCE  
PROCESS”**

**February 11, 2014**

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**Introduction**

Chairman Issa, Ranking Member Cummings, and members of the Committee, thank you for inviting me to testify today regarding the role of the U.S. Office of Personnel Management (OPM) in the Federal security clearance process. I appreciate the Committee’s oversight of this matter, and I want you to know how deeply committed I am to ensuring the integrity and efficacy of our program and products.

OPM plays a critical role in protecting our national security. We conduct more than two million investigative actions each year for over 100 Federal agencies representing 95 percent of all background investigations. Each agency is responsible for adjudicating eligibility for access to classified information at that agency, but OPM provides the background information for many agencies to make

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an informed decision about security clearances. OPM background investigations also support a host of other determinations or adjudications, including eligibility for national security sensitive positions and logical or physical access to Federal information, systems, and facilities; suitability for Federal employment in the competitive service (pursuant to a suitability program that OPM itself administers); fitness requirements for excepted service positions; military accessions; and fitness requirements imposed on individuals working under Government contracts.

Since arriving at OPM three months ago, I have made a priority of addressing legitimate questions that have been raised regarding the background investigation process. Of central importance to me is OPM's work with the Department of Justice (DOJ) and OPM's Office of the Inspector General (OIG) to investigate the outrageous allegations of fraud by one of our contractors.

Let me be clear, OPM does not tolerate and has never tolerated fraud in any form. It is wholly inconsistent with OPM's core values and does not reflect the integrity and dedication of hard working OPM employees. When any allegation of fraud is brought to OPM's attention, OPM works closely with DOJ and OPM's OIG to bring those involved swiftly to justice. The case against USIS outlined in the complaint filed by DOJ raises grave concerns of an egregious violation of the public trust. Since we learned about these issues, OPM has taken steps to improve the oversight of our contracts, remove contractor employees from the contract, and strengthen our overall operations.

It is imperative that we have a process in place that meets the highest standards of quality, efficiency, timeliness, and integrity. The American public expects no less, and so do I.

In the short time I have been at OPM, the agency has demonstrated its commitment to ongoing improvement through the continuous review and evaluation of its processes and operations. This has included collaborating with our colleagues from other agencies to review the sufficiency of the investigative standards, the frequency of reinvestigations, and what should be done when issues arise after a clearance is granted. While we are confident that our work meets all investigative standards, including those related to national security investigations, we are serious

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about addressing any and all issues raised about the completeness of our work and the quality of our products.

**Review of the Security Clearance Process**

At the President's direction, and under the leadership of the Director of the Office of Management and Budget (OMB), OPM has been working with its colleagues on the Suitability and Security Performance Accountability Council (PAC) to review the Federal security clearance and suitability processes. This review is focused on steps that can be taken to strengthen current processes and to implement identified solutions. Participating in this review is a valuable opportunity for OPM and our partners to work together to ensure the integrity and efficacy of the background investigations we perform and the determinations they support, including adjudications of eligibility for access to classified decisions, suitability determinations, and credentialing decisions.

The background investigation program is a complex undertaking, and OPM is vigilant in ensuring the highest standards of quality. OPM continues to be responsive to concerns expressed by members and Committees of Congress, the Government Accountability Office (GAO), OPM's OIG, our customer agencies, and others. We are employing new quality assessment tools in our quality review processes to ensure that our background investigations meet investigation standards.

In addition, OPM is engaged in an interagency Quality Assessment Working Group that we co-chair with the Department of Defense and the Office of the Director of National Intelligence (ODNI). The working group brings together over 20 Federal agencies involved in investigations and adjudications who are devising better and more standardized means to measure the quality of background investigations across the Federal government.

OPM and ODNI, through the PAC, are also leading the way with training standards for investigators and adjudicators, which also help to ensure that investigations are conducted to consistent standards across all investigating agencies. The training standards for investigators are modeled after our own

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Federal Background Investigator Training Program. OPM has been, and will continue to be, a leader in developing and implementing investigation training standards.

As is true in every area, OPM's background investigations program is only as strong as its people. In this regard, OPM has many qualified individuals leading the background investigation program, particularly when it comes to quality review. Moreover, members of this program's team are held to the highest standards of conduct and have the skills to review background investigations for completeness and accuracy.

**Conclusion**

Mr. Chairman, I have made this issue one of my top priorities. I am meeting with my staff regularly for updates related to the ongoing reviews and operational improvements, and I am making changes where appropriate.

Starting last week, I directed that the quality review process conducted by OPM be fully federalized. Only Federal employees will be conducting the second layer of quality review before the final product is sent to the agency for review and adjudication. We no longer will have contractors participating in our ongoing final federally controlled quality review process. Having Federal employees now perform this function responds to concerns, including the mere perception, that our review has been or ever will be anything less than rigorous. We believe this is the best immediate response. We remain committed to developing effective, long-term policies and processes for ensuring high quality review standards, and executing those standards.

As the largest provider of investigative products, OPM recognizes that, in a rapidly changing world, the background investigation program, and the security clearance process in particular, must keep up with the times while continuing to meet existing demands. We are continuing to work with the Director of National Intelligence, as Security Executive Agent, and our other reform partners to ensure that we have processes in place that meet the high expectations set by Congress, our interagency partners, and most importantly, the American public. I am

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committed to continuing to work closely with our interagency partners, OPM's OIG, GAO, and members of this Committee and other members of Congress, to determine the best ways to improve the current system. Lastly, I want to ensure that our staffing and operations reflect the highest levels of quality review, integrity assurance, and ethical conduct.

Once again, thank you for the opportunity to testify today, and I welcome any questions you may have.



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## BIOGRAPHY

# Katherine Archuleta

Director Katherine Archuleta is a long-time public servant, who has distinguished herself as a leader on human resources and management policy in a variety of senior positions in local and Federal government.

On May 23, 2013, President Obama appointed Director Archuleta to lead the U.S. Office of Personnel Management (OPM), the agency responsible for attracting and retaining an innovative, diverse and talented workforce to make the Federal government a model employer for the 21st century.

On November 4th, Archuleta was sworn in to begin her tenure as the 10th Director of OPM, and the first Latina to head this federal agency.

Director Archuleta began her career in public service as a teacher in the Denver public school system. She left teaching to work as an aide to Denver Mayor Federico Peña. When Mayor Peña became Secretary of Transportation during the Clinton Administration, Archuleta continued her public service as his Chief of Staff. Later, Peña was appointed to head the Department of Energy and Archuleta served as a Senior Policy Advisor in the Office of the Secretary.

After the Clinton Administration, she went back to local government and became a Senior Policy Advisor to Denver Mayor John Hickenlooper.

Prior to joining OPM, Archuleta spent the first two years of the Obama Administration serving as the Chief of Staff at the Department of Labor to Secretary Hilda Solis, and most recently, she was the National Political Director for the President's 2012 re-election campaign.



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As the Director of OPM, Archuleta is committed to building an innovative and inclusive workforce that reflects the diversity of America. As a long-time public servant, she is a champion of Federal employees.