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1900 E Street, N.W.  
OPIM/FOIA Room 5H35  
Washington, D.C. 20415-7900  
Email: [FOIA@opm.gov](mailto:FOIA@opm.gov)

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Congressional  
Legislative and  
Intergovernmental  
Affairs

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**May 9, 2023**

VIA Electronic Mail

Re: Final Response to Freedom of Information Act (FOIA) Request No. 2020-06779

This letter is the final response to your FOIA request dated August 1, 2020, to the U.S. Office of Personnel Management (OPM), assigned tracking number 2020-06779. You requested the following:

“A copy of written responses or letters from OPM to a Congressional Committee and/or Congressional Committee Chairs, January 2017 to present. Please search for records in the OPM Office of Congressional, Legislative and Interagency Affairs (CLIA) or equivalent office. Because these are letters to Committees or Committee Chairs, this would presumably not include constituent matters.”

Your request was processed under the FOIA, 5 U.S.C. § 552.

A search for records was conducted by Congressional, Legislative, and Intergovernmental Affairs staff. Upon review, OPM has determined to partially withhold certain records, pursuant to FOIA Exemptions 5 U.S.C. § 552 (b)(5), (b)(6), (b)(7)(C) and (b)(7)(E), described below. Redactions have been placed on the withheld information and indicate the exemptions applied.

**Exemption 5**

Exemption 5 allows an agency to withhold “inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency” 5 U.S.C. § 552(b)(5). As a threshold matter, the information being withheld is inter-agency because it was exchanged between OPM and another federal executive government agency. The deliberative process privilege protects the decision-making process of government agencies to encourage the frank exchange of ideas on policy matters, protect against the premature disclosure of proposed policies before they are actually adopted, and protect against public confusion that might result from disclosure of reasons and rationales that were not ultimately the grounds for an agency’s action. Information must be both predecisional and deliberative.

The information that has been withheld under the deliberative process privilege is both predecisional and deliberative. It is predecisional because it is antecedent to the adoption of an agency policy. It is also deliberative because it reflects the give-and-take of the consultative process. The information that has been withheld under Exemption 5 consists of OPM comments concerning inter-agency deliberations on the potential appointments with the requesting agencies.

### **Exemption 6**

Exemption 6 allows an agency to withhold “personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.” 5 U.S.C. § 552(b)(6). The phrase “similar files” covers any agency records containing information about a particular individual that can be identified as applying to that individual. The privacy interest that would be affected by disclosure has must be balanced against any public interest in the information. Under the FOIA, the only relevant public interest to consider is the extent to which the information sought would shed light on an agency’s performance of its statutory duties or otherwise let citizens know what their government is up to.

The information that has been withheld under Exemption 6 consists of similar files in which individuals have a substantial privacy interest. Specifically, OPM is withholding the names, personally identifiable information, and direct contact information for individuals within the documents. OPM has determined that the disclosure of this information would shed little or no light on the operations of the government. Because the harm to personal privacy is greater than whatever public interest may be served by disclosure, release of the information would constitute a clearly unwarranted invasion of privacy.

### **Exemption 7(C)**

Exemption 7(C) protects law enforcement records if their release could reasonably be expected to constitute an unwarranted invasion of personal privacy. It is regularly applied to withhold references to individuals in law enforcement files. For the information partially withheld under 7(C), OPM has determined that release would constitute an unwarranted invasion of privacy because it identifies individuals referenced in law enforcement records and information about them within such records. Release of this information would not shed light on an agency’s performance of its statutory duties.

### **Exemption 7(E)**

Exemption 7(E) protects law enforcement records if their release would disclose techniques and procedures for law enforcement investigation or prosecutions or would disclose guidelines for law enforcement investigations or prosecutions if the disclosure could reasonably be expected to risk circumvention of the law.

Further, OPM considered the FOIA’s foreseeable harm standard under 5 U.S.C. § 552(a)(8)(A)(i)(I) and determined that disclosure would harm an interest protected by the exemptions applied.

If you are not satisfied with OPM's determination in response to this request, you may administratively appeal in writing by email to [OGCAtty@opm.gov](mailto:OGCAtty@opm.gov) or by U.S. mail to:

U.S. Office of Personnel Management  
ATTN: Office of the General Counsel (OGC)  
1900 E Street, N.W.  
Washington, D.C. 20415

An appeal should include a copy of the initial request, a copy of the letter denying the request, and a statement explaining why you believe the denying official erred. Appeals must be electronically transmitted or postmarked within 90 days of the date of the response to your request. FOIA administrative appeals should be submitted via email to avoid processing delays.

Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. You may contact OGIS by e-mail at [ogis@nara.gov](mailto:ogis@nara.gov); telephone at 202-741-5770; toll free at 1-877-684-6448; facsimile at 202-741-5769; or mail at:

Office of Government Information Services  
National Archives and Records Administration  
8601 Adelphi Road-OGIS  
College Park, Maryland 20740-6001

You may also contact OPM's FOIA Public Liaison at [foia@opm.gov](mailto:foia@opm.gov) or 202-606-1153.

If you need any further assistance or would like to discuss any aspect of your request, please do not hesitate to contact Tonya Carrington at [Tonya.Carrington@opm.gov](mailto:Tonya.Carrington@opm.gov) or 202-936-2466.

Sincerely,  
**JERSON  
MATIAS**

Jerson Matias  
Correspondence Analyst  
Congressional, Legislative,  
and Intergovernmental Affairs

Digitally signed by JERSON  
MATIAS  
Date: 2023.05.09 13:08:28  
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Enclosure: Responsive Records



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 13 2017

The Honorable Ron Johnson
Chairman
Committee on Homeland Security
and Governmental Affairs
United States Senate
340 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Johnson:

Thank you for your letter, dated June 15, 2017, concerning the reported unauthorized disclosure of classified information by a National Security (NSA) contractor, (b)(6) (b)(7)(C), and the Federal government's process for the monitoring and reinvestigation of persons with security clearances.

(b)(6) (b)(7)(C)
[Redacted text block]

(b)(6) (b)(7)(C)
[Redacted text block]

You also asked a number of more general questions about the background investigation process and NBIB's current case inventory. The Security Executive Agent (Director of National Intelligence, hereafter referenced as the 'DNI'), in coordination with the Suitability Executive Agent (Director of OPM), establishes standards for reciprocity. Although it is the Office of the

1 This information is subject to the Privacy Act of 1974.

2 The Central Adjudicative Facility (CAF) was not officially aligned until May 3, 2012.

DNI that is the ultimate arbiter of the requirements relating to security clearances, NBIB is aware, pursuant to the work it performs, that investigations are conducted in the same manner regardless of whether an individual is a Federal employee or the employee of a Government contractor. Upon an individual’s movement from one entity to another, the sponsor of the clearance at the new entity (in this case NSA) makes a reciprocity decision regarding whether to accept the clearance for that individual that was previously adjudicated by the original entity (in this case, the Air Force).

The Security Executive Agent is responsible for engaging with agencies to implement a program pursuant to the Consolidated Appropriations Act of 2016 to provide enhanced security review of covered individuals. NBIB, as an investigative service provider for national security investigations, works within the parameters of this guidance to provide an investigative product that meets the needs of the program.

As of June 21, 2017, NBIB’s investigation inventory of security clearance reinvestigations totaled 191,221 cases, which includes legacy and tiered case types received from customers and scheduled but not yet completed.

Of that number, 81,300 are for military service members; 45,161 are for civilian Federal employees; and 64,078 are for employees of Government contractors. The remaining 682 cases are categorized as “other” and are for positions not designated as military service members, civilian Federal employees, or contractor employees, such as consultants, volunteers, etc.

Of those specific to intelligence community personnel (DIA, NSA, NGIA, and OSI), 295 are for military service members; 482 are for civilian Federal employees; and 2,130 are for contractor employees. The remaining 18 cases are for other positions, as defined above.

	Contractor	Federal Civilian	Military	Other	TOTAL
Security Reinvestigations TOTAL	64,078	45,161	81,300	682	191,221
Security Reinvestigations for Intelligence Community ONLY	2,130	482	295	18	2,925

(Please note: The information above is based on agency reporting.)

Please note that some of the information contained in this response includes information subject

to the Privacy Act of 1974. Although we are providing this information, pursuant to 5 U.S.C. § 552a (b)(9), it is not information that OPM would release in response to a request from the public under the Freedom of Information Act. Accordingly, we request that your Committee provide that information the same degree of confidentiality that OPM would afford it, with respect to any potential public release of information supplied in this letter.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen M. McGettigan". The signature is fluid and cursive, with a small star-like mark above the final 'n'.

Kathleen M. McGettigan  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 16 2017

MAY 2 2017

MAY 2 2017

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Enclosed please find the U.S. Office of Personnel Management's (OPM's) response to your March 28, 2017 correspondence and enclosures related to the current state of information technology security at OPM, background investigation reform, and how OPM is protecting background investigation data during this transition period.

The information contained within this response, to include the enclosures that have been provided, discloses sensitive information concerning potential vulnerabilities and weaknesses in OPM's systems that are inappropriate for public consumption. If publicized, this information may increase the likelihood of risk to the government and the individuals whose information OPM is obligated to protect. We recognize, however, that the Committee has a legitimate oversight need for the information it has requested. Therefore, OPM is providing the appropriate Committee staff with access to these documents. We ask that your staff treat this information with the same degree of confidentiality that we would.

The information provided is controlled unclassified information (including Information System Vulnerability Information) that should be handled and stored accordingly. The Committee and its staff must maintain it confidentially and it must be accessible only to Committee Members and staff. Prior to sharing or disclosing any information contained within this response or its enclosures, we ask the Committee to provide OPM with a notice of its intent to share or disclose this information and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The documents have been marked accordingly. Should this information be sought in pending litigation or other contexts, such as Freedom of Information Act requests, the information may be subject to certain privileges, protective orders, or other disclosure restrictions. We appreciate the Committee's and staff's diligence in consistently applying these controls and handling procedures for this controlled unclassified information.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 16 2017**

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated March 28, 2017, regarding the hearing held by the Committee on February 2, 2017 entitled, "Improving Security and Efficiency at OPM and the National Background Investigations Bureau (NBIB)." We are pleased to provide you with the following information that demonstrates the current state of information technology (IT) security at the U.S. Office of Personnel Management (OPM), background investigation reform, and how OPM is protecting background investigation data during this transition period.

Please find below our agency responses to the questions referenced in your March 28, 2017 letter:

1. In response to a question from Chairman Chaffetz about the state of Authorities to Operation (ATOs) for OPM IT systems, OPM Chief Information Security Officer Cord Chase testified, "all [authorities to operate] are currently compliant."<sup>1</sup>
  - a. The ATO or security authorization process includes developing a description of the plan of action and milestones (POA&M) to ensure OPM takes corrective actions to resolve cybersecurity weaknesses. The IG said 43 of OPM's 46 major information systems have "POA&M items that are greater than 120 days overdue."<sup>2</sup>
    - i. Provide the POA&Ms for OPM's major information systems.
    - ii. How does OPM plan to address these outstanding POA&Ms?
    - iii. Identify milestone deadline dates.
  - b. How many ATOs are set to expire in 2017 and in 2018?
  - c. Does OPM have a plan in place to promptly reauthorize these, and other currently expired, ATOs?
  - d. What action will OPM take when an ATO expires and has not been reauthorized

<sup>1</sup> *Improving Security and Efficiency at OPM and the National Background Investigations Bureau: Hearing before the H. Comm. on Oversight and Gov't Reform 115th Cong. at 71 (Feb 2, 2017) (testimony of Cord Chase, Chief Information Security Officer of U.S. Office of Personnel Management).*

<sup>2</sup> Office of Inspector Gen., U.S. Office of Pers. Mgmt., No. 4A-CI-00-16-039, *Final Audit Report, Federal Information Security Modernization Act Audit FY 2016* at 13 (Nov. 9, 2016). The IG also said 85 percent of open POA&Ms are over 30 days overdue, and over 78 percent are over 120 days overdue."

**OPM Response:** OPM’s Cybersecurity Program created the Management Review Board (MRB), a formal governance structure to focus on effective management of information security risks, in October 2016. The MRB’s purpose is to promote consistency, quality, and accountability in the OPM POA&M process. This process covers risk framing, assessment, response, and monitoring in accordance with the National Institute of Standards and Technology (NIST) risk management guidelines. OPM also maintains an OPM Plan of Actions and Milestones Guide, utilizing guidance described in the NIST Special Publication (SP) 800-37<sup>3</sup> and NIST SP 800-39<sup>4</sup>.

(b)(5)-DPP, (b)(7)(E)  
[Redacted]

(b)(5)-DPP, (b)(7)(E)  
[Redacted]

Previously, OPM developed an “all hands on deck” approach to rapid re-authorization. In February 2016, as part of the OPM CIO efforts for continued maturity of the OPM Information System Continuous Monitoring (ISCM) program, the OPM Chief Information Security Officer (CISO) initiated the creation of an ATO “Sprint Team,” comprised of skilled, industry-certified, IT security staff from OPM’s Security Operations Center (SOC), Security Engineering, Forensics and IT Security and Policy teams. The Sprint Team undertook independent risk assessments of High Value Asset (HVA) systems to provide recommendations to the OPM Authorizing Official (AO) with respect to whether to grant system ATOs, based on the risk determination. To expand the authorization efforts, further ATO efforts (an ATO Relay) started in July 2016 and lasted until January 2017. Utilizing methodology established by the ATO Sprint Team, the ATO Relay executed a process to evaluate the security state of the identified OPM information systems and put in place authorizations to operate systems that were consistent with OPM Information Security and Privacy Policies, Federal Information Security Modernization Act (FISMA) requirements and Office of Management and Budget (OMB) policy. Booz Allen Hamilton (BAH), a FedRAMP certified assessor, was selected as the ATO Relay independent assessor, and was assigned to assess OPM’s main infrastructure systems. We anticipate these processes will help prepare systems to move to a Risk Management Framework (RMF) Continuous Monitoring (CM) program, which

<sup>3</sup> *Guide for Applying the Risk Management Framework to Federal Information Systems*  
<http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-37r1.pdf>

<sup>4</sup> *Managing Information Security Risk* <http://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-39.pdf>

will allow OPM to perform ongoing assessments as defined in NIST SP 800-37 Rev.1, Guide for Applying the Risk Management Framework to Federal Information Systems.

2. In response to a question from Subcommittee Chairman Mark Meadows on dual factor authentication for the OPM network, OPM Chief Information Officer David De Vries testified OPM has achieved 100 percent multifactor authentication for network users.<sup>5</sup> Rep. Meadows pointed out that the IG said only two of 46 major applications have dual factor authentication and De Vries promised to review this.

In addition, last year Congress enacted the Federal Cybersecurity Enhancement Act of 2015<sup>6</sup>, as part of the omnibus cybersecurity bill, the Cybersecurity Act of 2015<sup>7</sup>. FCEA requires the head of each agency to implement specific information security practices at the agency by December 18, 2016, including multifactor authentication.<sup>8</sup>

- a. What is the current state of dual factor compliance for OPM's 46 major applications?
- b. Provide a list of OPM's major applications that do not currently require or enforce dual factor authentication for access.
- c. What percentage of OPM IT systems (applications, servers, databases, etc.) require users (both privileged and unprivileged) to provide a second factor of authentication before accessing the system?

**OPM Response:** OPM enforces multi-factor authentication, specifically PIV, to grant all OPM users (both privileged and non-privileged) access to its network and information systems. This stringent layer of access control measures restricts access to only allow multi-factored (or PIV enabled) users.

At the application level, OPM is currently focused on enabling its high value assets to impose multi-factor authentication, as appropriate, once a user is on the network. Following this effort, we will impose such authentication requirements for the remaining major applications, as appropriate. OPM operates a number of applications which execute critical business functions that do not natively support multifactor authentication. OPM also supports a wide range of Federal Government customers that are at various stages of multi-factor implementation, or who are non-government employees requiring access to certain data. OPM continues to enable its applications to impose multi-factor authentication, as appropriate. This will provide a better user experience in accessing the applications, while improving overall security, by eliminating application username and passwords. OPM's participation in Phase 2 of the DHS CDM program will assist in this effort.

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<sup>5</sup> *Improving Security and Efficiency at OPM and the National Background Investigations Bureau: Hearing before the H. Comm. on Oversight and Gov't Reform at 49-50 (Feb 2, 2017) (testimony of David De Vries, Chief Information Officer of U.S. Office of Personnel Management).*

<sup>6</sup> Federal Cybersecurity Enhancement Act of 2015, Pub. L. No. 114-113, Div. N, Title II, Subtitle B, 129 Stat. 2242, 2963-2975.

<sup>7</sup> Consolidated Appropriations Act, 2016, Pub. L. No. 114-113, Div. N, 129 Stat. 2242, 2935-2985 (2015).

<sup>8</sup> Federal Cybersecurity Enhancement Act § 223(b), 225, 129 Stat. 2963, 2966, 2967-2969.

Attached is a list of information systems that identifies which systems are enabled or are being enabled, as appropriate, for multi-factor authentication.

3. During an exchange with Rep. Meadows, Chase testified that OPM is moving towards a "zero trust tenant. Absolutely."<sup>9</sup> An effective zero trust approach to cybersecurity requires an up-to-date inventory of all systems and users. The cybersecurity requirements for agencies under the FCEA includes an assessment of access controls and encryption of sensitive data,<sup>10</sup> which are both necessary to implement a zero trust approach.

- a. What percentage of hardware and software assets are in OPM's automated asset inventory?

- b. By what date will OPM have a complete inventory of all IT assets?

**OPM Response:** All IT system assets are logically tracked with the use of continuous diagnostic and mitigation tools, which have been implemented at OPM since Fiscal Year 2016.

4. Chairman Chaffetz asked De Vries to provide all penetration tests conducted within the past year on the OPM network/systems.<sup>11</sup> Provide this information.

- a. Specifically provide the following: the rules of engagement for each penetration test, the final report of the test, and any additional documentation regarding the requester of the test(s), the parameters of the test(s), or the results of the test(s).

- b. Who established the rules of engagement and/or scope of the penetration tests?

- c. Who performed each penetration test?

**OPM Response:** During Fiscal Years 2016 – 2017, DHS conducted two risk and vulnerability assessments, and provided OPM with DHS's Risk and Vulnerability Assessment Rules of Engagement document prior to the engagement. Attached OPM has provided the Rules of Engagement and risk and vulnerability assessments.

5. In January 2016, it was announced that DOD would be responsible for the cybersecurity and IT management of the newly created NBIB. Prior to DOD assuming responsibility for IT security, what specific activities has OPM undertaken to establish a baseline security assessment of OPM's network so that DOD has a baseline understanding of current IT vulnerabilities?

- a. Has OPM created a network diagram?

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<sup>9</sup> *Improving Security and Efficiency at OPM and the National Background Investigations Bureau: Hearing before the H. Comm. on Oversight and Gov't Reform* at 51 (Feb 2, 2017) (testimony of Cord Chase, Chief Information Security Officer of U.S. Office of Personnel Management)

<sup>10</sup> Federal Cybersecurity Enhancement Act § 223(b), 225, 129 Stat. 2963, 2966, 2967-2969 at 225(b) (I) (B)-(C).

<sup>11</sup> *Improving Security and Efficiency at OPM and the National Background Investigations Bureau: Hearing before the H. Comm. on Oversight and Gov't Reform* at 98 (Feb 2, 2017) (testimony of David De Vries, Chief Information Officer of U.S. Office of Personnel Management).

- b. Alternatively, has DOD created an OPM network diagram?
- c. What access has OPM given to DOD to facilitate its assessment of OPM's network?
- d. Does OPM retain copies of the background investigation data exfiltrated in the data breaches announced in 2015?
- e. Does DOD have access to these copies?
- f. Was photographic data exfiltrated in the data breaches announced in 2015? If so, how many individual's photographic data was exfiltrated?

**OPM Response:** OPM notes that the introduction to Question 5 appears to assume that DOD is responsible for NBIB's IT management and security now; OPM would like to clarify DOD's role in those areas. As mentioned at our February 2, 2017 hearing, DOD has commenced efforts to build a new modernized and secure IT capability, the National Background Investigation Service (NBIS), to comprehensively support the investigations process and enhance end-to-end background investigation processes across government. This capability will ultimately replace the existing NBIB systems, which are currently operated within the enhanced security of OPM's network. In the meantime, OPM continues to fund, own, operate, and secure NBIB's legacy IT capability and will continue to do so during the eventual transition of NBIB IT functionality to the NBIS capability. The OPM CIO is responsible for the security of the existing NBIB systems, which operate in OPM's secured network. DOD will be responsible for the IT capabilities that will operate in the new DOD secure enclave, but is not yet responsible for NBIB's IT security.

DOD's role with respect to the legacy IT environment is to support the OPM security documentation and to offer technical analysis, evaluation, and recommendations that can be used to enhance the security of existing legacy IT systems. OPM CIO is employing DOD employees detailed to OPM to operate and maintain the legacy systems. OPM views these employees' role in OPM's OCIO organization as a welcome addition that promotes the interagency partnership and provides for a well-informed team prepared to help build on best practices in both protecting the current capability and building and transitioning to the future NBIS. OPM is providing DOD the necessary access to OPM's systems, documentation, and data, to develop and build NBIS as well as to advise OPM regarding ongoing protection of OPM's legacy systems.

- 6. Based on the testimony at the hearing, the Committee understands that DOD is currently developing the NBIS and plans to deliver "several prototype capabilities by the end of

fiscal year 2017 and an initial operating capability covering the full investigative process in the fourth quarter of 2018."<sup>12</sup>

- a. What is OPM's role in delivering these prototype capabilities by the end of fiscal year 2017?
- b. What actions is OPM taking to ensure delivery of an initial operating capability in the fourth quarter of 2018?

**OPM Response:** The primary role of OPM and NBIB, with respect to the development of NBIS prototypes, is to provide DOD with a solid understanding of NBIB's business and operational processes and requirements, as well as related IT requirements. In addition, OPM's CIO program management staff supports the development and implementation of potential interfaces with the NBIS prototypes. This includes partnering with DOD on evaluating the prototypes' ability to support NBIB's needs and capability requirements. OPM is also working to prepare Privacy Impact Assessments (PIAs) as needed for the prototype capabilities.

To help DOD deliver on NBIS initial operating capability, OPM has provided significant information and input into the requirements process. OPM has also participated in discussions to define and focus the meaning of initial operating capability so that both OPM and DOD fully understand what activities must be completed to deliver an initial operating capability.

7. In October 2016, OPM's Deputy IG identified the newly established NBIB and the background investigation backlog as two major management challenges in a memo to OPM Acting Director Cobert.<sup>13</sup> The Deputy IG called the creation of the NBIB "the most significant institutional reorganization since OPM absorbed DOD's background investigations unit, Defense Security Service, in 2005" and said the partnership with DOD "increases complexity" of this transition.

- a. Provide OPM's plan to address this top management challenge in the coming year.

**OPM Response:** At the time of the OIG's memo on October 12, 2016, NBIB had just been established and was emerging from a developmental phase. Since that time, NBIB has reached full operating capability and has completely transitioned from FIS, which was NBIB's predecessor organization. New leadership came on board and senior staff settled into revamped roles and responsibilities. Although still nascent, NBIB has already demonstrated the ability to realize success.

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<sup>12</sup> *Improving Security and Efficiency at OPM and the National Background Investigations Bureau: Hearing before the H. Comm. on Oversight and Gov't Reform at 23-24 (Feb 2, 2017) (testimony of Terry Halverson, Chief Information Security Officer, U.S. Department of Defense).*

<sup>13</sup> OPM Deputy Inspector General Norbert Vint memorandum to Acting Director Beth Cobert Fiscal Year 2016 Top Management Challenges at 11-12 (Oct. 12, 2016).


Plans to address the challenges inherent in standing up a new entity of this magnitude as well as partnering with another agency for a significant component of mission support are largely unchanged from the time of the OIG memo, but have become operational. Where needed, modifications have been made and will continue to be made to maximize resources and efficiencies. As indicated in the OIG memo, NBIB's plan to reduce the backlog included efforts to increase investigative capacity through both the hiring of additional Federal staff and increased contractor production as well as efforts to implement process efficiencies to reduce the number of cases to a manageable size. NBIB has made a great deal of progress on these initiatives, as NBIB has grown its Federal workforce to over 1,500 investigators, with a target growth to a total of 1,975 investigators. Additionally, NBIB has worked with its vendors to grow new capacity to devote to this workload. NBIB's total contract investigators have reached over 4,000 FTEs, and will continue to grow as the contract vendors are recruiting new staff and have many new investigators in their hiring and training pipeline.

NBIB has also implemented a number of efforts to thoughtfully reduce the level of effort required to complete investigations and increase our efficiency, ultimately increasing the production of our investigative resources. These include use of a new focused report writing style, increased use of telephonic and VTC interviews where appropriate, and reduction in travel time through use of geographically-centralized interviews.

The OIG mentioned that the IT partnership with DOD has added to the complexity of establishing NBIB. Both OPM and DOD have remained committed to working together to build a modernized IT structure that will enhance the Federal Government's end-to-end ability to conduct background investigations. The OIGs for both agencies have also been engaged in this effort.

8. The Committee's understanding is that OPM/NBIB currently relies on OPM's legacy servers, databases, and applications to support the NBIB because DOD is still developing the NBIS IT solution to support its mission. The following questions focus on the current state of cybersecurity of OPM's legacy systems that support the background investigation function.
  - a. By what date will encryption of all data, both in transit and at rest, stored on or communicated with NBIB IT systems be complete?
  - b. What is the average time to patch for vulnerabilities, from initial discovery of the vulnerability to 100% remediation of all affected systems and devices?
  - c. Are any of the OPM legacy IT applications currently supporting the NBIB lacking dual factor authentication? If yes, please identify and provide a date by which these applications will be compliant with dual factor authentication requirements.

**OPM Response:** (b)(5)-DPP, (b)(7)(E)



(b)(5)-DPP, (b)(7)(E)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

9. In September 2016, OPM made contract awards for investigation service providers to four contractors and stated the expectation that the two new contractors would be operational by December 1, 2016.<sup>14</sup> The new contractors were expected to add much needed capacity to reduce the growing backlog.
- a. When did the new contractors become operational?
  - b. What factors caused the delay?
  - c. If these new contractors are not currently operational, when will they be operational? What factors caused the delay?
  - d. What IT security requirements does OPM have in place to ensure the security of contractor IT systems?

**OPM Response:** (b)(5)-DPP, (b)(7)(E)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

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[Redacted]

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<sup>14</sup> OPM Press Release, *OPM Awards Four New Contracts to Support Background Investigations* (Sept. 12, 2016) available at: <https://www.opm.gov/news/releases/2016/09/opm-awards-four-new-contracts-to-support-backgroundinvestigations/>.



(b)(5)-DPP, (b)(7)(E)

[REDACTED]

10. In 2014, OPM invested in an IT modernization project to improve the security and functionality of certain OPM missions, including the Federal Investigative Service (FIS) systems and data. While the newly established NBIB, housed under OPM, succeeded FIS in conducting the background investigation work, the Department of Defense will take over responsibility for IT management and cybersecurity of the NBIB.
  - a. It is the Committee's understanding that OPM spend \$45 million on the 2014 IT modernization project.<sup>15</sup> Is this an accurate amount?
  - b. What was the source of the funding that was used on the 2014 IT modernization project?

**OPM Response:** Our records indicate approximately \$45M was paid to Imperatis between June 2014 and May 2016. The funding sources include OPM's annual salaries and expenses appropriation, amounts available from OPM's trust funds and the revolving fund, as well as amounts available for OPM's Inspector General.

As you can see, the information contained within this response, to include the enclosures that have been provided, discloses sensitive information concerning potential vulnerabilities and weaknesses in OPM's systems that are inappropriate for public consumption. This information is controlled unclassified information that should be handled and stored accordingly. The Committee and its staff must maintain it confidentially and it must be accessible only to

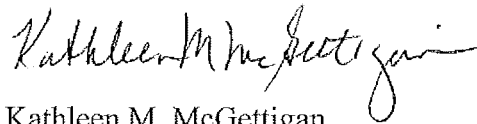
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<sup>15</sup> *The OPM Data Breach: How the Government Jeopardized Our National Security for More than a Generation*, p. 204, fn. 1117 (Sept. 7, 2016) available at: <https://oversight.house.gov/report/opm-data-breach-governmentjeopardized-national-security-generation/>

Committee Members and staff. Prior to sharing or disclosing any information contained within this response or its enclosures, we ask the Committee to provide OPM with a notice of its intent to share or disclose this information and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The documents have been marked accordingly.

We thank the Committee for its interest in these very important matters. If you have any additional questions or concerns, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

Cc: The Honorable Elijah E. Cummings  
Ranking Member



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

May 24, 2017

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated March 13, 2017, regarding legacy information technology (IT). We are pleased to provide the information below regarding the U.S. Office of Personnel Management's (OPM) legacy IT systems and the steps OPM has taken to strengthen our overall cyber capabilities and rebuild our IT infrastructure.

Request 1: In the Committee's prior request, your agency was asked to identify the top three mission-critical IT systems in need of modernization. Please restate and update the information your agency provided in 2016:

- a) If a planned date for modernization was provided, please confirm whether the agency is on track to meet this date. If not, explain why.
- b) For each system, provide the amount your agency spent on operations and maintenance costs for the last three fiscal years.
- c) If any of these systems have been modernized or replaced, please estimate annual cost savings over the next three fiscal years that can be attributed to the modernization or replacement.

Response 1:

(b)(5)-DPP

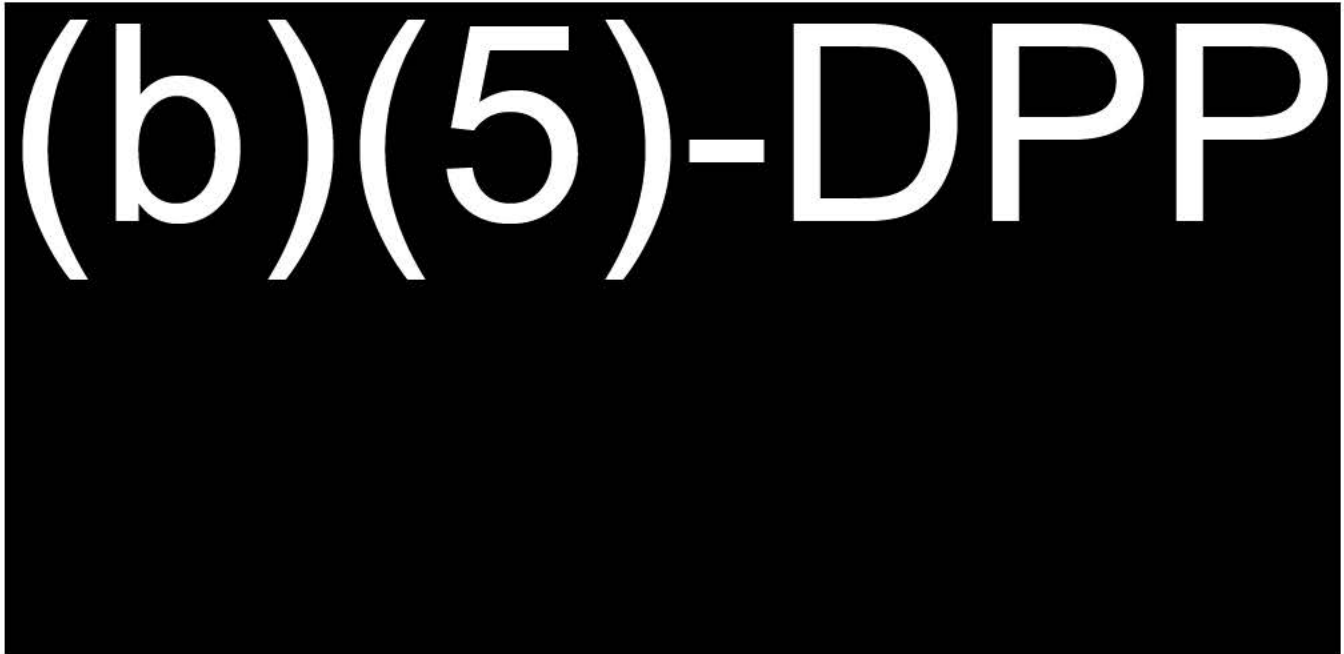
[Redacted]

[Redacted]

[Redacted]

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Below OPM provides updates from its February 2016 priority mission-critical legacy IT systems and information concerning OPM's current top three mission-critical focus areas in need of modernization:



Request 2: What are the oldest programming languages in use today at your agency (in particular, ASP, COBOL, FORTRAN, C, Assembly Language Code, and Visual Basic)? Please submit an update on previously provided information:

- a) Restate and update the number of lines of codes your agency maintains as identified in your agency's response in early 2016.
- b) How many staff are dedicated to maintaining these programming languages?
  - i. How many of these staff are contractors? If you are unable to provide an estimate of contractors, please provide an explanation as to why you are unable to provide this information.
- c) How much was obligated to contracts supporting these programming languages over the last three fiscal years?

Response 2: The accompanying attachment provides the updated number of lines of code maintained for each programming language, the number of federal and contract staff available to maintain code for each, and how much money was obligated to support these programming languages over the last three fiscal years.

Request 3: Please identify the top five oldest hardware and infrastructure components, by manufacturer, model number, year of production, and type of component (e.g., server, router, switch, etc.) at your agency today.

- a) For each, provide a date for when you plan to replace or upgrade it and specify if there is not a specific date for modernization or replacement.
- b) Identify which of these legacy hardware components house critical mission systems.
- c) Identify which of these legacy hardware components house personally identifiable information.
- d) Restate and update your response to this question from 2016 with the details requested above.

Response 3: The table below provides the list of OPM's five oldest hardware and infrastructure components and the planned dates for replacement or upgrade. Funding to begin the replacements and upgrades is included in our FY2018 budget request. In addition, the table also identifies whether or not these components house mission critical systems. Personally Identifiable Information may be located on any of these components that have storage capability.

Component Type	Manufacturer	Model Number	Year of Production	Planned Replacement or Upgrade	Mission Critical System
Server	Dell	(b)(5)-DPP	2007	FY 2018	Yes
Switch/Router	CISCO	(b)(5)-DPP	2005	FY 2018	Yes
Switch/Router	CISCO	(b)(5)-DPP	2007	FY 2018	Yes
System Storage Medium	HP	(b)(5)-DPP	2008	FY 2018	Yes
Tape Storage	Dell	(b)(5)-DPP	2007	FY 2018	Yes
Telephony/VoIP	CISCO	(b)(5)-DPP	2011	FY 2018	Yes
Telephony/VoIP	CISCO	(b)(5)-DPP	2011	FY 2018	Yes

Request 4: Does your agency use any software or operating systems no longer supported by the vendor?

- a) Please provide the name and version of the software and the last date of support by the vendor. For example, Windows XP (released in 2001) was no longer supported by Microsoft as of April 2014.
- b) If the software or operating systems are no longer supported by the vendor, how does the agency support this software?
- c) Please restate your agency's planned date to upgrade unsupported software and confirm whether this action was completed by the planned date. If not, explain why.

Response 4: In our 2016 response, OPM identified six software or operating systems that were no longer supported by the vendor. Over the past year, OPM has upgraded and is no longer using unsupported versions of Windows Server 2000, MS SQL 2000, Oracle 8i and Oracle 10g. OPM successfully migrated 145 of the 160 Microsoft Windows Server 2003 systems we identified as unsupported in 2016 and plans to remove the remaining 15 by the end of 2017.

In addition to the remaining Windows Server 2003, OPM operates servers running ColdFusion MX6 which is no longer supported by the vendor. OPM's 2016 response inadvertently misstated the incorrect ColdFusion version number.

Support for Microsoft Windows 2003 is currently provided by existing staff. We are no longer supporting upgrades to the capabilities running ColdFusion MX6 code and are working with the system owners to replace these capabilities.

Request 5: Please address the number of IT staff at your agency as follows:

- a) What is the total number of federal IT employees at your agency? (Do not include contract IT full-time employees (FTE)).
- b) What is the total number of contract IT FTE at your agency?
- c) For agency staff, what is the average age of IT staff?
- d) For agency staff, what is the turnover rate for the last three fiscal years?
- e) When hiring federal employee IT staff, what education, training, and outside certifications are required?
- f) When evaluating contracts for IT services, what education, training, and outside certifications are required for contractor IT staff?

Response 5: As of May 2017, OPM employs approximately 247 staff in the GS-2210 (Information Technology Management) occupational series. Over the last three years, the average turnover rate for GS-2210s was 9.68%. As of April 2017, OPM has approximately 606 IT contractors.

In regards to education, certifications, and training requirements for hiring federal staff, Federal IT specialists are not required to have formal education (e.g., a bachelor's degree). Rather, each position is reviewed to determine the unique technical and other requirements for success on the job. This allows us to capture current, emerging needs each time a job is filled. For example, OPM may look for Project Management Professional (PMP) certification for project managers. Positions related to cybersecurity may require certifications such as Certified Information Systems Security Professional (CISSP), CompTIA Security+, or Certified Ethical Hacker (CEH). Network administrator positions may require CompTIA Network+, Cisco Certified Network Associate, or Juniper Networks Certified Associate certifications.

As noted in the agency's 2016 response, there is strong competition in both the public and private sector for talented cyber and IT professionals and the Federal Government is increasing its focus on retaining and developing cybersecurity talent. As part of the long-term strategy, OPM is partnering with the U.S. Department of Homeland Security (DHS), the National Initiative for Cybersecurity Education (NICE), and the U.S. Department of Defense (DoD) and engaging with other Federal agencies to develop cybersecurity career paths, which will allow employees and managers the opportunity to develop Individual Development Plans that align to technical and managerial tracks; badging and credentialing programs that will foster opportunities for employees to obtain new skills and become subject matter experts in their field; and a website dedicated to cybersecurity job seekers, employees and managers, where

individuals can learn about enterprise-wide developmental opportunities and cutting-edge tools and technology.

When hiring Federal employees for IT positions, the hiring manager partners with OPM's HR staff in conducting job analysis to determine the critical responsibilities of the position, and the associated skills/competencies required for successful performance. For example, a recent system administrator position with responsibility for application systems development and system lifecycle required, among other skills, knowledge of Systems Development Lifecycle (SDLC) methodologies and contract management. Another recent position required experience using Agile methodologies and Oracle or MS SQL Server database management systems. Similarly, when evaluating IT services contracts, OPM assesses the education, certifications, and training requirements against the unique technical requirements needed to fulfill the services requested by the contract.

Request 6: Does your agency have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expense toward contract as of January 31, 2017.

Response 6: OPM does not currently have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software.

Request 7: Does your agency have any active contracts for replacement legacy IT hardware and software systems? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expensed toward contract as of January 31, 2017.

Response 7: OPM has two active contracts to support replacing legacy IT hardware and software systems, namely case management capabilities. The first is contract #OPM3215F0468 with Horizon Industries to obtain technical and program management support for an OPM Enterprise Case Management System (ECMS). The total contract value is now \$2.66 million for the remaining two option years. The total expense for this contract is \$2.2 million obligated and \$1.75 million paid to the vendor since 2015.

The second active contract is #OPM3215A0005W0003 with AINS Inc for ECMS Product and Installation Service. The total expense for this contract is \$0.12 million obligated and \$0.048 million paid to the vendor.

Request 8: Did your agency submit to OMB an Enterprise Roadmap for 2016, as stated in OMB's draft *IT Modernization Initiative* memo? If so, provide a copy of this Roadmap.

Response 8: OPM's 2016 Enterprise Roadmap as submitted to OMB on September 2016 is enclosed.

We are pleased to provide you with this information that demonstrates how OPM is continuing to improve our cybersecurity and IT programs. However, given the sensitivity of the information, and the potential risk to system security from its public disclosure, we request the above information not be disseminated beyond Committee Members and Committee Staff in the course of their official duties. The information is controlled unclassified information that should be handled and stored accordingly, meaning that the Committee and staff will maintain it confidentially and it will be accessible only to Committee Members and staff. Prior to sharing or disclosing any such document of information contained therein, the Committee should provide OPM with notice and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The contents of this letter are based on the information reviewed to date; we will update or supplement the letter or attachments if needed.

OPM is dedicated to continuing our improvements and working with you and our interagency partners to improve the overall posture of the Federal government. As always, our goal is to strengthen protections for our Federal workforce and its partners. We take the Committee's interest in these matters seriously and if you need further assistance in this matter, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures



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Question 2 Enclosure: Oldest Programming Languages and Supporting Information

Language	Lines of Code Maintained	Number of Federal Staff	Number of Contractor Staff	Obligated Contract Support Cost
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**(b)(5)-DPP**

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(A1) Overview. Provide a non-technical narrative synopsis of the improvements to IT capabilities that will occur during Fiscal Years 2017-2018, consistent with the agency's IRM Strategic Plan.

(b)(5)-DPP

[Redacted content]

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(B1) Sequencing. Provide a consolidated timeline for the improvements that are described in the Overview (A1). Include the following table to indicate with an "X" which items in the timeline will be an active project during each quarter of Fiscal Years 2017-2018.

Item # (B1.X)	FY17 Q1	FY17 Q2	FY17 Q3	FY17 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4
ECMS	<b>(b)(5)-DPP</b>							
DCOI								
Enterprise Serv								
Digital First								
ITIL								
Agile								
SLSM								

(C1) Digitization. By July 31st OMB will provide the agency with a list IT investments and systems to specifically comment on using the following tables:

(C1.1) Shared Service Opportunities. NO LIST WAS RECEIVED FROM OMB				
Item # (C1.1.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider
(C2.1) Function Transfer Opportunities.				
Item # (C1.2.X)	Program Name	BRM Service Function Code	Function Description	Potential Provider
(C1.3) Function Termination Opportunities.				
Item # (C1.3.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

**Bicameral Response - Q8 Enclosure**

**2016 Agency Enterprise Roadmap Submission Template**

**(D1) Legacy Spending Reduction.**

Provide a list of those IT investments (by UII # in the IT Dashboard) and the associated systems where O&M spending will be reduced during Fiscal Years 2017-2018 such that corresponding DME will be able to increase. Specify if O&M spending reductions in one investment will result in DME funding increases in a different investment.

UII#	Investment Name	BRM Service Function Code	Associated Legacy System Name(s)	FY17 O&M Decrease	FY17 DME Increase	FY18 O&M Decrease	FY18 DME Increase	UII# (s) of other investments gaining DME

Submission. Agencies will submit their Roadmap information using the Excel template that is provided in the IDC area of MAX.gov. The due date for submission is on or before 5pm Eastern on September 30, 2016.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

May 24, 2017

The Honorable William Hurd
Chairman
Subcommittee on Information Technology
Committee on Oversight
and Government Reform
United States House of Representatives
2157 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hurd:

Thank you for your letter, dated March 13, 2017, regarding legacy information technology (IT). We are pleased to provide the information below regarding the U.S. Office of Personnel Management's (OPM) legacy IT systems and the steps OPM has taken to strengthen our overall cyber capabilities and rebuild our IT infrastructure.

Request 1: In the Committee's prior request, your agency was asked to identify the top three mission-critical IT systems in need of modernization. Please restate and update the information your agency provided in 2016:

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b) For each system, provide the amount your agency spent on operations and maintenance costs for the last three fiscal years.
c) If any of these systems have been modernized or replaced, please estimate annual cost savings over the next three fiscal years that can be attributed to the modernization or replacement.

Response 1:

(b)(5)-DPP

[Redacted response text]

[Redacted response text]

[Redacted response text]

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(b)(5)-DPP

Below OPM provides updates from its February 2016 priority mission-critical legacy IT systems and information concerning OPM's current top three mission-critical focus areas in need of modernization:

(b)(5)-DPP

Request 2: What are the oldest programming languages in use today at your agency (in particular, ASP, COBOL, FORTRAN, C, Assembly Language Code, and Visual Basic)? Please submit an update on previously provided information:

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Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosures

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Question 2 Enclosure: Oldest Programming Languages and Supporting Information

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**(b)(5)-DPP**

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(A1) Overview. Provide a non-technical narrative synopsis of the improvements to IT capabilities that will occur during Fiscal Years 2017-2018, consistent with the agency's IRM Strategic Plan.

**(b)(5)-DPP**

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(B1) Sequencing. Provide a consolidated timeline for the improvements that are described in the Overview (A1). Include the following table to indicate with an "X" which items in the timeline will be an active project during each quarter of Fiscal Years 2017-2018.

Item # (B1.X)	FY17 Q1	FY17 Q2	FY17 Q3	FY17 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4
ECMS	<b>(b)(5)-DPP</b>							
DCOI								
Enterprise Serv								
Digital First								
ITIL								
Agile								
SLSM								

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Item # (C1.1.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

(C2.1) Function Transfer Opportunities.

Item # (C1.2.X)	Program Name	BRM Service Function Code	Function Description	Potential Provider

(C1.3) Function Termination Opportunities.

Item # (C1.3.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

**Bicameral Response - Q8 Enclosure**

**2016 Agency Enterprise Roadmap Submission Template**

**(D1) Legacy Spending Reduction.** Provide a list of those IT investments (by UII # in the IT Dashboard) and the associated systems where O&M spending will be reduced during Fiscal Years 2017-2018 such that corresponding DME will be able to increase. Specify if O&M spending reductions in one investment will result in DME funding increases in a different investment.

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**Submission.** Agencies will submit their Roadmap information using the Excel template that is provided in the IDC area of MAX.gov. The due date for submission is on or before 5pm Eastern on September 30, 2016.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

May 24, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

Thank you for your letter, dated March 13, 2017, regarding legacy information technology (IT). We are pleased to provide the information below regarding the U.S. Office of Personnel Management's (OPM) legacy IT systems and the steps OPM has taken to strengthen our overall cyber capabilities and rebuild our IT infrastructure.

Request 1: In the Committee's prior request, your agency was asked to identify the top three mission-critical IT systems in need of modernization. Please restate and update the information your agency provided in 2016:

- a) If a planned date for modernization was provided, please confirm whether the agency is on track to meet this date. If not, explain why.
- b) For each system, provide the amount your agency spent on operations and maintenance costs for the last three fiscal years.
- c) If any of these systems have been modernized or replaced, please estimate annual cost savings over the next three fiscal years that can be attributed to the modernization or replacement.

Response 1:

**(b)(5)-DPP**

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Below OPM provides updates from its February 2016 priority mission-critical legacy IT systems and information concerning OPM's current top three mission-critical focus areas in need of modernization:



Request 2: What are the oldest programming languages in use today at your agency (in particular, ASP, COBOL, FORTRAN, C, Assembly Language Code, and Visual Basic)? Please submit an update on previously provided information:

- a) Restate and update the number of lines of codes your agency maintains as identified in your agency's response in early 2016.
- b) How many staff are dedicated to maintaining these programming languages?
  - i. How many of these staff are contractors? If you are unable to provide an estimate of contractors, please provide an explanation as to why you are unable to provide this information.
- c) How much was obligated to contracts supporting these programming languages over the last three fiscal years?

Response 2: The accompanying attachment provides the updated number of lines of code maintained for each programming language, the number of federal and contract staff available to maintain code for each, and how much money was obligated to support these programming languages over the last three fiscal years.

Request 3: Please identify the top five oldest hardware and infrastructure components, by manufacturer, model number, year of production, and type of component (e.g., server, router, switch, etc.) at your agency today.



- a) For each, provide a date for when you plan to replace or upgrade it and specify if there is not a specific date for modernization or replacement.
- b) Identify which of these legacy hardware components house critical mission systems.
- c) Identify which of these legacy hardware components house personally identifiable information.
- d) Restate and update your response to this question from 2016 with the details requested above.

Response 3: The table below provides the list of OPM's five oldest hardware and infrastructure components and the planned dates for replacement or upgrade. Funding to begin the replacements and upgrades is included in our FY2018 budget request. In addition, the table also identifies whether or not these components house mission critical systems. Personally Identifiable Information may be located on any of these components that have storage capability.

Component Type	Manufacturer	Model Number	Year of Production	Planned Replacement or Upgrade	Mission Critical System
Server	Dell	(b)(5)-DPP	2007	FY 2018	Yes
Switch/Router	CISCO	(b)(5)-DPP	2005	FY 2018	Yes
Switch/Router	CISCO	(b)(5)-DPP	2007	FY 2018	Yes
System Storage Medium	HP	(b)(5)-DPP	2008	FY 2018	Yes
Tape Storage	Dell	(b)(5)-DPP	2007	FY 2018	Yes
Telephony/VoIP	CISCO	(b)(5)-DPP	2011	FY 2018	Yes
Telephony/VoIP	CISCO	(b)(5)-DPP	2011	FY 2018	Yes

Request 4: Does your agency use any software or operating systems no longer supported by the vendor?

- a) Please provide the name and version of the software and the last date of support by the vendor. For example, Windows XP (released in 2001) was no longer supported by Microsoft as of April 2014.
- b) If the software or operating systems are no longer supported by the vendor, how does the agency support this software?
- c) Please restate your agency's planned date to upgrade unsupported software and confirm whether this action was completed by the planned date. If not, explain why.

Response 4: In our 2016 response, OPM identified six software or operating systems that were no longer supported by the vendor. Over the past year, OPM has upgraded and is no longer using unsupported versions of Windows Server 2000, MS SQL 2000, Oracle 8i and Oracle 10g. OPM successfully migrated 145 of the 160 Microsoft Windows Server 2003 systems we identified as unsupported in 2016 and plans to remove the remaining 15 by the end of 2017.

In addition to the remaining Windows Server 2003, OPM operates servers running ColdFusion MX6 which is no longer supported by the vendor. OPM's 2016 response inadvertently misstated the incorrect ColdFusion version number.

Support for Microsoft Windows 2003 is currently provided by existing staff. We are no longer supporting upgrades to the capabilities running ColdFusion MX6 code and are working with the system owners to replace these capabilities.

Request 5: Please address the number of IT staff at your agency as follows:

- a) What is the total number of federal IT employees at your agency? (Do not include contract IT full-time employees (FTE)).
- b) What is the total number of contract IT FTE at your agency?
- c) For agency staff, what is the average age of IT staff?
- d) For agency staff, what is the turnover rate for the last three fiscal years?
- e) When hiring federal employee IT staff, what education, training, and outside certifications are required?
- f) When evaluating contracts for IT services, what education, training, and outside certifications are required for contractor IT staff?

Response 5: As of May 2017, OPM employs approximately 247 staff in the GS-2210 (Information Technology Management) occupational series. Over the last three years, the average turnover rate for GS-2210s was 9.68%. As of April 2017, OPM has approximately 606 IT contractors.

In regards to education, certifications, and training requirements for hiring federal staff, Federal IT specialists are not required to have formal education (e.g., a bachelor's degree). Rather, each position is reviewed to determine the unique technical and other requirements for success on the job. This allows us to capture current, emerging needs each time a job is filled. For example, OPM may look for Project Management Professional (PMP) certification for project managers. Positions related to cybersecurity may require certifications such as Certified Information Systems Security Professional (CISSP), CompTIA Security+, or Certified Ethical Hacker (CEH). Network administrator positions may require CompTIA Network+, Cisco Certified Network Associate, or Juniper Networks Certified Associate certifications.

As noted in the agency's 2016 response, there is strong competition in both the public and private sector for talented cyber and IT professionals and the Federal Government is increasing its focus on retaining and developing cybersecurity talent. As part of the long-term strategy, OPM is partnering with the U.S. Department of Homeland Security (DHS), the National Initiative for Cybersecurity Education (NICE), and the U.S. Department of Defense (DoD) and engaging with other Federal agencies to develop cybersecurity career paths, which will allow employees and managers the opportunity to develop Individual Development Plans that align to technical and managerial tracks; badging and credentialing programs that will foster opportunities for employees to obtain new skills and become subject matter experts in their field; and a website dedicated to cybersecurity job seekers, employees and managers, where

individuals can learn about enterprise-wide developmental opportunities and cutting-edge tools and technology.

When hiring Federal employees for IT positions, the hiring manager partners with OPM's HR staff in conducting job analysis to determine the critical responsibilities of the position, and the associated skills/competencies required for successful performance. For example, a recent system administrator position with responsibility for application systems development and system lifecycle required, among other skills, knowledge of Systems Development Lifecycle (SDLC) methodologies and contract management. Another recent position required experience using Agile methodologies and Oracle or MS SQL Server database management systems. Similarly, when evaluating IT services contracts, OPM assesses the education, certifications, and training requirements against the unique technical requirements needed to fulfill the services requested by the contract.

Request 6: Does your agency have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expense toward contract as of January 31, 2017.

Response 6: OPM does not currently have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software.

Request 7: Does your agency have any active contracts for replacement legacy IT hardware and software systems? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expensed toward contract as of January 31, 2017.

Response 7: OPM has two active contracts to support replacing legacy IT hardware and software systems, namely case management capabilities. The first is contract #OPM3215F0468 with Horizon Industries to obtain technical and program management support for an OPM Enterprise Case Management System (ECMS). The total contract value is now \$2.66 million for the remaining two option years. The total expense for this contract is \$2.2 million obligated and \$1.75 million paid to the vendor since 2015.

The second active contract is #OPM3215A0005W0003 with AINS Inc for ECMS Product and Installation Service. The total expense for this contract is \$0.12 million obligated and \$0.048 million paid to the vendor.

Request 8: Did your agency submit to OMB an Enterprise Roadmap for 2016, as stated in OMB's draft *IT Modernization Initiative* memo? If so, provide a copy of this Roadmap.

Response 8: OPM's 2016 Enterprise Roadmap as submitted to OMB on September 2016 is enclosed.

We are pleased to provide you with this information that demonstrates how OPM is continuing to improve our cybersecurity and IT programs. However, given the sensitivity of the information, and the potential risk to system security from its public disclosure, we request the above information not be disseminated beyond Committee Members and Committee Staff in the course of their official duties. The information is controlled unclassified information that should be handled and stored accordingly, meaning that the Committee and staff will maintain it confidentially and it will be accessible only to Committee Members and staff. Prior to sharing or disclosing any such document of information contained therein, the Committee should provide OPM with notice and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The contents of this letter are based on the information reviewed to date; we will update or supplement the letter or attachments if needed.

OPM is dedicated to continuing our improvements and working with you and our interagency partners to improve the overall posture of the Federal government. As always, our goal is to strengthen protections for our Federal workforce and its partners. We take the Committee's interest in these matters seriously and if you need further assistance in this matter, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

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Question 2 Enclosure: Oldest Programming Languages and Supporting Information

Language	Lines of Code Maintained	Number of Federal Staff	Number of Contractor Staff	Obligated Contract Support Cost
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**(b)(5)-DPP**

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(A1) Overview. Provide a non-technical narrative synopsis of the improvements to IT capabilities that will occur during Fiscal Years 2017-2018, consistent with the agency's IRM Strategic Plan.

**(b)(5)-DPP**

Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(B1) Sequencing. Provide a consolidated timeline for the improvements that are described in the Overview (A1). Include the following table to indicate with an "X" which items in the timeline will be an active project during each quarter of Fiscal Years 2017-2018.

Item # (B1.X)	FY17 Q1	FY17 Q2	FY17 Q3	FY17 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4
ECMS	<b>(b)(5)-DPP</b>							
DCOI								
Enterprise Serv								
Digital First								
ITIL								
Agile								
SLSM								

(C1) Digitization. By July 31st OMB will provide the agency with a list IT investments and systems to specifically comment on using the following tables:

(C1.1) Shared Service Opportunities. **NO LIST WAS RECEIVED FROM OMB**

Item # (C1.1.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

(C2.1) Function Transfer Opportunities.

Item # (C1.2.X)	Program Name	BRM Service Function Code	Function Description	Potential Provider

(C1.3) Function Termination Opportunities.

Item # (C1.3.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

**Bicameral Response - Q8 Enclosure**

**2016 Agency Enterprise Roadmap Submission Template**

<b>(D1) Legacy Spending Reduction.</b>		<p>Provide a list of those IT investments (by UII # in the IT Dashboard) and the associated systems where O&amp;M spending will be reduced during Fiscal Years 2017-2018 such that corresponding DME will be able to increase. Specify if O&amp;M spending reductions in one investment will result in DME funding increases in a different investment.</p>							
UII#	Investment Name	BRM Service Function Code	Associated Legacy System Name(s)	FY17 O&M Decrease	FY17 DME Increase	FY18 O&M Decrease	FY18 DME Increase	UII# (s) of other investments gaining DME	

Submission. Agencies will submit their Roadmap information using the Excel template that is provided in the IDC area of MAX.gov. The due date for submission is on or before 5pm Eastern on September 30, 2016.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

May 24, 2017

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Meadows:

Thank you for your letter, dated March 13, 2017, regarding legacy information technology (IT). We are pleased to provide the information below regarding the U.S. Office of Personnel Management's (OPM) legacy IT systems and the steps OPM has taken to strengthen our overall cyber capabilities and rebuild our IT infrastructure.

Request 1: In the Committee's prior request, your agency was asked to identify the top three mission-critical IT systems in need of modernization. Please restate and update the information your agency provided in 2016:

- a) If a planned date for modernization was provided, please confirm whether the agency is on track to meet this date. If not, explain why.
- b) For each system, provide the amount your agency spent on operations and maintenance costs for the last three fiscal years.
- c) If any of these systems have been modernized or replaced, please estimate annual cost savings over the next three fiscal years that can be attributed to the modernization or replacement.

Response 1:

**(b)(5)-DPP**

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budget request, OPM requests funding to provide for continued modernization of these systems in addition to the funding it recently received for its FY2017 budget.

Below OPM provides updates from its February 2016 priority mission-critical legacy IT systems and information concerning OPM's current top three mission-critical focus areas in need of modernization:

(b)(5)-DPP

Request 2: What are the oldest programming languages in use today at your agency (in particular, ASP, COBOL, FORTRAN, C, Assembly Language Code, and Visual Basic)? Please submit an update on previously provided information:

- a) Restate and update the number of lines of codes your agency maintains as identified in your agency's response in early 2016.
- b) How many staff are dedicated to maintaining these programming languages?
  - i. How many of these staff are contractors? If you are unable to provide an estimate of contractors, please provide an explanation as to why you are unable to provide this information.
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Response 2: The accompanying attachment provides the updated number of lines of code maintained for each programming language, the number of federal and contract staff available to maintain code for each, and how much money was obligated to support these programming languages over the last three fiscal years.

Request 3: Please identify the top five oldest hardware and infrastructure components, by manufacturer, model number, year of production, and type of component (e.g., server, router, switch, etc.) at your agency today.

- a) For each, provide a date for when you plan to replace or upgrade it and specify if there is not a specific date for modernization or replacement.
- b) Identify which of these legacy hardware components house critical mission systems.
- c) Identify which of these legacy hardware components house personally identifiable information.
- d) Restate and update your response to this question from 2016 with the details requested above.

Response 3: The table below provides the list of OPM's five oldest hardware and infrastructure components and the planned dates for replacement or upgrade. Funding to begin the replacements and upgrades is included in our FY2018 budget request. In addition, the table also identifies whether or not these components house mission critical systems. Personally Identifiable Information may be located on any of these components that have storage capability.

Component Type	Manufacturer	Model Number	Year of Production	Planned Replacement or Upgrade	Mission Critical System
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Telephony/VoIP	CISCO	(b)(5)-DPP	2011	FY 2018	Yes

Request 4: Does your agency use any software or operating systems no longer supported by the vendor?

- a) Please provide the name and version of the software and the last date of support by the vendor. For example, Windows XP (released in 2001) was no longer supported by Microsoft as of April 2014.
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- c) Please restate your agency's planned date to upgrade unsupported software and confirm whether this action was completed by the planned date. If not, explain why.

Response 4: In our 2016 response, OPM identified six software or operating systems that were no longer supported by the vendor. Over the past year, OPM has upgraded and is no longer using unsupported versions of Windows Server 2000, MS SQL 2000, Oracle 8i and Oracle 10g. OPM successfully migrated 145 of the 160 Microsoft Windows Server 2003 systems we identified as unsupported in 2016 and plans to remove the remaining 15 by the end of 2017.

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Request 5: Please address the number of IT staff at your agency as follows:

- a) What is the total number of federal IT employees at your agency? (Do not include contract IT full-time employees (FTE)).
- b) What is the total number of contract IT FTE at your agency?
- c) For agency staff, what is the average age of IT staff?
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Response 5: As of May 2017, OPM employs approximately 247 staff in the GS-2210 (Information Technology Management) occupational series. Over the last three years, the average turnover rate for GS-2210s was 9.68%. As of April 2017, OPM has approximately 606 IT contractors.

In regards to education, certifications, and training requirements for hiring federal staff, Federal IT specialists are not required to have formal education (e.g., a bachelor's degree). Rather, each position is reviewed to determine the unique technical and other requirements for success on the job. This allows us to capture current, emerging needs each time a job is filled. For example, OPM may look for Project Management Professional (PMP) certification for project managers. Positions related to cybersecurity may require certifications such as Certified Information Systems Security Professional (CISSP), CompTIA Security+, or Certified Ethical Hacker (CEH). Network administrator positions may require CompTIA Network+, Cisco Certified Network Associate, or Juniper Networks Certified Associate certifications.

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individuals can learn about enterprise-wide developmental opportunities and cutting-edge tools and technology.

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Request 6: Does your agency have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expense toward contract as of January 31, 2017.

Response 6: OPM does not currently have any active IT contracts providing services for enterprise upgrades of unsupported hardware or software.

Request 7: Does your agency have any active contracts for replacement legacy IT hardware and software systems? If yes, please provide the following information for each contract:

- a) Contract number and a short description of the project.
- b) Total contract value (base year and any option years).
- c) Total funding expensed toward contract as of January 31, 2017.

Response 7: OPM has two active contracts to support replacing legacy IT hardware and software systems, namely case management capabilities. The first is contract #OPM3215F0468 with Horizon Industries to obtain technical and program management support for an OPM Enterprise Case Management System (ECMS). The total contract value is now \$2.66 million for the remaining two option years. The total expense for this contract is \$2.2 million obligated and \$1.75 million paid to the vendor since 2015.

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Request 8: Did your agency submit to OMB an Enterprise Roadmap for 2016, as stated in OMB's draft *IT Modernization Initiative* memo? If so, provide a copy of this Roadmap.

Response 8: OPM's 2016 Enterprise Roadmap as submitted to OMB on September 2016 is enclosed.

We are pleased to provide you with this information that demonstrates how OPM is continuing to improve our cybersecurity and IT programs. However, given the sensitivity of the information, and the potential risk to system security from its public disclosure, we request the above information not be disseminated beyond Committee Members and Committee Staff in the course of their official duties. The information is controlled unclassified information that should be handled and stored accordingly, meaning that the Committee and staff will maintain it confidentially and it will be accessible only to Committee Members and staff. Prior to sharing or disclosing any such document of information contained therein, the Committee should provide OPM with notice and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The contents of this letter are based on the information reviewed to date; we will update or supplement the letter or attachments if needed.

OPM is dedicated to continuing our improvements and working with you and our interagency partners to improve the overall posture of the Federal government. As always, our goal is to strengthen protections for our Federal workforce and its partners. We take the Committee's interest in these matters seriously and if you need further assistance in this matter, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

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Question 2 Enclosure: Oldest Programming Languages and Supporting Information

Language	Lines of Code Maintained	Number of Federal Staff	Number of Contractor Staff	Obligated Contract Support Cost
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**(b)(5)-DPP**

2016 Agency Enterprise Roadmap Submission Template

(A1) Overview. Provide a non-technical narrative synopsis of the improvements to IT capabilities that will occur during Fiscal Years 2017-2018, consistent with the agency's IRM Strategic Plan.

(b)(5)-DPP



Bicameral Response - Q8 Enclosure

2016 Agency Enterprise Roadmap Submission Template

(B1) Sequencing. Provide a consolidated timeline for the improvements that are described in the Overview (A1). Include the following table to indicate with an "X" which items in the timeline will be an active project during each quarter of Fiscal Years 2017-2018.

Item # (B1.X)	FY17 Q1	FY17 Q2	FY17 Q3	FY17 Q4	FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4
ECMS	<b>(b)(5)-DPP</b>							
DCOI								
Enterprise Serv								
Digital First								
ITIL								
Agile								
SLSM								

(C1) Digitization. By July 31st OMB will provide the agency with a list IT investments and systems to specifically comment on using the following tables:

(C1.1) Shared Service Opportunities. <b>NO LIST WAS RECEIVED FROM OMB</b>				
Item # (C1.1.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider
(C2.1) Function Transfer Opportunities.				
Item # (C1.2.X)	Program Name	BRM Service Function Code	Function Description	Potential Provider
(C1.3) Function Termination Opportunities.				
Item # (C1.3.X)	Program Name	BRM Service Function Code	Shared Service Description	Potential Provider

**Bicameral Response - Q8 Enclosure**

**2016 Agency Enterprise Roadmap Submission Template**

**(D1) Legacy Spending Reduction.**

Provide a list of those IT investments (by UII # in the IT Dashboard) and the associated systems where O&M spending will be reduced during Fiscal Years 2017-2018 such that corresponding DME will be able to increase. Specify if O&M spending reductions in one investment will result in DME funding increases in a different investment.

UII#	Investment Name	BRM Service Function Code	Associated Legacy System Name(s)	FY17 O&M Decrease	FY17 DME Increase	FY18 O&M Decrease	FY18 DME Increase	UII# (s) of other investments gaining DME

Submission. Agencies will submit their Roadmap information using the Excel template that is provided in the IDC area of MAX.gov. The due date for submission is on or before 5pm Eastern on September 30, 2016.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

Chief Privacy Officer

November 7, 2017

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

Dear Chairman Gowdy:

Enclosed for your review is a proposed Privacy Act System of Records Notice (SORN) for a new system of records within the Office of Personnel Management (OPM). This Privacy Act SORN is for the OPM/Central-20 National CFC System of Records.

This system does not duplicate any existing agency or government-wide systems of records and fully complies with the Privacy Act and relevant Office of Management and Budget policies. If you have any questions regarding this system, please contact me at (202) 606-2308 or by email at (b)(6)@OPM.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kellie Cosgrove Riley".

Kellie Cosgrove Riley  
Chief Privacy Officer

Enclosures



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

Chief Privacy Officer

November 7, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

Enclosed for your review is a proposed Privacy Act System of Records Notice (SORN) for a new system of records within the Office of Personnel Management (OPM). This Privacy Act SORN is for the OPM/Central-20 National CFC System of Records.

This system does not duplicate any existing agency or government-wide systems of records and fully complies with the Privacy Act and relevant Office of Management and Budget policies. If you have any questions regarding this system, please contact me at (202) 606-2308 or by email at (b)(6)@OPM.gov.

Sincerely,

A handwritten signature in cursive script that reads "Kellie Cosgrove Riley".

Kellie Cosgrove Riley  
Chief Privacy Officer

Enclosures



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 23 2017

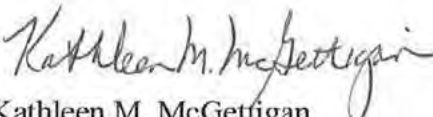
The Honorable Kevin Brady  
Chairman  
Ways and Means Committee  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

I am pleased to submit the initial report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This initial report provides information concerning documents that contain an individual's full social security number (SSN) and were sent by mail during the last fiscal year. In addition, it outlines a plan describing how the U.S. Office of Personnel Management will comply with the Act's requirement that an agency not send by mail any document containing SSNs unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



**Office of Personnel Management**  
*Social Security Number Fraud Prevention Act of 2017*  
Initial Report to Congress – October 2017

**I. Introduction**

This report is being submitted to Congress pursuant to the Social Security Number Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). The Act prohibits agencies from including an individual's full Social Security number (SSN) on any document that is sent by mail unless the head of the agency determines that including the SSN on the mailed document is necessary. The effective date of the Act is five years from enactment, but includes periodic reporting and other requirements leading up to its effective date.

This initial report includes information concerning documents that contain an individual's full SSN that the Office of Personnel Management (OPM) sent by mail in FY2017, as well as a plan describing how OPM will comply with the requirements of the Act.

**II. Legislative Language**

The Social Security Number Fraud Prevention Act of 2017 provides, in relevant part, as follows:

- (a) **Restriction.** An agency may not include the social security account number of an individual on any document sent by mail unless the head of the agency determines that the inclusion of the social security account number on the document is necessary.
- (b) **Regulations.** Not later than 5 years after the date of the enactment of this Act, the head of each CFO Act agency shall issue regulations specifying the circumstances under which inclusion of a social security account number on a document sent by mail is necessary. Such regulations shall include—
  - (1) instructions for the partial redaction of social security account numbers where feasible; and
  - (2) a requirement that social security account numbers not be visible on the outside of any package sent by mail.
- (c) **Report.** Not later than 30 days after the date of the enactment of this Act, and not later than the first, second, third, fourth, and fifth-year anniversary of such date of enactment, the head of each CFO Act agency shall submit to the Committee on Ways

and Means and the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate, and any other appropriate authorizing committees of the House of Representatives and the Senate, a report on the implementation of subsection (a) that includes the following:

- (1) The title and identification number of any document used by the CFO Act agency during the previous year that includes the complete social security account number of an individual.
- (2) For the first report submitted, a plan that describes how the CFO Act agency will comply with the requirements of subsection (a).
- (3) For the final report submitted, the title and identification number of each document used by the CFO Act agency for which the head of the agency has determined, in accordance with regulations issued pursuant to subsection (b), that the inclusion of a social security account number on such document is necessary, and the rationale for such determination.
- (4) For any other report that is not the first or final report submitted, an update on the implementation of the plan described under paragraph (2).

\*\*\*\*\*

- (e) Effective date. Subsection (a) shall apply with respect to any document sent by mail on or after the date that is 5 years after the date of the enactment of this Act.

### **III. Documents Sent by Mail Containing Full SSN**

Appendix A to this report contains an inventory of OPM documents that include an individual's full SSN and are sent by mail. For purposes of this report, we are interpreting "mail" to refer to the United States Postal Service and not include other means of sending paper documents, such as United Parcel Service or FedEx. Documents that contain an individual's full SSN that are sent electronically, such as by email, also are not included here.

In addition to the documents referenced in Appendix A, OPM may send other documents that contain a full SSN by mail in response to Privacy Act requests. This may occur when individuals request information about themselves under the Privacy Act, 5 U.S.C. § 552a. In those instances, if the requested records include documents with a full SSN, there is no basis to redact that information and it will be provided, often by mail, to the requester.

Appendix A also includes forms that OPM may send blank, but require that the recipient provide the information requested, including full SSN. The recipients of these documents generally fill them out and mail them back to OPM.

#### **IV. Implementation Plan**

In order to comply with the Act's prohibition on sending documents that contain full SSN by mail unless the OPM Director determines that the inclusion of the SSN is necessary, OPM will take the following steps:

- Compile a comprehensive inventory of documents that include full SSN and are sent by mail;
- Develop criteria for determining whether it is necessary to include the full SSN on a document sent by mail;
- Evaluate, for each document, whether the full SSN must be included on the document or whether it can be redacted in whole or in part;
- Determine, for each document, whether it can be sent by another means, such as UPS or FedEx (which would permit tracking in the event of a loss) or secure electronic transmission (such as encrypted email); and
- Develop a mechanism to record and maintain all decisions regarding whether it is necessary to include the full SSN on each document that is sent by mail.



**Appendix A: Documents Sent By Mail that Include Full Social Security Number**

<b>Identifying Number</b>	<b>Document Title</b>	<b>OPM Organization</b>
RI 16-028	Authorization for Direct Payments	RS
RI 20-007	Representative Payee Application	RS
RI 20-008	Need OWCP Status	RS
RI 20-017	Certification of Annuity Award	RS
RI 20-023	Verification of Service	RS
RI 20-037	Information Needed from Another Agency	RS
RI 20-038	Request Records from National Personnel Records Center	RS
RI 20-046	Information Requested Regarding a Reemployed Annuitant	RS
RI 20-063	Survivor Annuity for A Spouse	RS
RI 20-064A	Former Spouse Survivor Annuity Election	RS
RI 20-077	Verification of U.S. Military Svc	RS
RI 20-081	Request for Additional Information	RS
RI 20-089	Verification of Retired Pay Status	RS
RI 20-094	Statement CSRS/FERS Annuitants or Survivors	RS
RI 20-097	Estimated Earnings During Military Service	RS
RI 20-124	Cert of Service Performed as a Law Enforcement Officer, Firefighter, Nuclear	RS
RI 20-126	Certification of Qualifying DC Service Under Sect. 1905 of PL 111-84	RS
RI 25-014	Self-Certification of FT School Attendance	RS
RI 25-032	Need Info to Process Death Benefits	RS
RI 25-041	Initial Certification of FT School Attendance	RS

RI 25-045	Verification MRP Status for Survivors of Deceased Federal Employees	RS
RI 25-049	Verification of FT School Attendance	RS
RI 25-051	CSRS Survivor Annuitant Express Pay App for Death Benefits	RS
RI 30-010	Disabled Dependent Questionnaire	RS
RI 30-011	The Dependent Named May Be Eligible	RS
RI 34-001	Financial Resources Questionnaire	RS
RI 34-017	Financial Resources Questionnaire - FEGLI	RS
RI 34-018	Financial Resources Questionnaire - FEHB	RS
RI 36-021	A Former Employee May be Indebted to Your Agency	RS
RI 36-022	Your Request for Recovery of Debt is Unacceptable	RS
RI 36-059	Request Access to Open Edition UNIX on OPM SYSPLEX	RS
RI 38-024	More Information Needed	RS
RI 38-031	We Need More Information About Your Missing Payment	RS
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RI 38-039	Request for Individual Retirement Record	RS
RI 38-045	More Information Needed for the Person Named Below	RS
RI 38-049	Correction Needed to Individual Retirement Record	RS
RI 38-055	General Information About Court Awarded Benefits: CSRS & FERS	RS
RI 38-075	Verification of Annuity	RS
RI 38-084	Report Allegation of Suspected Fraud/Wrongdoing	RS
RI 38-107	Verification of Who is Getting Payments	RS
RI 38-115	Representative Payee Survey	RS
RI 38-117	Rollover Election	RS

RI 38-122	Alternative Annuity and Rollover Election	RS
RI 38-124	Voluntary Contributions Election	RS
RI 38-146	Request for OPF	RS
RI 38-147	Verification of Who is Getting Payments	RS
RI 75-005	Disabled Family Member Eligible for HB	RS
RI 76-003	More Information Needed to Determine Group LI	RS
RI 76-009	Certification of Insurance Status Deceased Annuitant Compensation	RS
RI 76-010	Assignment - FEGLI	RS
RI 76-013	Notice to OWCP of Life Insurance Elections	RS
RI 76-015	Convert Option C Life Insurance	RS
RI 76-027	Life Insurance Election Deceased Annuitant or Compensation Not Insured	RS
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RI 92-017	Request for Unused Sick Leave Balance	RS
RI 92-019	Application for Deferred/Postponed Retirement	RS
RI 92-025A	Foreign Service Dep Election	RS
RI 94-007	Death Benefit Payment Rollover Election Form - FERS	RS
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FE6-Dep	OFEGLI Statement Claim Option C	RS
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SF 2818	Continuation of LI Coverage - FEGLI	RS

SF 2819	Notice of Conversion - FEGLI	RS
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SF 2821	(SF 56) Agency Certification of Insurance Status - FEGLI	RS
SF 2822	Request for Insurance - FEGLI	RS
SF 2823	(SF 54) Designation of Beneficiary - FEGLI	RS
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SF 3101	Notice of Correction of Individual Retirement Record - FERS	RS
SF 3102	Designation of Beneficiary - FERS	RS
SF 3104	Application for Death Benefits - FERS	RS
SF 3104B	Documentation and Elections: Support of Appl. For Death Benefits - FERS	RS
SF 3106	Application for Refund of Retirement Deductions - FERS	RS
SF 3106A	Current/Former Spouse's Notification of Appl. For Refund of Ret. Ded. - FERS	RS
SF 3107	Application for Immediate Retirement - FERS	RS
SF 3107-1	Certified Summary of Federal Service - FERS	RS
SF 3107-2	Spouse's Consent to Survivor Election - FERS	RS
SF 3108	Application to Make Service Credit Payment.... FERS	RS
SF 3109	Election of Coverage - FERS	RS
SF 3110	Former Spouse's Consent to FERS Election	RS
SF 3111	Request for Waiver, Extension, or Search - FERS	RS
SF 3112	CSRS/FERS Documentation in Support of Disability Ret. Appl.	RS
SF 3112A	Current/Former Spouses Notification	RS
SF 3112B	Supervisor's Statement	RS
SF 3112C	Physician's Statement	RS

SF 3112D	Agency Certification of Reassignment	RS
SF 3112E	Disability Retirement Application Checklist	RS
SF 3116	Phased Employment/Phased Retirement Status Election	RS
Pattern Letter 1	Agency Approval Letter	RS-DRA
Pattern Letter 2	Agency Approval Letter - Separated	RS-DRA
Pattern Letter 3	Reconsideration - Disallow	RS-DRA
Pattern Letter 4	Notice of Untimeliness - Reconsideration	RS-DRA
Pattern Letter 5	Waiver - Time Limit	RS-DRA
Pattern Letter 6	Waiver - Time Limit - Two	RS-DRA
Pattern Letter 7	Reply to Request for Reconsideration of Disallow	RS-DRA
Pattern Letter 8	Reply to Request for Reconsideration of Disallow - Two	RS-DRA
Pattern Letter 9	Reconsideration Withdrawal Letter	RS-DRA
Pattern Letter 10	National Guard Technician Agency Approval Letter	RS-DRA
Pattern Letter 1	Need Additional Information (RI 38-24)	RS-RS&M
Pattern Letter 2	Change of Address Inquiry	RS-RS&M
Pattern Letter 1	Self Plus One Letter	RS-RE&S
Pattern Letter 1	COB Employee Approval Letter	RS-Claims 1
Pattern Letter 2	COB Employee Denial Letter	RS-Claims 1
Pattern Letter 1	Name Change Requested	RS-CSG
Pattern Letter 2	Reemployed Annuitant - Request for Information	RS-CSG
Pattern Letter 3	USDA Fax	RS-CSG
Pattern Letter 4	USDA Debt	RS-CSG
Pattern Letter 5	38-24 Need Additional Information	RS-CSG
Pattern Letter 6	Information for Your Retirement Records (36-10-2)	RS-CSG
Pattern Letter 7	All Deductions Refunded - New	RS-CSG

Pattern Letter 8	36-28	RS-CSG
Pattern Letter 9	PRM Note	RS-CSG
Pattern Letter 11	Request for Change to Unreduced Annuity (from ORION)	RS-CSG
Pattern Letter 12 (CMS-L564E)	Request for Employment Information	RS-CSG
Pattern Letter 13 (VA-21-4192)	Request for Employment Information: Claim for Disability	RS-CSG
Pattern Letter 14 (SSA-58)	Modified Benefit Formula Questionnaire - Employer	RS-CSG
Pattern Letter 15 (SSA-131)	Employer Report of Special Wage Payments	RS-CSG
	Debt Management Letter	CFO
	Reclamation Letter	CFO
	Funds Management Letter	CFO
IRS 1099		CFO, OCIO, CLIA
	Credit Report	SuitEA
	Master Inappropriate Agency Adjudication Letter New-Converted	SuitEA
	Master Inappropriate Agency Adjudication Letter New for NASA	SuitEA
	Master Inappropriate Agency Adjudication Letter New for VA	SuitEA
	Request for Determination or Advisory	SuitEA
	Agency Notification Letter; Removal re: Settlement of Appealed Actions	SuitEA
	Agency Notification Letter; Ineligible re: Settlement of Appealed Actions	SuitEA
	Investigative results; most often sent as Materials Relied Upon (MRU) package	SuitEA
IRS 1042	Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	OCIO

W-2	Wage and Tax Statement	OCIO
IRS 1095c	Employer-Provided Health Insurance Offer and Coverage	OCIO
	Member records requested in connection with a disputed claim or request for external review	HI
	Visit Access Letter	FSEM
	Letters of Accreditation	FSEM
	Earnings and Leave Statement	ES/OPMHR
	Verification of Health Insurance Coverage for Court Ordered Coverage	ES/OPMHR
SF 50	Notification of Personnel Action	ES/OPMHR
SF 52	Request for Personnel Action	ES/OPMHR
CMS-L564	Request for Employment Information	ES/OPMHR
OPM1626	Application to Join the OPM Leave Bank	ES/OPMHR
OPM1627	Leave Recipient Application Under the OPM Voluntary Leave Bank Program	ES/OPMHR
OPM 1459-B	Performance Appraisal Form for OPM Employees	ES/OPMHR
OPM 1459-E	Supervisory Performance Agreement	ES/OPMHR
OMB Control No. 1845-0110	Public Service Loan Forgiveness (PSLF): Employment Certification Form	ES/OPMHR
CA 1	Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation	ES/OPMHR
CA 2	Notice of Occupational Disease and Claim for Compensation	ES/OPMHR
CA 7	Claim for Compensation	ES/OPMHR
SF 1150	Record of Leave Data	ES/OPMHR
various	Electronic Official Personnel Folder	ES/OPMHR



INV 40	General Request for Investigative Information	NBIB
INV 41	Request for Employment and Supervisor Information	NBIB
INV 43	Request for Educational Registrar and Dean of Students Records	NBIB
INV 44	Request for Law Enforcement Data	NBIB
	Advanced NAC Status Report	NBIB
	Advanced NAC Report	NBIB
	Advanced Fingerprint Report	NBIB
	Case Closing Transmittal	NBIB
	Case Assignment Transmittal	NBIB
	Closed Incomplete Notice	NBIB
	Discontinued Cases	NBIB
COI	Certificate of Investigation	NBIB
79A	Report of Agency Adjudicative Action	NBIB
SF 86	Questionnaire for National Security Positions, to include the general and medical releases	NBIB
SF 85	Questionnaire for Non-Sensitive Positions, to include the general release	NBIB
SF 85P	Questionnaire for Public Trust Positions, to include the general release	NBIB
SF 85PS	Supplemental Questionnaire for Selected Positions,	NBIB
SF 171	Application for Federal Employment	NBIB
OF 301	Declaration for Federal Employment	NBIB
OF 612	Optional Application for Federal Employment	NBIB
FIPC 391	Certification of Amended Investigation Form	NBIB

OFI-16A	Specific Release	NBIB
	Fair Credit Reporting Act Release	NBIB
4506 T	IRS Tax Release	NBIB
FIPC 401	File Release Form	NBIB
FIPC 402	Agency Adjudicative Action on FBI Post Appointment Arrest	NBIB
FIPC 403	Duplicate Case Issue – Agency Adjudicative Action	NBIB
FIPC 70B	Investigative Record Amend	NBIB
FIPC 62	Additional Processing on Closed Investigation	NBIB
FIPC 230	SII Considered	NBIB
FIPC 553	Reopen Request Form	NBIB
FIPC 554	RSI Request Form	NBIB
various (including previously listed documents)	Reports of Investigations	NBIB
various	Other Government agency records, provided to NBIB as part of the investigation process (e.g., FBI criminal history report; FBI post-appointment arrest report; investigations from other ISPs such as D/State; FBI Name Check; and INS SAVE results)	NBIB



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 23 2017

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

Dear Mr. Chairman:

I am pleased to submit the initial report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This initial report provides information concerning documents that contain an individual's full social security number (SSN) and were sent by mail during the last fiscal year. In addition, it outlines a plan describing how the U.S. Office of Personnel Management will comply with the Act's requirement that an agency not send by mail any document containing SSNs unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure



**Office of Personnel Management**  
*Social Security Number Fraud Prevention Act of 2017*  
Initial Report to Congress – October 2017

**I. Introduction**

This report is being submitted to Congress pursuant to the Social Security Number Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). The Act prohibits agencies from including an individual's full Social Security number (SSN) on any document that is sent by mail unless the head of the agency determines that including the SSN on the mailed document is necessary. The effective date of the Act is five years from enactment, but includes periodic reporting and other requirements leading up to its effective date.

This initial report includes information concerning documents that contain an individual's full SSN that the Office of Personnel Management (OPM) sent by mail in FY2017, as well as a plan describing how OPM will comply with the requirements of the Act.

**II. Legislative Language**

The Social Security Number Fraud Prevention Act of 2017 provides, in relevant part, as follows:

- (a) **Restriction.** An agency may not include the social security account number of an individual on any document sent by mail unless the head of the agency determines that the inclusion of the social security account number on the document is necessary.
- (b) **Regulations.** Not later than 5 years after the date of the enactment of this Act, the head of each CFO Act agency shall issue regulations specifying the circumstances under which inclusion of a social security account number on a document sent by mail is necessary. Such regulations shall include—
  - (1) instructions for the partial redaction of social security account numbers where feasible; and
  - (2) a requirement that social security account numbers not be visible on the outside of any package sent by mail.
- (c) **Report.** Not later than 30 days after the date of the enactment of this Act, and not later than the first, second, third, fourth, and fifth-year anniversary of such date of enactment, the head of each CFO Act agency shall submit to the Committee on Ways

and Means and the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate, and any other appropriate authorizing committees of the House of Representatives and the Senate, a report on the implementation of subsection (a) that includes the following:

- (1) The title and identification number of any document used by the CFO Act agency during the previous year that includes the complete social security account number of an individual.
- (2) For the first report submitted, a plan that describes how the CFO Act agency will comply with the requirements of subsection (a).
- (3) For the final report submitted, the title and identification number of each document used by the CFO Act agency for which the head of the agency has determined, in accordance with regulations issued pursuant to subsection (b), that the inclusion of a social security account number on such document is necessary, and the rationale for such determination.
- (4) For any other report that is not the first or final report submitted, an update on the implementation of the plan described under paragraph (2).

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- (e) Effective date. Subsection (a) shall apply with respect to any document sent by mail on or after the date that is 5 years after the date of the enactment of this Act.

### **III. Documents Sent by Mail Containing Full SSN**

Appendix A to this report contains an inventory of OPM documents that include an individual's full SSN and are sent by mail. For purposes of this report, we are interpreting "mail" to refer to the United States Postal Service and not include other means of sending paper documents, such as United Parcel Service or FedEx. Documents that contain an individual's full SSN that are sent electronically, such as by email, also are not included here.

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Appendix A also includes forms that OPM may send blank, but require that the recipient provide the information requested, including full SSN. The recipients of these documents generally fill them out and mail them back to OPM.

#### **IV. Implementation Plan**

In order to comply with the Act's prohibition on sending documents that contain full SSN by mail unless the OPM Director determines that the inclusion of the SSN is necessary, OPM will take the following steps:

- Compile a comprehensive inventory of documents that include full SSN and are sent by mail;
- Develop criteria for determining whether it is necessary to include the full SSN on a document sent by mail;
- Evaluate, for each document, whether the full SSN must be included on the document or whether it can be redacted in whole or in part;
- Determine, for each document, whether it can be sent by another means, such as UPS or FedEx (which would permit tracking in the event of a loss) or secure electronic transmission (such as encrypted email); and
- Develop a mechanism to record and maintain all decisions regarding whether it is necessary to include the full SSN on each document that is sent by mail.

**Appendix A: Documents Sent By Mail that Include Full Social Security Number**

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SF 3106	Application for Refund of Retirement Deductions - FERS	RS
SF 3106A	Current/Former Spouse's Notification of Appl. For Refund of Ret. Ded. - FERS	RS
SF 3107	Application for Immediate Retirement - FERS	RS
SF 3107-1	Certified Summary of Federal Service - FERS	RS
SF 3107-2	Spouse's Consent to Survivor Election - FERS	RS
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SF 3110	Former Spouse's Consent to FERS Election	RS
SF 3111	Request for Waiver, Extension, or Search - FERS	RS
SF 3112	CSRS/FERS Documentation in Support of Disability Ret. Appl.	RS
SF 3112A	Current/Former Spouses Notification	RS
SF 3112B	Supervisor's Statement	RS
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SF 3112D	Agency Certification of Reassignment	RS
SF 3112E	Disability Retirement Application Checklist	RS
SF 3116	Phased Employment/Phased Retirement Status Election	RS
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	Reclamation Letter	CFO
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	Credit Report	SuitEA
	Master Inappropriate Agency Adjudication Letter New-Converted	SuitEA
	Master Inappropriate Agency Adjudication Letter New for NASA	SuitEA
	Master Inappropriate Agency Adjudication Letter New for VA	SuitEA
	Request for Determination or Advisory	SuitEA
	Agency Notification Letter; Removal re: Settlement of Appealed Actions	SuitEA
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FIPC 554	RSI Request Form	NBIB
various (including previously listed documents)	Reports of Investigations	NBIB
various	Other Government agency records, provided to NBIB as part of the investigation process (e.g., FBI criminal history report; FBI post-appointment arrest report; investigations from other ISPs such as D/State; FBI Name Check; and INS SAVE results)	NBIB





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 23 2017

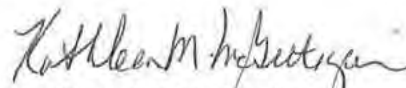
The Honorable Orrin G. Hatch  
Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

I am pleased to submit the initial report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This initial report provides information concerning documents that contain an individual's full social security number (SSN) and were sent by mail during the last fiscal year. In addition, it outlines a plan describing how the U.S. Office of Personnel Management will comply with the Act's requirement that an agency not send by mail any document containing SSNs unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



**Office of Personnel Management**  
*Social Security Number Fraud Prevention Act of 2017*  
Initial Report to Congress – October 2017

**I. Introduction**

This report is being submitted to Congress pursuant to the Social Security Number Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). The Act prohibits agencies from including an individual's full Social Security number (SSN) on any document that is sent by mail unless the head of the agency determines that including the SSN on the mailed document is necessary. The effective date of the Act is five years from enactment, but includes periodic reporting and other requirements leading up to its effective date.

This initial report includes information concerning documents that contain an individual's full SSN that the Office of Personnel Management (OPM) sent by mail in FY2017, as well as a plan describing how OPM will comply with the requirements of the Act.

**II. Legislative Language**

The Social Security Number Fraud Prevention Act of 2017 provides, in relevant part, as follows:

- (a) **Restriction.** An agency may not include the social security account number of an individual on any document sent by mail unless the head of the agency determines that the inclusion of the social security account number on the document is necessary.
- (b) **Regulations.** Not later than 5 years after the date of the enactment of this Act, the head of each CFO Act agency shall issue regulations specifying the circumstances under which inclusion of a social security account number on a document sent by mail is necessary. Such regulations shall include—
  - (1) instructions for the partial redaction of social security account numbers where feasible; and
  - (2) a requirement that social security account numbers not be visible on the outside of any package sent by mail.
- (c) **Report.** Not later than 30 days after the date of the enactment of this Act, and not later than the first, second, third, fourth, and fifth-year anniversary of such date of enactment, the head of each CFO Act agency shall submit to the Committee on Ways

and Means and the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate, and any other appropriate authorizing committees of the House of Representatives and the Senate, a report on the implementation of subsection (a) that includes the following:

- (1) The title and identification number of any document used by the CFO Act agency during the previous year that includes the complete social security account number of an individual.
- (2) For the first report submitted, a plan that describes how the CFO Act agency will comply with the requirements of subsection (a).
- (3) For the final report submitted, the title and identification number of each document used by the CFO Act agency for which the head of the agency has determined, in accordance with regulations issued pursuant to subsection (b), that the inclusion of a social security account number on such document is necessary, and the rationale for such determination.
- (4) For any other report that is not the first or final report submitted, an update on the implementation of the plan described under paragraph (2).

\*\*\*\*\*

- (e) Effective date. Subsection (a) shall apply with respect to any document sent by mail on or after the date that is 5 years after the date of the enactment of this Act.

### **III. Documents Sent by Mail Containing Full SSN**

Appendix A to this report contains an inventory of OPM documents that include an individual's full SSN and are sent by mail. For purposes of this report, we are interpreting "mail" to refer to the United States Postal Service and not include other means of sending paper documents, such as United Parcel Service or FedEx. Documents that contain an individual's full SSN that are sent electronically, such as by email, also are not included here.

In addition to the documents referenced in Appendix A, OPM may send other documents that contain a full SSN by mail in response to Privacy Act requests. This may occur when individuals request information about themselves under the Privacy Act, 5 U.S.C. § 552a. In those instances, if the requested records include documents with a full SSN, there is no basis to redact that information and it will be provided, often by mail, to the requester.

Appendix A also includes forms that OPM may send blank, but require that the recipient provide the information requested, including full SSN. The recipients of these documents generally fill them out and mail them back to OPM.

#### **IV. Implementation Plan**

In order to comply with the Act's prohibition on sending documents that contain full SSN by mail unless the OPM Director determines that the inclusion of the SSN is necessary, OPM will take the following steps:

- Compile a comprehensive inventory of documents that include full SSN and are sent by mail;
- Develop criteria for determining whether it is necessary to include the full SSN on a document sent by mail;
- Evaluate, for each document, whether the full SSN must be included on the document or whether it can be redacted in whole or in part;
- Determine, for each document, whether it can be sent by another means, such as UPS or FedEx (which would permit tracking in the event of a loss) or secure electronic transmission (such as encrypted email); and
- Develop a mechanism to record and maintain all decisions regarding whether it is necessary to include the full SSN on each document that is sent by mail.

**Appendix A: Documents Sent By Mail that Include Full Social Security Number**

<b>Identifying Number</b>	<b>Document Title</b>	<b>OPM Organization</b>
RI 16-028	Authorization for Direct Payments	RS
RI 20-007	Representative Payee Application	RS
RI 20-008	Need OWCP Status	RS
RI 20-017	Certification of Annuity Award	RS
RI 20-023	Verification of Service	RS
RI 20-037	Information Needed from Another Agency	RS
RI 20-038	Request Records from National Personnel Records Center	RS
RI 20-046	Information Requested Regarding a Reemployed Annuitant	RS
RI 20-063	Survivor Annuity for A Spouse	RS
RI 20-064A	Former Spouse Survivor Annuity Election	RS
RI 20-077	Verification of U.S. Military Svc	RS
RI 20-081	Request for Additional Information	RS
RI 20-089	Verification of Retired Pay Status	RS
RI 20-094	Statement CSRS/FERS Annuitants or Survivors	RS
RI 20-097	Estimated Earnings During Military Service	RS
RI 20-124	Cert of Service Performed as a Law Enforcement Officer, Firefighter, Nuclear	RS
RI 20-126	Certification of Qualifying DC Service Under Sect. 1905 of PL 111-84	RS
RI 25-014	Self-Certification of FT School Attendance	RS
RI 25-032	Need Info to Process Death Benefits	RS
RI 25-041	Initial Certification of FT School Attendance	RS

RI 25-045	Verification MRP Status for Survivors of Deceased Federal Employees	RS
RI 25-049	Verification of FT School Attendance	RS
RI 25-051	CSRS Survivor Annuitant Express Pay App for Death Benefits	RS
RI 30-010	Disabled Dependent Questionnaire	RS
RI 30-011	The Dependent Named May Be Eligible	RS
RI 34-001	Financial Resources Questionnaire	RS
RI 34-017	Financial Resources Questionnaire - FEGLI	RS
RI 34-018	Financial Resources Questionnaire - FEHB	RS
RI 36-021	A Former Employee May be Indebted to Your Agency	RS
RI 36-022	Your Request for Recovery of Debt is Unacceptable	RS
RI 36-059	Request Access to Open Edition UNIX on OPM SYSPLEX	RS
RI 38-024	More Information Needed	RS
RI 38-031	We Need More Information About Your Missing Payment	RS
RI 38-033	Request for Verification of OASDI Eligibility	RS
RI 38-039	Request for Individual Retirement Record	RS
RI 38-045	More Information Needed for the Person Named Below	RS
RI 38-049	Correction Needed to Individual Retirement Record	RS
RI 38-055	General Information About Court Awarded Benefits: CSRS & FERS	RS
RI 38-075	Verification of Annuity	RS
RI 38-084	Report Allegation of Suspected Fraud/Wrongdoing	RS
RI 38-107	Verification of Who is Getting Payments	RS
RI 38-115	Representative Payee Survey	RS
RI 38-117	Rollover Election	RS

RI 38-122	Alternative Annuity and Rollover Election	RS
RI 38-124	Voluntary Contributions Election	RS
RI 38-146	Request for OPF	RS
RI 38-147	Verification of Who is Getting Payments	RS
RI 75-005	Disabled Family Member Eligible for HB	RS
RI 76-003	More Information Needed to Determine Group LI	RS
RI 76-009	Certification of Insurance Status Deceased Annuitant Compensation	RS
RI 76-010	Assignment - FEGLI	RS
RI 76-013	Notice to OWCP of Life Insurance Elections	RS
RI 76-015	Convert Option C Life Insurance	RS
RI 76-027	Life Insurance Election Deceased Annuitant or Compensation Not Insured	RS
RI 79-008	Your Immediate Action Is Needed	RS
RI 79-009	Health Benefits Cancellation/Suspension Confirmation	RS
RI 92-017	Request for Unused Sick Leave Balance	RS
RI 92-019	Application for Deferred/Postponed Retirement	RS
RI 92-025A	Foreign Service Dep Election	RS
RI 94-007	Death Benefit Payment Rollover Election Form - FERS	RS
CSA 1099R	Statement of Annuity Paid (Form 1099-R [Treasury/IRS**])	RS
CSF 1099R	Statement of Survivor Annuity Paid (Form 1099-R [Treasury/IRS**])	RS
FE6	Claim for Death Benefits - FEGLI	RS
FE6-Dep	OFEGLI Statement Claim Option C	RS
FE7	Claim for Dismember Benefits - FEGLI	RS
FE8-C	Election of Living Benefit - FEGLI	RS
OPM 1496	Application for Deferred Retirement (Separations before	RS

	9/20/1956)	
OPM 1496A	Application for Deferred Retirement (Separations after 10/1/1956)	RS
OPM 1538	Statement Regarding Former Spouse	RS
OPM 2809	Health Benefits Election Form	RS
SF 0050 SF 0127	Personnel Action Request for OPF	RS
SF 0180	Request Pertaining to Military Records	RS
SF 2800	Application for Death Benefits - CSRS	RS
SF 2800A	Documentation and Elections in Support of Appl. For Death Benefits	RS
SF 2801	Application for Immediate Retirement - CSRS	RS
SF 2801-1	Certified Summary of Federal Service	RS
SF 2801-2	Survivor Consent Form	RS
SF 2802	Application for Refund of Retirement Deductions - CSRS	RS
SF 2802A	Current/Former Spouse's Notification of Appl. For Refund of Retirement Deduction	RS
SF 2803	Application to Make Deposit - CSRS	RS
SF 2804	Application to Make Voluntary Contributions - CSRS	RS
SF 2805	Request for Recovery of Debt Due the US	RS
SF 2806	Individual Retirement Record - CSRS	RS
SF 2806-1	Notice of Correction of Individual Retirement Record - CSRS	RS
SF 2808	Designation of Beneficiary - CSRS	RS
SF 2809	Health Benefits Election Form	RS
SF 2810	Notice of Change in HB Enrollment	RS
SF 2817	(SF 176/SF 176T) Life Insurance Election - FEGLI	RS
SF 2818	Continuation of LI Coverage - FEGLI	RS



SF 2819	Notice of Conversion - FEGLI	RS
SF 2820	(SF 49) Employee's Retired Status	RS
SF 2821	(SF 56) Agency Certification of Insurance Status - FEGLI	RS
SF 2822	Request for Insurance - FEGLI	RS
SF 2823	(SF 54) Designation of Beneficiary - FEGLI	RS
SF 3100	Individual Retirement Record - FERS	RS
SF 3101	Notice of Correction of Individual Retirement Record - FERS	RS
SF 3102	Designation of Beneficiary - FERS	RS
SF 3104	Application for Death Benefits - FERS	RS
SF 3104B	Documentation and Elections: Support of Appl. For Death Benefits - FERS	RS
SF 3106	Application for Refund of Retirement Deductions - FERS	RS
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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 23 2017

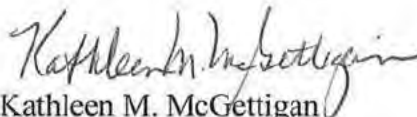
The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

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Sincerely,

  
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Acting Director

Enclosure



**Office of Personnel Management**  
*Social Security Number Fraud Prevention Act of 2017*  
Initial Report to Congress – October 2017

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  - (1) instructions for the partial redaction of social security account numbers where feasible; and
  - (2) a requirement that social security account numbers not be visible on the outside of any package sent by mail.
- (c) **Report.** Not later than 30 days after the date of the enactment of this Act, and not later than the first, second, third, fourth, and fifth-year anniversary of such date of enactment, the head of each CFO Act agency shall submit to the Committee on Ways



and Means and the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate, and any other appropriate authorizing committees of the House of Representatives and the Senate, a report on the implementation of subsection (a) that includes the following:

- (1) The title and identification number of any document used by the CFO Act agency during the previous year that includes the complete social security account number of an individual.
- (2) For the first report submitted, a plan that describes how the CFO Act agency will comply with the requirements of subsection (a).
- (3) For the final report submitted, the title and identification number of each document used by the CFO Act agency for which the head of the agency has determined, in accordance with regulations issued pursuant to subsection (b), that the inclusion of a social security account number on such document is necessary, and the rationale for such determination.
- (4) For any other report that is not the first or final report submitted, an update on the implementation of the plan described under paragraph (2).

\*\*\*\*\*

- (e) Effective date. Subsection (a) shall apply with respect to any document sent by mail on or after the date that is 5 years after the date of the enactment of this Act.

### **III. Documents Sent by Mail Containing Full SSN**

Appendix A to this report contains an inventory of OPM documents that include an individual's full SSN and are sent by mail. For purposes of this report, we are interpreting "mail" to refer to the United States Postal Service and not include other means of sending paper documents, such as United Parcel Service or FedEx. Documents that contain an individual's full SSN that are sent electronically, such as by email, also are not included here.

In addition to the documents referenced in Appendix A, OPM may send other documents that contain a full SSN by mail in response to Privacy Act requests. This may occur when individuals request information about themselves under the Privacy Act, 5 U.S.C. § 552a. In those instances, if the requested records include documents with a full SSN, there is no basis to redact that information and it will be provided, often by mail, to the requester.

Appendix A also includes forms that OPM may send blank, but require that the recipient provide the information requested, including full SSN. The recipients of these documents generally fill them out and mail them back to OPM.

#### **IV. Implementation Plan**

In order to comply with the Act's prohibition on sending documents that contain full SSN by mail unless the OPM Director determines that the inclusion of the SSN is necessary, OPM will take the following steps:

- Compile a comprehensive inventory of documents that include full SSN and are sent by mail;
- Develop criteria for determining whether it is necessary to include the full SSN on a document sent by mail;
- Evaluate, for each document, whether the full SSN must be included on the document or whether it can be redacted in whole or in part;
- Determine, for each document, whether it can be sent by another means, such as UPS or FedEx (which would permit tracking in the event of a loss) or secure electronic transmission (such as encrypted email); and
- Develop a mechanism to record and maintain all decisions regarding whether it is necessary to include the full SSN on each document that is sent by mail.

**Appendix A: Documents Sent By Mail that Include Full Social Security Number**

<b>Identifying Number</b>	<b>Document Title</b>	<b>OPM Organization</b>
RI 16-028	Authorization for Direct Payments	RS
RI 20-007	Representative Payee Application	RS
RI 20-008	Need OWCP Status	RS
RI 20-017	Certification of Annuity Award	RS
RI 20-023	Verification of Service	RS
RI 20-037	Information Needed from Another Agency	RS
RI 20-038	Request Records from National Personnel Records Center	RS
RI 20-046	Information Requested Regarding a Reemployed Annuitant	RS
RI 20-063	Survivor Annuity for A Spouse	RS
RI 20-064A	Former Spouse Survivor Annuity Election	RS
RI 20-077	Verification of U.S. Military Svc	RS
RI 20-081	Request for Additional Information	RS
RI 20-089	Verification of Retired Pay Status	RS
RI 20-094	Statement CSRS/FERS Annuitants or Survivors	RS
RI 20-097	Estimated Earnings During Military Service	RS
RI 20-124	Cert of Service Performed as a Law Enforcement Officer, Firefighter, Nuclear	RS
RI 20-126	Certification of Qualifying DC Service Under Sect. 1905 of PL 111-84	RS
RI 25-014	Self-Certification of FT School Attendance	RS
RI 25-032	Need Info to Process Death Benefits	RS
RI 25-041	Initial Certification of FT School Attendance	RS

RI 25-045	Verification MRP Status for Survivors of Deceased Federal Employees	RS
RI 25-049	Verification of FT School Attendance	RS
RI 25-051	CSRS Survivor Annuitant Express Pay App for Death Benefits	RS
RI 30-010	Disabled Dependent Questionnaire	RS
RI 30-011	The Dependent Named May Be Eligible	RS
RI 34-001	Financial Resources Questionnaire	RS
RI 34-017	Financial Resources Questionnaire - FEGLI	RS
RI 34-018	Financial Resources Questionnaire - FEHB	RS
RI 36-021	A Former Employee May be Indebted to Your Agency	RS
RI 36-022	Your Request for Recovery of Debt is Unacceptable	RS
RI 36-059	Request Access to Open Edition UNIX on OPM SYSPLEX	RS
RI 38-024	More Information Needed	RS
RI 38-031	We Need More Information About Your Missing Payment	RS
RI 38-033	Request for Verification of OASDI Eligibility	RS
RI 38-039	Request for Individual Retirement Record	RS
RI 38-045	More Information Needed for the Person Named Below	RS
RI 38-049	Correction Needed to Individual Retirement Record	RS
RI 38-055	General Information About Court Awarded Benefits: CSRS & FERS	RS
RI 38-075	Verification of Annuity	RS
RI 38-084	Report Allegation of Suspected Fraud/Wrongdoing	RS
RI 38-107	Verification of Who is Getting Payments	RS
RI 38-115	Representative Payee Survey	RS
RI 38-117	Rollover Election	RS

RI 38-122	Alternative Annuity and Rollover Election	RS
RI 38-124	Voluntary Contributions Election	RS
RI 38-146	Request for OPF	RS
RI 38-147	Verification of Who is Getting Payments	RS
RI 75-005	Disabled Family Member Eligible for HB	RS
RI 76-003	More Information Needed to Determine Group LI	RS
RI 76-009	Certification of Insurance Status Deceased Annuitant Compensation	RS
RI 76-010	Assignment - FEGLI	RS
RI 76-013	Notice to OWCP of Life Insurance Elections	RS
RI 76-015	Convert Option C Life Insurance	RS
RI 76-027	Life Insurance Election Deceased Annuitant or Compensation Not Insured	RS
RI 79-008	Your Immediate Action Is Needed	RS
RI 79-009	Health Benefits Cancellation/Suspension Confirmation	RS
RI 92-017	Request for Unused Sick Leave Balance	RS
RI 92-019	Application for Deferred/Postponed Retirement	RS
RI 92-025A	Foreign Service Dep Election	RS
RI 94-007	Death Benefit Payment Rollover Election Form - FERS	RS
CSA 1099R	Statement of Annuity Paid (Form 1099-R [Treasury/IRS**])	RS
CSF 1099R	Statement of Survivor Annuity Paid (Form 1099-R [Treasury/IRS**])	RS
FE6	Claim for Death Benefits - FEGLI	RS
FE6-Dep	OFEGLI Statement Claim Option C	RS
FE7	Claim for Dismember Benefits - FEGLI	RS
FE8-C	Election of Living Benefit - FEGLI	RS
OPM 1496	Application for Deferred Retirement (Separations before	RS

	9/20/1956)	
OPM 1496A	Application for Deferred Retirement (Separations after 10/1/1956)	RS
OPM 1538	Statement Regarding Former Spouse	RS
OPM 2809	Health Benefits Election Form	RS
SF 0050 SF 0127	Personnel Action Request for OPF	RS
SF 0180	Request Pertaining to Military Records	RS
SF 2800	Application for Death Benefits - CSRS	RS
SF 2800A	Documentation and Elections in Support of Appl. For Death Benefits	RS
SF 2801	Application for Immediate Retirement - CSRS	RS
SF 2801-1	Certified Summary of Federal Service	RS
SF 2801-2	Survivor Consent Form	RS
SF 2802	Application for Refund of Retirement Deductions - CSRS	RS
SF 2802A	Current/Former Spouse's Notification of Appl. For Refund of Retirement Deduction	RS
SF 2803	Application to Make Deposit - CSRS	RS
SF 2804	Application to Make Voluntary Contributions - CSRS	RS
SF 2805	Request for Recovery of Debt Due the US	RS
SF 2806	Individual Retirement Record - CSRS	RS
SF 2806-1	Notice of Correction of Individual Retirement Record - CSRS	RS
SF 2808	Designation of Beneficiary - CSRS	RS
SF 2809	Health Benefits Election Form	RS
SF 2810	Notice of Change in HB Enrollment	RS
SF 2817	(SF 176/SF 176T) Life Insurance Election - FEGLI	RS
SF 2818	Continuation of LI Coverage - FEGLI	RS

SF 2819	Notice of Conversion - FEGLI	RS
SF 2820	(SF 49) Employee's Retired Status	RS
SF 2821	(SF 56) Agency Certification of Insurance Status - FEGLI	RS
SF 2822	Request for Insurance - FEGLI	RS
SF 2823	(SF 54) Designation of Beneficiary - FEGLI	RS
SF 3100	Individual Retirement Record - FERS	RS
SF 3101	Notice of Correction of Individual Retirement Record - FERS	RS
SF 3102	Designation of Beneficiary - FERS	RS
SF 3104	Application for Death Benefits - FERS	RS
SF 3104B	Documentation and Elections: Support of Appl. For Death Benefits - FERS	RS
SF 3106	Application for Refund of Retirement Deductions - FERS	RS
SF 3106A	Current/Former Spouse's Notification of Appl. For Refund of Ret. Ded. - FERS	RS
SF 3107	Application for Immediate Retirement - FERS	RS
SF 3107-1	Certified Summary of Federal Service - FERS	RS
SF 3107-2	Spouse's Consent to Survivor Election - FERS	RS
SF 3108	Application to Make Service Credit Payment.... FERS	RS
SF 3109	Election of Coverage - FERS	RS
SF 3110	Former Spouse's Consent to FERS Election	RS
SF 3111	Request for Waiver, Extension, or Search - FERS	RS
SF 3112	CSRS/FERS Documentation in Support of Disability Ret. Appl.	RS
SF 3112A	Current/Former Spouses Notification	RS
SF 3112B	Supervisor's Statement	RS
SF 3112C	Physician's Statement	RS

SF 3112D	Agency Certification of Reassignment	RS
SF 3112E	Disability Retirement Application Checklist	RS
SF 3116	Phased Employment/Phased Retirement Status Election	RS
Pattern Letter 1	Agency Approval Letter	RS-DRA
Pattern Letter 2	Agency Approval Letter - Separated	RS-DRA
Pattern Letter 3	Reconsideration - Disallow	RS-DRA
Pattern Letter 4	Notice of Untimeliness - Reconsideration	RS-DRA
Pattern Letter 5	Waiver - Time Limit	RS-DRA
Pattern Letter 6	Waiver - Time Limit - Two	RS-DRA
Pattern Letter 7	Reply to Request for Reconsideration of Disallow	RS-DRA
Pattern Letter 8	Reply to Request for Reconsideration of Disallow - Two	RS-DRA
Pattern Letter 9	Reconsideration Withdrawal Letter	RS-DRA
Pattern Letter 10	National Guard Technician Agency Approval Letter	RS-DRA
Pattern Letter 1	Need Additional Information (RI 38-24)	RS-RS&M
Pattern Letter 2	Change of Address Inquiry	RS-RS&M
Pattern Letter 1	Self Plus One Letter	RS-RE&S
Pattern Letter 1	COB Employee Approval Letter	RS-Claims 1
Pattern Letter 2	COB Employee Denial Letter	RS-Claims 1
Pattern Letter 1	Name Change Requested	RS-CSG
Pattern Letter 2	Reemployed Annuitant - Request for Information	RS-CSG
Pattern Letter 3	USDA Fax	RS-CSG
Pattern Letter 4	USDA Debt	RS-CSG
Pattern Letter 5	38-24 Need Additional Information	RS-CSG
Pattern Letter 6	Information for Your Retirement Records (36-10-2)	RS-CSG
Pattern Letter 7	All Deductions Refunded - New	RS-CSG



Pattern Letter 8	36-28	RS-CSG
Pattern Letter 9	PRM Note	RS-CSG
Pattern Letter 11	Request for Change to Unreduced Annuity (from ORION)	RS-CSG
Pattern Letter 12 (CMS-L564E)	Request for Employment Information	RS-CSG
Pattern Letter 13 (VA-21-4192)	Request for Employment Information: Claim for Disability	RS-CSG
Pattern Letter 14 (SSA-58)	Modified Benefit Formula Questionnaire - Employer	RS-CSG
Pattern Letter 15 (SSA-131)	Employer Report of Special Wage Payments	RS-CSG
	Debt Management Letter	CFO
	Reclamation Letter	CFO
	Funds Management Letter	CFO
IRS 1099		CFO, OCIO, CLIA
	Credit Report	SuitEA
	Master Inappropriate Agency Adjudication Letter New-Converted	SuitEA
	Master Inappropriate Agency Adjudication Letter New for NASA	SuitEA
	Master Inappropriate Agency Adjudication Letter New for VA	SuitEA
	Request for Determination or Advisory	SuitEA
	Agency Notification Letter; Removal re: Settlement of Appealed Actions	SuitEA
	Agency Notification Letter; Ineligible re: Settlement of Appealed Actions	SuitEA
	Investigative results; most often sent as Materials Relied Upon (MRU) package	SuitEA
IRS 1042	Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	OCIO

W-2	Wage and Tax Statement	OCIO
IRS 1095c	Employer-Provided Health Insurance Offer and Coverage	OCIO
	Member records requested in connection with a disputed claim or request for external review	HI
	Visit Access Letter	FSEM
	Letters of Accreditation	FSEM
	Earnings and Leave Statement	ES/OPMHR
	Verification of Health Insurance Coverage for Court Ordered Coverage	ES/OPMHR
SF 50	Notification of Personnel Action	ES/OPMHR
SF 52	Request for Personnel Action	ES/OPMHR
CMS-L564	Request for Employment Information	ES/OPMHR
OPM1626	Application to Join the OPM Leave Bank	ES/OPMHR
OPM1627	Leave Recipient Application Under the OPM Voluntary Leave Bank Program	ES/OPMHR
OPM 1459-B	Performance Appraisal Form for OPM Employees	ES/OPMHR
OPM 1459-E	Supervisory Performance Agreement	ES/OPMHR
OMB Control No. 1845-0110	Public Service Loan Forgiveness (PSLF): Employment Certification Form	ES/OPMHR
CA 1	Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation	ES/OPMHR
CA 2	Notice of Occupational Disease and Claim for Compensation	ES/OPMHR
CA 7	Claim for Compensation	ES/OPMHR
SF 1150	Record of Leave Data	ES/OPMHR
various	Electronic Official Personnel Folder	ES/OPMHR

INV 40	General Request for Investigative Information	NBIB
INV 41	Request for Employment and Supervisor Information	NBIB
INV 43	Request for Educational Registrar and Dean of Students Records	NBIB
INV 44	Request for Law Enforcement Data	NBIB
	Advanced NAC Status Report	NBIB
	Advanced NAC Report	NBIB
	Advanced Fingerprint Report	NBIB
	Case Closing Transmittal	NBIB
	Case Assignment Transmittal	NBIB
	Closed Incomplete Notice	NBIB
	Discontinued Cases	NBIB
COI	Certificate of Investigation	NBIB
79A	Report of Agency Adjudicative Action	NBIB
SF 86	Questionnaire for National Security Positions, to include the general and medical releases	NBIB
SF 85	Questionnaire for Non-Sensitive Positions, to include the general release	NBIB
SF 85P	Questionnaire for Public Trust Positions, to include the general release	NBIB
SF 85PS	Supplemental Questionnaire for Selected Positions,	NBIB
SF 171	Application for Federal Employment	NBIB
OF 301	Declaration for Federal Employment	NBIB
OF 612	Optional Application for Federal Employment	NBIB
FIPC 391	Certification of Amended Investigation Form	NBIB

OFI-16A	Specific Release	NBIB
	Fair Credit Reporting Act Release	NBIB
4506 T	IRS Tax Release	NBIB
FIPC 401	File Release Form	NBIB
FIPC 402	Agency Adjudicative Action on FBI Post Appointment Arrest	NBIB
FIPC 403	Duplicate Case Issue – Agency Adjudicative Action	NBIB
FIPC 70B	Investigative Record Amend	NBIB
FIPC 62	Additional Processing on Closed Investigation	NBIB
FIPC 230	SII Considered	NBIB
FIPC 553	Reopen Request Form	NBIB
FIPC 554	RSI Request Form	NBIB
various (including previously listed documents)	Reports of Investigations	NBIB
various	Other Government agency records, provided to NBIB as part of the investigation process (e.g., FBI criminal history report; FBI post-appointment arrest report; investigations from other ISPs such as D/State; FBI Name Check; and INS SAVE results)	NBIB



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 31 2017

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

Dear Mr. Chairman:

Thank you for your follow-up letter dated October 17, 2017, to the U.S. Office of Personnel Management (OPM) requesting we provide information regarding non-career officials at Federal agencies use of government-owned aircraft for personal travel or private non-commercial aircraft for official travel during the timeframe of January 1, 2016, to January 19, 2017. We appreciate your interest regarding this important issue and welcome the opportunity to respond.

The following information was requested:

- 1) Identification of usage of government-owned aircraft by non-career officials within the timeframe of January 1, 2016, to January 19, 2017;
- 2) Policies relating to the use of government-owned aircraft or private non-commercial aircraft by non-career officials; and
- 3) Identification of usage of a private, non-commercial aircraft by non-career officials to include charter service, lease, or other arrangement through Commercial Aviation Services providers within the timeframe of January 1, 2016, to January 19, 2017.

Based upon our review of information to date, OPM continued to follow the Federal Travel Regulations (FTR) guidance in all instances of travel during the January 1, 2016, to January 19, 2017, timeframe. OPM provided a copy of the agency's current travel policy with references to the FTR as part of the response to the September 26, 2017, letter. As previously communicated, although OPM's current travel policy does not provide guidance on the use of government-owned aircraft or non-commercial aircraft in any capacity, the agency will be revising its current travel policy to include this guidance. OPM has identified zero (0) instances in the timeframe of January 1, 2016, to January 19, 2017, where a government-owned aircraft or private non-commercial aircraft was used by non-career officials.

We thank you for your interest in this important matter. If you have any additional questions or concerns, please do not hesitate to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

SEP - 6 2017

The Director

The Honorable Richard M. Burr  
Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Burr:

Thank you for your letter dated August 31, 2017 and your interest in the critical issues surrounding Section 951 in the National Defense Authorization Act for Fiscal Year 2017.

As you are aware, Section 951 required the Department of Defense (DOD) to develop an implementation plan to move DOD-specific background investigations from the National Background Investigations Bureau (NBIB) within the Office of Personnel Management (OPM) to the Defense Security Service (DSS) within the DOD. Implementing this plan will have wide-ranging effects on our Government's ability to efficiently process background investigations vital to national security within DOD and the 100-plus other Federal agencies OPM currently supports.

In less than a year, since NBIB was created, multiple and significant steps have been taken to address the current challenges in our background investigative processes. NBIB has established a strong focus on national security through inter-agency representation, an enhanced emphasis on customer service, and continuous process improvement to meet this critical governmentwide need<sup>1</sup>. NBIB has shown consistent progress in standing up the new organization, reallocating resources and reengineering processes to address the governmentwide challenges. OPM and NBIB are fully committed to continuing our efforts to reducing the backlog and our role supporting nearly 100 percent of all government clearances. Among other things, OPM has made arrangements to commit support staff in other offices to work predominantly on NBIB matters, so as to increase mission cohesion and efficiency in the delivery of such services.

As recently recognized by a multi-association coalition of industry experts, introducing a three-year process to transfer background investigations to DOD, in a piecemeal manner, will have a negative impact on the current progress. Additionally, because of the inevitable duplication of processes, it will create long-term systemic obstacles to reform and disrupt the current security clearance system. Agencies governmentwide depend on that system to obtain background

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<sup>1</sup> NBIB has sought to integrate employees from other agencies through details, and has listened to agency interests and concerns, and considered appropriate responses, through interagency stakeholder groups such as the Background Investigations Stakeholder Group.

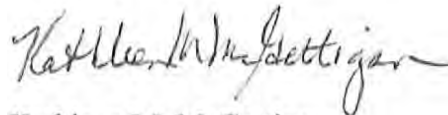
investigations for their employees and employees of their contractors. A blow to the efficiency of that process is a blow to efficiency – and effectiveness – across Government. All of these outcomes seem inconsistent with Congress's expressed desire, through enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, to concentrate most background investigations for national security purposes in the hands of one lead investigative agency.

As DOD has begun its work to develop the plan required by Section 951 in the Fiscal Year 2017 NDAA, OPM has provided DOD with comments and concerns. On July 5, 2017, DOD shared a copy of its then-draft plan. OPM provided a response shortly thereafter. A copy of OPM's response to DOD's draft plan is enclosed as requested. Additionally, in our role as the Suitability and Credentialing Executive Agent, we have provided these concerns to Director Mulvaney of the Office of Management and Budget. A copy of a document summarizing that presentation has also been enclosed for your review. Also enclosed is a letter from the Professional Services Council to the Senate Armed Services Committee.

OPM directed NBIB to develop a comprehensive Impact Assessment on the effects that implementing the proposed plan under Section 951 will have on the background investigation process and our many stakeholders across government and industry. This Impact Assessment is included as part of OPM's response to your letter of August 31, 2017.

OPM and NBIB are fully committed to meeting the security clearance needs of the Federal Government community in a timely and professional manner. We appreciate the opportunity to respond to your interest in this important matter and value your consideration of the governmentwide impacts of Section 951 of the NDAA and the potential migration of the mission, at least in part. If you have any questions or would like for us to meet with your staff to address this topic in greater detail, please contact Mr. Stephen Billy, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs at 202-606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

cc: The Honorable James Mattis  
Secretary  
U.S. Department of Defense

Charles S. Phalen Jr.  
Director  
National Background Investigations Bureau

The Honorable John McCain  
Chairman  
Committee on Armed Services  
U.S. Senate

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
U.S. Senate

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives

The Honorable Adam Smith  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

The Honorable Steve Chabot  
Chairman  
Committee on Small Business  
United States House of Representatives  
2361 Rayburn House Office Building  
Washington, DC 20515

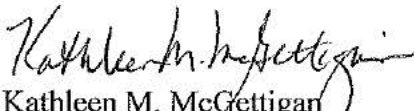
Dear Chairman Chabot:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Office of Personnel Management: Small Business Contracting - Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates*, GAO-17-675, GAO job code number 100820.

We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

At the time of enactment of section 691(a), OPM's OSDBU Director position was encumbered by an employee at the GS-15 pay grade. OPM is presently awaiting the confirmation of its nominee for Director. Should the nominee be confirmed, this requirement will be one of the many items the new OPM Director will evaluate and take appropriate action to comply, or to request an exception from this provision.

**Section 15(k)(8), Assign Small Business Technical Advisor:** An agency official stated that the OSDBU has hired 1 staff member who is technically qualified to work with the procurement center representative. The employee also does market research and helps with outreach events of the OSDBU, and in general mirrors the OSDBU Director's work. The official told us the staff member spends about 50 percent of her time working with the procurement center representative. The official also said the OPM OSDBU is small and the OSDBU Director handles many tasks himself or may refer them to other relevant individuals.

**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

**Section 15(k)(17), Respond to Notification of Undue Restriction on Ability of Small Business to Compete:** The survey response indicated that the OSDBU had not received a notification of an undue restriction in the past 3 years. In a follow-up discussion, an agency official indicated that the OSDBU Director would take most of the steps specified in the notification requirement, but would only inform the advocate for competition if the situation could not be resolved between contracting, the procurement center representative, and the OSDBU Director. According to the official, the agency has created a draft standard operating procedure that will address the issue of communicating to the agency advocate for competition. However, the official also added that draft review process is lengthy and had not yet been completed as of October 23, 2017.

**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**JAN 13 2017**

Congressional,  
Legislative and  
Intergovernmental  
Affairs

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated January 4, 2017, regarding requests for payment made by CyTech Services, Inc. ("CyTech") to the U.S. Office of Personnel Management ("OPM") in connection with the 2015 OPM cybersecurity incidents.

OPM first received a letter and invoice from CyTech on February 29, 2016, requesting payment in the amount of \$788,000.<sup>1</sup> CyTech asserted that the payment was pursuant to an alleged oral contract, which it claimed was formed between an OPM employee and CyTech on April 22, 2015. The invoice requested payment in connection with the alleged provision of 15,000 CyFir Enterprise Agent licenses, 6 preconfigured servers, 6 hours of classroom training, and 1,040 hours of on-site engineering support. CyTech sent a second letter seeking payment for the same goods and services, plus an alleged "18% interest/penalty" fee, on September 20, 2016.

OPM has repeatedly sought clarification from CyTech regarding which goods and services CyTech was asserting were delivered to, and received by, OPM, and in what quantities CyTech provided these goods and services. CyTech provided some additional information to OPM regarding the alleged circumstances of the verbal purchase order, but to date has not provided any information regarding the quantities of goods and services it is claiming it provided to OPM and for which it seeks compensation, or the dates that those services were provided. CyTech has not clarified whether it is their position that any services rendered to OPM, on or after the alleged contract was formed on April 22, 2015, were pursuant to the alleged oral contract, or were part of a product demonstration. OPM last requested this information from CyTech by letter dated October 14, 2016, but is still awaiting a response from CyTech.

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<sup>1</sup> This letter was dated January 21, 2016, but was not received at OPM until its delivery via Federal Express on February 29, 2016.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

APR - 6 2017

Chief Information  
Officer

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated March 8, 2017, concerning the Federal Records Act (FRA) and Federal employees' use of technology in conducting government business. We are pleased to provide the following information specific to the U.S. Office of Personnel Management (OPM).

**Request 1:** Identify any senior agency officials who have used an alias email account to conduct official business since January 1, 2016. Include the name of the official, the alias account, and other email accounts used by the official to conduct official business.

**Response 1:** In the course of collecting information to respond to this request, we identified one senior agency official, (b)(6), who used a non-government Gmail account to conduct official business. (b)(6) has an opm.gov email account. OPM has directed (b)(6)'s use of the Gmail account for any agency business to cease. OCIO plans to remind employees of the restrictions on the use of non-official electronic messaging accounts for agency business.

Name: (b)(6)  
Government Email: (b)(6)@opm.gov  
Alias Non-government Email: (b)(6)

**Request 2:** Identify all agency policies referring or relating to the use of non-official electronic messaging accounts, including email, text message, messaging applications, and social media platforms to conduct official business, including but not limited to archiving and recordkeeping procedures.

**Response 2:** We are currently reviewing and updating our Social Media and Records Management Policies to include provisions that will more specifically address these matters. Additionally, OPM regularly trains its employees on compliance in these areas, including its annual IT Security and Awareness Training.

**Request 3:** Identify all agency policies referring or relating to the use of official text message or other messaging or communications applications, and social media platforms to conduct official business, including but not limited to archiving and recordkeeping procedures.

**Response 3:**

- OPM's [Social Media Policy](#), which OPM is in the process of updating
- Agency users must comply with the *Policy on Personal Use of Government Office Equipment*.

**Request 4:** Identify agency policies and procedures currently in place to ensure all communications related to the creation or transmission of federal records on official electronic messaging accounts other than email, including social networking platforms, internal agency instant messaging systems and other communications applications, are properly captured and preserved as federal records.

**Response 4:**

- OPM's *Social Media Policy*, as identified above.
- OPM's *Records Management for OPM Internal Administrative Records*, which OPM is in the process of updating

**Request 5:** Explain how your agency complies with FOIA requests that may require searching and production of documents stored on non-official email accounts, social networking platforms, or other messaging or communications.

**Response 5:** To date, we are not aware of OPM receiving such requests. If we received any such requests, we would process intake for them in accordance with our existing FOIA policies and procedures. We would review a request for non-official accounts for official agency records created by Federal employees in the performance of their duties in accordance with applicable law and policy.

**Request 6:** Provide the status of compliance by the agency with the Managing Government Records Directive issued by the Office of Management and Budget on August 24, 2012.

**Response 6:** The status of OPM compliance with the Managing Government Records Directive is as follows:

- **By 2019, Federal agencies will manage all permanent electronic records in an electronic format:** OPM is on track to meet this requirement.
- **By 2016, Federal agencies will manage both permanent and temporary email records in an accessible electronic format:** OPM manages all email records in an electronic format and in January 2017 submitted form NA-1005, Verification for Implementing GRS 6.1: Email Managed under a Capstone Approach, to the National Archives and Records Administration (NARA).

- **2.1. Agencies Must Designate a Senior Agency Official (SAO):** OPM is in compliance with this requirement.
- **2.2. SAO Shall Ensure that Permanent Records are Identified for Transfer and Reported to NARA:** OPM is working with NARA on complying with this requirement.
- **2.3. Agency Records Officers Must Obtain NARA Certificate of Federal Records Management Training:** OPM is in compliance with this requirement.
- **2.4. Agencies Must Establish Records Management Training:** All OPM employees and contractors are required to take annual records management training.
- **2.5. SAO Shall Ensure that Records are Scheduled:** OPM's mission records are in the process of being scheduled to have more updated, accurate, useable, media-neutral schedules. As unscheduled or outdated series are identified, OPM is revising or developing suitable records schedules.

**B3. Establish a formal records management occupational series:** OPM has established the [Records and Information Management Specialist series \(GS-0308\)](#).

We thank the Committee for its interest in these very important matters. If you have any additional questions or concerns, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



David DeVries  
Chief Information Officer



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Congressional,  
Legislative and  
Intergovernmental  
Affairs

JAN 17 2017

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated January 4, 2017, regarding requests for payment made by CyTech Services, Inc. ("CyTech") to the U.S. Office of Personnel Management (OPM) in connection with the 2015 OPM cybersecurity incidents.

OPM first received a letter and invoice from CyTech on February 29, 2016, requesting payment in the amount of \$788,000.<sup>1</sup> CyTech asserted that the payment was pursuant to an alleged oral contract, which it claimed was formed between an OPM employee and CyTech on April 22, 2015. The invoice requested payment in connection with the alleged provision of 15,000 CyFir Enterprise Agent licenses, 6 preconfigured servers, 6 hours of classroom training, and 1,040 hours of on-site engineering support. CyTech sent a second letter seeking payment for the same goods and services, plus an alleged "18% interest/penalty" fee, on September 20, 2016.

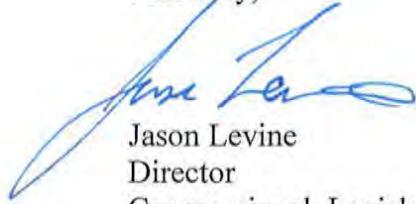
OPM has repeatedly sought clarification from CyTech regarding which goods and services CyTech was asserting were delivered to, and received by, OPM, and in what quantities CyTech provided these goods and services. CyTech provided some additional information to OPM regarding the alleged circumstances of the verbal purchase order, but to date has not provided any information regarding the quantities of goods and services it is claiming it provided to OPM and for which it seeks compensation, or the dates that those services were provided. CyTech has not clarified whether it is their position that any services rendered to OPM, on or after the alleged contract was formed on April 22, 2015, were pursuant to the alleged oral contract, or were part of a product demonstration. OPM last requested this information from CyTech by letter dated October 14, 2016, but is still awaiting a response from CyTech.

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<sup>1</sup> This letter was dated January 21, 2016, but was not received at OPM until its delivery via Federal Express on February 29, 2016.

We have enclosed our correspondence with CyTech regarding its requests for payment, which were also provided to GAO. If you have any questions regarding this matter, please do not hesitate to contact me at (202) 606-1300.

Sincerely,



Jason Levine  
Director  
Congressional, Legislative,  
and Intergovernmental Affairs

Enclosures

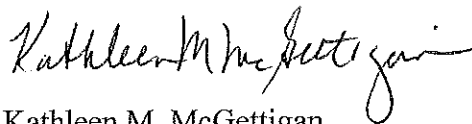
Cc: The Honorable Elijah E. Cummings  
Ranking Member



Committee Members and staff. Prior to sharing or disclosing any information contained within this response or its enclosures, we ask the Committee to provide OPM with a notice of its intent to share or disclose this information and an opportunity for OPM's cybersecurity experts to be heard, in order to discuss the cybersecurity risks posed by potential dissemination. The documents have been marked accordingly.

We thank the Committee for its interest in these very important matters. If you have any additional questions or concerns, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

Cc: The Honorable Elijah E. Cummings  
Ranking Member



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAR 29 2017

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

Thank you for your letter, dated March 10, 2017, requesting information regarding the U.S. Office of Personnel Management's (OPM) review of (b) (6) appointment from a Schedule C employee at OPM to a non-political civil service position at the Consumer Financial Protection Bureau (CFPB).

(b) (6) served as a Public Affairs Specialist, (b) (6), in OPM's Office of Communications, at a rate of basic pay of (b) (6) and locality adjustment of (b) (6), for an adjusted salary of (b) (6). CFPB appointed (b) (6) to the position of Public Affairs Specialist, (b) (6), at a rate of basic pay of (b) (6) and locality adjustment of (b) (6), for an adjusted salary of (b) (6).<sup>1</sup> (b) (6) did not receive a raise upon his appointment.

In response to your request for specific information, the incumbent of the Public Affairs Specialist position notified CFPB in October 2016, of the intent to accept another position within the agency. On November 13, 2016, the Public Affairs Specialist position at CFPB became vacant. On November 22, 2016, the supervisor of the CFPB Public Affairs Specialist position requested the Office of Human Capital (OHC) post the job announcement. We have enclosed a copy of the CFPB job announcement, which posted on December 5, 2016, on USAJobs.gov.

CFPB received a total of 68 applications for the position, of which 8 preference eligible candidates, including (b) (6), were certified and referred to the selecting official. Consistent with competitive examining procedures and veterans' preference laws and regulations, the preference eligible candidates were certified and referred to the selecting official ahead of non-preference eligibles. A selecting official may not pass over a preference eligible to select a non-preference eligible without adequate reasons and requisite approval.

When a request for pre-appointment review is received at OPM, career staff in our Merit Systems Accountability and Compliance division review the documents associated with the selection, such as the job opportunity announcement, job analysis, position description,

<sup>1</sup> This updated information is based on (b) (6) appointment SF-50 which OPM received after the February 22, 2017 submission to your committee was prepared on requests for pre-appointment reviews received October 1, 2016 – January 20, 2017.

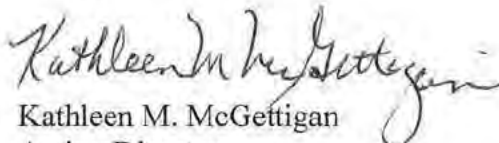
applications, assessment scores, etc.<sup>2</sup> OPM reviews this information, which is provided by the agency, to reconstruct the hiring action and determine whether the candidates referred possessed appropriate qualifications and whether or not the record supports adherence to merit system principles and civil service laws. During the course of our review, OPM would not request information related to the applicant's job performance at his or her previous Federal position, whether the position was at OPM or another Federal agency.

The selecting official at the appointing agency, not OPM, chooses the candidate it deems most qualified from those candidates who were within reach. As noted above, OPM's purpose in performing its review is to satisfy itself that the record demonstrates an adherence to merit system principles and civil service laws governing the selection process.

OPM approved CFPB's pre-appointment review request concerning (b) (5) on January 19, 2017, before the issuance of the January 23, 2017 Presidential Memorandum for the Heads of Executive departments and Agencies, entitled "Hiring Freeze," had been issued. Accordingly, that memorandum played no role in this review.

I appreciate the opportunity to provide you information on OPM's efforts to safeguard the merit system principles. If you have any further questions, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

cc: The Honorable Elijah E. Cummings  
Ranking Minority Member

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<sup>2</sup> Links to OPM's memo to Agencies about pre-appointment reviews and the information OPM requests depending on the type of appointment can be found here: <https://www.opm.gov/policy-data-oversight/oversight-activities/political-conversions/>



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20515

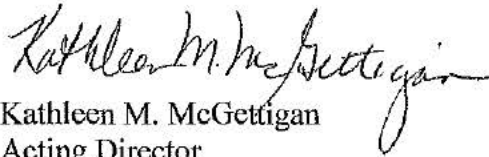
Dear Chairman Cochran:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Office of Personnel Management: Small Business Contracting - Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates*, GAO-17-675, GAO job code number 100820.

We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

At the time of enactment of section 691(a), OPM's OSDBU Director position was encumbered by an employee at the GS-15 pay grade. OPM is presently awaiting the confirmation of its nominee for Director. Should the nominee be confirmed, this requirement will be one of the many items the new OPM Director will evaluate and take appropriate action to comply, or to request an exception from this provision.

**Section 15(k)(8), Assign Small Business Technical Advisor:** An agency official stated that the OSDBU has hired 1 staff member who is technically qualified to work with the procurement center representative. The employee also does market research and helps with outreach events of the OSDBU, and in general mirrors the OSDBU Director's work. The official told us the staff member spends about 50 percent of her time working with the procurement center representative. The official also said the OPM OSDBU is small and the OSDBU Director handles many tasks himself or may refer them to other relevant individuals.

**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

**Section 15(k)(17), Respond to Notification of Undue Restriction on Ability of Small Business to Compete:** The survey response indicated that the OSDBU had not received a notification of an undue restriction in the past 3 years. In a follow-up discussion, an agency official indicated that the OSDBU Director would take most of the steps specified in the notification requirement, but would only inform the advocate for competition if the situation could not be resolved between contracting, the procurement center representative, and the OSDBU Director. According to the official, the agency has created a draft standard operating procedure that will address the issue of communicating to the agency advocate for competition. However, the official also added that draft review process is lengthy and had not yet been completed as of October 23, 2017.

**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2017

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

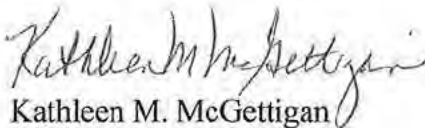
In accordance with 31 U.S.C. 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Personnel Practices: Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests*, GAO-17-674, GAO job code number 100540.

We are pleased GAO concurred with OPM's determinations to approve 78 and deny 21 agency requests to appoint current or former political appointees to covered career civil service positions from January 1, 2010, through March 17, 2016. Specifically, GAO supported OPM's conclusion that all approved cases appeared to be free of political influence and complied with merit system principles.

We recognize that even the most well-run programs may benefit from external evaluations. Therefore, we provide detailed responses to GAO's recommendations in the enclosure to this letter.

If you have any questions, please feel free to contact Mr. Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

*Personnel Practices: Actions Needed to Improve Documentation of OPM  
Decisions on Conversion Requests, GAO-17-674*

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that OPM's finalized records schedule on retaining conversion case files specifically lists all documentation that must be saved in its case files.

**Management Response:**

**OPM partially concurs.**

**We agree** that the finalized guidance on retaining conversion case files should specifically list information that must be documented in OPM's case files.

OPM's draft records retention schedule for maintaining pre- and post-appointment review case files includes a list of documents that must be retained and exceptions to retaining voluminous or large sized agency files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. By the end of calendar year 2017, OPM will submit the draft retention schedule to the National Archives and Records Administration for review, public comment, and approval.

**We do not agree** with the implication that OPM's current guidance lacks information that must be maintained in case files. OPM's Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the "Pre-appointment Checklist contents." While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM's decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. Nonetheless, OPM's evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

**Recommendation 2:** The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists completed before recommending approval or denial of a conversion request. OPM may incorporate such a verification requirement as part of checklists completed by its staff when reviewing conversion requests.

**Management Response:**

**OPM partially concurs.**

**We agree** with the recommendation to add a box to the evaluator checklist for evaluators to indicate they have reviewed all applicable documentation, and for their reviewers to add their concurrence. OPM's revised evaluator checklists now include such verification requirement, which will be applied moving forward.

**We do not agree** with the implication that OPM lacks a policy or process to implement a thorough evaluation of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. The process involves experienced evaluators serving as subject matter experts in human resources evaluation, standardized checklists and operating procedures, and multiple levels of management review prior to issuing a final decision of approval or denial. The thoroughness of our review process is also evidenced by the fact that GAO agreed with all of our decisions in the 99 cases reviewed.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 2, 2017

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510


Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448).

We are in partial agreement with the recommendations identified in the report and appreciate GAO's input. As we continue with our data center consolidation initiative, we will develop plans for implementing appropriate automated monitoring tools at our two remaining data centers by the end of FY18. A specific response to GAO's recommendation is enclosed.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

OPM Response to GAO Report Titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448)

In July 2017, the U.S. Office of Personnel Management (OPM) provided a response to U.S. Government Accountability Office (GAO) draft report recommendation, which is included in the GAO's final report. As we stated in the response to the draft report, we partially concur with the GAO recommendation to achieve cost savings goal.

Response to Recommendation:

**Recommendation:** We also recommend [...] the Director of OPM [...] take action to, within existing OMB reporting mechanisms, complete plans describing how the agency will achieve OMB's requirement to implement automated monitoring tools at all agency-owned data centers by the end of fiscal year 2018.

**Management Response:**

**OPM partially concurs.** OPM is in the process of consolidating its remaining data centers into two main data center locations, which is on track to be completed by the end of FY18. This consolidation will obviate the need to implement automated monitoring tools at the data centers that are closing. OPM will complete plans describing how the agency will achieve OMB's requirements to implement appropriate automated monitoring tools at the designated core data centers by the end of FY18.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

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

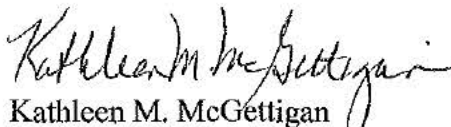
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We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

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**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

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**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2017

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

Dear Mr. Chairman:

In accordance with 31 U.S.C. 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Personnel Practices: Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests*, GAO-17-674, GAO job code number 100540.

We are pleased GAO concurred with OPM's determinations to approve 78 and deny 21 agency requests to appoint current or former political appointees to covered career civil service positions from January 1, 2010, through March 17, 2016. Specifically, GAO supported OPM's conclusion that all approved cases appeared to be free of political influence and complied with merit system principles.

We recognize that even the most well-run programs may benefit from external evaluations. Therefore, we provide detailed responses to GAO's recommendations in the enclosure to this letter.

If you have any questions, please feel free to contact Mr. Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

*Personnel Practices: Actions Needed to Improve Documentation of OPM  
Decisions on Conversion Requests, GAO-17-674*

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that OPM's finalized records schedule on retaining conversion case files specifically lists all documentation that must be saved in its case files.

**Management Response:**

**OPM partially concurs.**

**We agree** that the finalized guidance on retaining conversion case files should specifically list information that must be documented in OPM's case files.

OPM's draft records retention schedule for maintaining pre- and post-appointment review case files includes a list of documents that must be retained and exceptions to retaining voluminous or large sized agency files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. By the end of calendar year 2017, OPM will submit the draft retention schedule to the National Archives and Records Administration for review, public comment, and approval.

**We do not agree** with the implication that OPM's current guidance lacks information that must be maintained in case files. OPM's Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the "Pre-appointment Checklist contents." While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM's decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. Nonetheless, OPM's evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

**Recommendation 2:** The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists completed before recommending approval or denial of a conversion request. OPM may incorporate such a verification requirement as part of checklists completed by its staff when reviewing conversion requests.

**Management Response:**

**OPM partially concurs.**

**We agree** with the recommendation to add a box to the evaluator checklist for evaluators to indicate they have reviewed all applicable documentation, and for their reviewers to add their concurrence. OPM's revised evaluator checklists now include such verification requirement, which will be applied moving forward.

**We do not agree** with the implication that OPM lacks a policy or process to implement a thorough evaluation of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. The process involves experienced evaluators serving as subject matter experts in human resources evaluation, standardized checklists and operating procedures, and multiple levels of management review prior to issuing a final decision of approval or denial. The thoroughness of our review process is also evidenced by the fact that GAO agreed with all of our decisions in the 99 cases reviewed.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 2, 2017

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


Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448).

We are in partial agreement with the recommendations identified in the report and appreciate GAO's input. As we continue with our data center consolidation initiative, we will develop plans for implementing appropriate automated monitoring tools at our two remaining data centers by the end of FY18. A specific response to GAO's recommendation is enclosed.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



OPM Response to GAO Report Titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448)

In July 2017, the U.S. Office of Personnel Management (OPM) provided a response to U.S. Government Accountability Office (GAO) draft report recommendation, which is included in the GAO's final report. As we stated in the response to the draft report, we partially concur with the GAO recommendation to achieve cost savings goal.

Response to Recommendation:

**Recommendation:** We also recommend [...] the Director of OPM [...] take action to, within existing OMB reporting mechanisms, complete plans describing how the agency will achieve OMB's requirement to implement automated monitoring tools at all agency-owned data centers by the end of fiscal year 2018.

**Management Response:**

**OPM partially concurs.** OPM is in the process of consolidating its remaining data centers into two main data center locations, which is on track to be completed by the end of FY18. This consolidation will obviate the need to implement automated monitoring tools at the data centers that are closing. OPM will complete plans describing how the agency will achieve OMB's requirements to implement appropriate automated monitoring tools at the designated core data centers by the end of FY18.



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

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

SEP - 6 2017

Dear Chairman Gowdy:

Thank you for your letter dated August 31, 2017 and your interest in the critical issues surrounding Section 951 in the National Defense Authorization Act for Fiscal Year 2017.

As you are aware, Section 951 required the Department of Defense (DOD) to develop an implementation plan to move DOD-specific background investigations from the National Background Investigations Bureau (NBIB) within the Office of Personnel Management (OPM) to the Defense Security Service (DSS) within the DOD. Implementing this plan will have wide-ranging effects on our Government's ability to efficiently process background investigations vital to national security within DOD and the 100-plus other Federal agencies OPM currently supports.

In less than a year, since NBIB was created, multiple and significant steps have been taken to address the current challenges in our background investigative processes. NBIB has established a strong focus on national security through inter-agency representation, an enhanced emphasis on customer service, and continuous process improvement to meet this critical governmentwide need<sup>1</sup>. NBIB has shown consistent progress in standing up the new organization, reallocating resources and reengineering processes to address the governmentwide challenges. OPM and NBIB are fully committed to continuing our efforts to reducing the backlog and our role supporting nearly 100 percent of all government clearances. Among other things, OPM has made arrangements to commit support staff in other offices to work predominantly on NBIB matters, so as to increase mission cohesion and efficiency in the delivery of such services.

As recently recognized by a multi-association coalition of industry experts, introducing a three-year process to transfer background investigations to DOD, in a piecemeal manner, will have a negative impact on the current progress. Additionally, because of the inevitable duplication of

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<sup>1</sup> NBIB has sought to integrate employees from other agencies through details, and has listened to agency interests and concerns, and considered appropriate responses, through interagency stakeholder groups such as the Background Investigations Stakeholder Group.

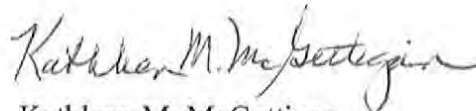
processes, it will create long-term systemic obstacles to reform and disrupt the current security clearance system. Agencies governmentwide depend on that system to obtain background investigations for their employees and employees of their contractors. A blow to the efficiency of that process is a blow to efficiency – and effectiveness – across Government. All of these outcomes seem inconsistent with Congress’s expressed desire, through enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, to concentrate most background investigations for national security purposes in the hands of one lead investigative agency.

As DOD has begun its work to develop the plan required by Section 951 in the Fiscal Year 2017 NDAA, OPM has provided DOD with comments and concerns. On July 5, 2017, DOD shared a copy of its then-draft plan. OPM provided a response shortly thereafter. A copy of OPM’s response to DOD’s draft plan is enclosed as requested. Additionally, in our role as the Suitability and Credentialing Executive Agent, we have provided these concerns to Director Mulvaney of the Office of Management and Budget. A copy of a document summarizing that presentation has also been enclosed for your review. Also enclosed is a letter from the Professional Services Council to the Senate Armed Services Committee.

OPM directed NBIB to develop a comprehensive Impact Assessment on the effects that implementing the proposed plan under Section 951 will have on the background investigation process and our many stakeholders across government and industry. This Impact Assessment is included as part of OPM’s response to your letter of August 31, 2017.

OPM and NBIB are fully committed to meeting the security clearance needs of the Federal Government community in a timely and professional manner. We appreciate the opportunity to respond to your interest in this important matter and value your consideration of the governmentwide impacts of Section 951 of the NDAA and the potential migration of the mission, at least in part. If you have any questions or would like for us to meet with your staff to address this topic in greater detail, please contact Mr. Stephen Billy, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs at 202-606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

cc: The Honorable James Mattis  
Secretary  
U.S. Department of Defense

Charles S. Phalen Jr.  
Director  
National Background Investigations Bureau

The Honorable John McCain  
Chairman  
Committee on Armed Services  
U.S. Senate

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
U.S. Senate

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives

The Honorable Adam Smith  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

OCT 17 2017

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

Dear Chairman Gowdy:

Thank you for your letter, dated September 26, 2017, to the U.S. Office of Personnel Management (OPM) regarding non-career officials at Federal agencies use of government-owned aircraft for personal travel or private non-commercial aircraft for official travel. We appreciate your interest regarding this important issue and welcome the opportunity to respond. Specifically, you requested information on the following:

- 1) Identify each usage of a government-owned aircraft by a non-career official at your department or agency since January 20, 2017. For each usage please provide the aircraft manifest (including all passenger names), destinations, dates of use, purpose and cost of each trip.
- 2) Produce policies relating to the use of government-owned aircraft or private non-commercial aircraft by non-career officials.
- 3) Identify each usage of a private, non-commercial aircraft by a non-career official at your department or agency, including but not limited to charter service, lease, or other arrangement through Commercial Aviation Services providers since January 20, 2017. Provide the aircraft manifest (including all passenger names), destinations, dates of use, purpose, cost of each trip, and the source of payment for the trip.

Based upon our review, OPM continues to follow the Federal Travel Regulations (FTR) guidance in all instances of travel. Although, OPM's current travel policy does not provide guidance on the use of government owned aircraft or non-commercial aircraft in any capacity, OPM will be revising its current travel policy to include such guidance.


OPM has identified only one (1) instance since January 20, 2017 where a government-owned aircraft or private non-commercial aircraft was used by non-career officials. The travel was authorized by the Department of Defense (DoD) in connection with travel to an OPM facility in Boyers, Pennsylvania to perform research necessary to enable DoD, in consultation with OPM, to complete a report required by the National Defense Authorization Act (NDAA) for Fiscal Year 2017, Section 951.

OPM's National Background Investigations Bureau Director traveled with members of the DoD to confer about information needed for the required report. The travel via government-owned aircraft departed and returned on the same day on April 26, 2017. We are including the following documents to respond to the Committee's requests.

- a. A copy of email confirming trip departure and arrival information for OPM/DoD meeting in Boyers, Pennsylvania. Also attached are the travel orders for the Director of NBIB.
- b. A copy of OPM's current travel policy with references to the FTR.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

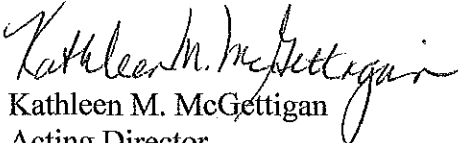
Dear Chairman Johnson:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Office of Personnel Management: Small Business Contracting - Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates*, GAO-17-675, GAO job code number 100820.

We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

At the time of enactment of section 691(a), OPM's OSDBU Director position was encumbered by an employee at the GS-15 pay grade. OPM is presently awaiting the confirmation of its nominee for Director. Should the nominee be confirmed, this requirement will be one of the many items the new OPM Director will evaluate and take appropriate action to comply, or to request an exception from this provision.

**Section 15(k)(8), Assign Small Business Technical Advisor:** An agency official stated that the OSDBU has hired 1 staff member who is technically qualified to work with the procurement center representative. The employee also does market research and helps with outreach events of the OSDBU, and in general mirrors the OSDBU Director's work. The official told us the staff member spends about 50 percent of her time working with the procurement center representative. The official also said the OPM OSDBU is small and the OSDBU Director handles many tasks himself or may refer them to other relevant individuals.

**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

**Section 15(k)(17), Respond to Notification of Undue Restriction on Ability of Small Business to Compete:** The survey response indicated that the OSDBU had not received a notification of an undue restriction in the past 3 years. In a follow-up discussion, an agency official indicated that the OSDBU Director would take most of the steps specified in the notification requirement, but would only inform the advocate for competition if the situation could not be resolved between contracting, the procurement center representative, and the OSDBU Director. According to the official, the agency has created a draft standard operating procedure that will address the issue of communicating to the agency advocate for competition. However, the official also added that draft review process is lengthy and had not yet been completed as of October 23, 2017.

**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

December 13, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your November 28, 2017, letter requesting information regarding the U.S. Office of Personnel Management's (OPM) review of (b) (6) appointment from a Non-Career SES employee at OPM to a permanent, career civil service position at the Consumer Financial Protection Bureau (CFPB). You expressed concern that there may have been an inherent conflict of interest in OPM's review of (b) (6) appointment because she was serving as a senior OPM official at that time.

I appreciate your concern. However, to avoid any suggestion of political influence or conflict of interest, OPM's decision-making authority over these matters is delegated to the Associate Director for Merit System Accountability and Compliance (MSAC), a career Senior Executive. Career evaluators in MSAC's Agency Compliance and Evaluation (ACE) office conduct the initial review and assessment of the request, reconstructing the hiring action to verify adherence to merit principles and applicable laws and regulations. All requests to appoint current or recent political appointees to covered career civil service positions are reviewed in order to determine whether the selection processes were free from political involvement. They undergo multiple levels of review and approval by MSAC's career employees, regardless of whether the individual is at a different agency or is a senior OPM official. The Associate Director's final decision is not subject to further review, even by the Director of OPM.<sup>1</sup>

In response to your request for a description of the process used to approve (b) (6) conversion to a career position, OPM followed its standard operating procedures. Specifically, CFPB submitted a memorandum dated December 9, 2016, a completed Agency Pre-appointment Checklist, and supporting documentation to OPM's dedicated email box requesting OPM's

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<sup>1</sup> If MSAC cannot conclude the process for a given appointment was free of political influence or unfair competition, the Associate Director for MSAC disapproves the selection and notifies the requesting agency that it is required to take appropriate action. In instances where it appears that merit system principles were violated, OPM refers the matter to the U.S. Office of Special Counsel (OSC), because OSC has investigative authority to pursue actions associated with illegal preference or advantage based on political affiliation.

review and approval to appoint (b) (6) to a permanent, competitive service position as Chief of Staff, CN-0301-82, in the Office of the Director.<sup>2</sup> OPM's MSAC, ACE-Philadelphia office, which has oversight responsibility for CFPB, retrieved the submission from ACE's dedicated email box, created a case file, and assigned the case to an experienced OPM evaluator on December 12, 2016. The evaluator began reviewing the case file to determine whether the selection complied with merit system principles and appropriate laws, rules, and regulations, and was free of political influence and/or improprieties. On December 19, 2016, the evaluator conducted a telephonic interview with (b) (6), Human Capital consultant at CFPB, to discuss the hiring process. As is typical in these cases, the evaluator requested additional information from the agency. This included the application packages for the applicants found not qualified, narrative statements to support the interview panel rating determinations, and the certificate of eligibles.

The evaluator completed the review on December 21, 2016, and prepared an approval letter for management review and the MSAC Associate Director's signature. From December 21 through December 30, 2016, the case and decision letter were reviewed and/or edited by (b) (6), Operations Chief, MSAC ACE-Philadelphia; (b) (6), Group Manager, MSAC ACE-Philadelphia; and Ana Mazzi, MSAC Deputy Associate Director. On December 30, 2016, Mr. Lambert, MSAC Associate Director, concurred with the recommendation for approval and signed the letter approving CFPB's request to appoint (b) (6) to the permanent, competitive service position as Chief of Staff in the Office of the Director. All reviewers are permanent career employees, the latter two are career Senior Executives. A copy of the checklist completed by the evaluator, with findings and analysis in this case is enclosed.

The decision letter was emailed to CFPB that same day. The then-Acting Director was not involved in any way with this case.

CFPB appointed (b) (6) to the permanent competitive service position as Chief of Staff, CN-0301-82, in the Office of the Director effective January 8, 2017. On January 10, 2017, CFPB issued an appointment SF-50, Notification of Personnel Action, which erroneously identified the position as the Chief of Staff in the Operations Division. On January 10, 2017, it issued a corrected personnel action reflecting the location of the position in the Office of the Director, with an effective date of January 8, 2017, consistent with its request to OPM.

As described above, internal controls are inherent in OPM's standardized pre-appointment review process, which includes multiple levels of review and is free from political involvement, regardless of whether the individual is at a different agency or is a senior OPM official. As mentioned previously, OPM's decision-making authority over these matters is delegated to a career Senior Executive, to avoid any suggestion of political influence or conflict of interest.

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<sup>2</sup> The table of cases submitted to you on February 17, 2017, erroneously indicated the position was in the Chief Operating Officer's (COO) office. In reviewing the case file, ACE found two documents placed the position there in error rather than in the Office of the Director, which is the correct location of the position. In addition, the Agency issued a corrected SF-50 within 2 days of (b) (6) appointment, indicating the office to which (b) (6) was appointed is the Office of the Director. This information did not affect OPM's substantive review and determination.

As you know, the Government Accountability Office (GAO) recently conducted a rigorous audit of OPM's pre-appointment review process. It also reviewed the decisions rendered in every case received for the period of January 1, 2010, to March 17, 2017, and concurred with all of OPM's determinations.<sup>3</sup> Specifically, GAO reported (GAO-17-674):

“For the 78 OPM-approved agency requests, agencies appeared to have used appropriate authorities and followed proper procedures in converting political appointees to career positions. Additionally, we determined that OPM evaluators and management sufficiently reviewed all 78 approved requests. More specifically, for each of the 78 cases, our review of OPM's case files and additional documentation from individual agencies supported OPM's conclusion that each of these conversions appeared to be free from political influence. We determined that the conversions complied with merit system principles, applicable civil service law, and regulations.”

I trust the information provided here will reassure you that OPM's pre-appointment review process is meritorious and free from conflicts of interest. I appreciate the opportunity to provide you information on OPM's efforts to safeguard the merit system principles. If you have any further questions, please do not hesitate to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGottigan  
Acting Director

Enclosure

cc: The Honorable Claire McCaskill, Ranking Member

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<sup>3</sup> The full report can be accessed on GAO's website: <https://www.gao.gov/products/GAO-17-674>.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C. 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Personnel Practices: Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests*, GAO-17-674, GAO job code number 100540.

We are pleased GAO concurred with OPM's determinations to approve 78 and deny 21 agency requests to appoint current or former political appointees to covered career civil service positions from January 1, 2010, through March 17, 2016. Specifically, GAO supported OPM's conclusion that all approved cases appeared to be free of political influence and complied with merit system principles.

We recognize that even the most well-run programs may benefit from external evaluations. Therefore, we provide detailed responses to GAO's recommendations in the enclosure to this letter.

If you have any questions, please feel free to contact Mr. Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure

*Personnel Practices: Actions Needed to Improve Documentation of OPM  
Decisions on Conversion Requests, GAO-17-674*

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that OPM’s finalized records schedule on retaining conversion case files specifically lists all documentation that must be saved in its case files.

**Management Response:**

**OPM partially concurs.**

**We agree** that the finalized guidance on retaining conversion case files should specifically list information that must be documented in OPM’s case files.

OPM’s draft records retention schedule for maintaining pre- and post-appointment review case files includes a list of documents that must be retained and exceptions to retaining voluminous or large sized agency files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM’s files. By the end of calendar year 2017, OPM will submit the draft retention schedule to the National Archives and Records Administration for review, public comment, and approval.

**We do not agree** with the implication that OPM’s current guidance lacks information that must be maintained in case files. OPM’s Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the “Pre-appointment Checklist contents.” While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM’s decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM’s files. Nonetheless, OPM’s evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

**Recommendation 2:** The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists completed before recommending approval or denial of a conversion request. OPM may incorporate such a verification requirement as part of checklists completed by its staff when reviewing conversion requests.

**Management Response:**

**OPM partially concurs.**

**We agree** with the recommendation to add a box to the evaluator checklist for evaluators to indicate they have reviewed all applicable documentation, and for their reviewers to add their concurrence. OPM's revised evaluator checklists now include such verification requirement, which will be applied moving forward.

**We do not agree** with the implication that OPM lacks a policy or process to implement a thorough evaluation of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. The process involves experienced evaluators serving as subject matter experts in human resources evaluation, standardized checklists and operating procedures, and multiple levels of management review prior to issuing a final decision of approval or denial. The thoroughness of our review process is also evidenced by the fact that GAO agreed with all of our decisions in the 99 cases reviewed.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Employee Services

OCT 17 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

Thank you for your letter, dated June 15, 2017, requesting that the U.S. Office of Personnel Management (OPM) provide options for establishing an equivalent pay scale for wildland firefighters in which they could receive their own occupational series and retain their current compensation level despite no longer receiving hazard pay as part of their compensation package.

OPM has considered the implications of creating a new occupational series for this critical work. Our findings have indicated that establishing a new series would negatively affect an employee's ability to receive the hazard pay differential they currently receive while on the fire line. The hazard pay law established a general principle that hazard pay does not apply to an employee in a position the classification of which takes into account the degree of physical hardship or hazard (5 U.S.C. 5545(d)(1)). Thus, an employee classified in a firefighter series in which firefighting hazards are taken into account would not receive hazard pay for fighting fires. In contrast, hazard pay may be paid to forestry or range technicians while fighting wildfires, since firefighting hazards are not taken into account in the classification of those technician jobs. While the law allows for the possibility of an exception to the general principle in "such circumstances as the Office [OPM] may by regulation prescribe," OPM's hazard pay regulations do not provide any such exception, since there would be no logical basis for paying hazard pay if the hazard was taken into account in the position's classification. Also, paying hazard pay to some employees as an exception to the general principle would create inequities. For example, the U.S. Department of Defense and U.S. Department of Veterans Affairs GS-0081 firefighters do not receive hazard pay while fighting fires, and Federal law enforcement officers do not receive hazard pay while performing regular law enforcement duties.

Furthermore, it is not clear whether a separate wildland firefighting series would support the same grade levels, since other forestry-related duties are used in establishing the grade level in the current series (e.g., the GS-0462 Forestry Technician Series). An OPM occupational study would be required to determine the impact of creating a new series. In addition, the creation of a separate wildland firefighting series would entail the creation and approval of new position descriptions, with a review of those positions for approval of firefighter retirement coverage.

Depending on how the new wildland firefighter series and associated position descriptions are structured, individuals who qualify for firefighting positions under the Forestry Technician Series may not in every case qualify for a position, and associated firefighter retirement coverage, under a new wildland firefighting series.

OPM's classification policy office works with employing agencies to determine their needs and sets priorities to gather data to update occupational series. Identifying priorities with agencies is important because directing a new update that is not currently a priority for employing agencies delays work on other updates that are needed. To make the classification change your office is suggesting would require OPM to work with interagency partners including the U.S. Department of the Interior and U.S. Department of Agriculture (USDA). The original wildland firefighter series was abolished by agency request in 1972, and since then, the agencies that use the Forestry Technician occupational series have not identified reinstating the 'wildland firefighter' classification as a priority to address recruitment and retention challenges. The use of the title, wildland firefighter, has not been raised as an issue, given agencies currently have the flexibility to use this title to post and fill their positions.

You requested that OPM consider options for establishing an equivalent pay scale for wildland firefighters in which they could receive their own occupational series and retain their current compensation level despite no longer receiving hazard pay. There is no existing legal authority that would allow such a pay scale adjustment for General Schedule employees. Wildland firefighters would have to be removed from the General Schedule classification and pay system. Even then, achieving the stated objective would be problematic, since the amount of hazard pay paid as a percentage of basic pay varies by employee, by work schedule, by location, by pay period within a fire season, and by fire season.

Based on information provided to us by the USDA for GS-462 Forestry Technicians who have status as wildland firefighters, the average hazard pay is about 15 percent of basic pay in a biweekly pay period in which hazard pay is received, but hazard pay is, on average, received in only about 5 pay periods (out of a total 26 for full-year employees) per year. Thus, the value of hazard pay as a percentage of biweekly basic pay can be estimated to be, on average, about 3 percent of annual basic pay for a full-year (permanent, nonseasonal) employee and about 6 percent of annual basic pay for a half-year (seasonal or temporary) employee. However, individual employees may receive less than or more than the average amount of hazard pay depending on the number of pay periods and days the employee spends time on the fire line—and the value of that hazard pay as a percentage of total basic pay for the year will vary depending on the proportion of the year they are employed. Some employees who work only during the fire season (seasonal or temporary) may receive hazard pay in all of the pay periods within the fire season, and, assuming the hazard pay averages 15 percent of their basic pay, that hazard pay would equal 15 percent of their total annual basic pay. However, for a full-year (permanent, nonseasonal) employee with a fire season of 15 pay periods who receives hazard pay in all those pay periods, the value of hazard pay would be about 9 percent of basic pay. This shows that increasing the annual rate of basic pay to compensate for the loss of hazard pay would affect full-year and part-year employees differently—and it would affect individual employees differently depending on their specific situation.



For example, if we hypothetically increased the rate of basic pay by 4.5 percent and eliminated hazard pay:

- On average, a full-year (permanent, nonseasonal) employee would get a 4.5 percent increase in total basic pay for the year, while losing hazard pay valued at an average of 3 percent of basic pay.
- On average, a half-year (seasonal or temporary) employee would get a 4.5 percent increase in total basic pay for the year, while losing hazard pay valued at an average of 6 percent of basic pay.
- A full-year (permanent, nonseasonal) employee who would otherwise receive hazard pay averaging 15 percent in 15 pay periods would get a 4.5 percent increase in total basic pay for the year, while losing hazard pay valued at 9 percent of basic pay.
- A half-year (seasonal or temporary) employee who would otherwise receive hazard pay averaging 15 percent in 13 pay periods would get a 4.5 percent increase in total basic pay for the year, while losing hazard pay valued at 15 percent of basic pay.

In conclusion, replacing hazard pay with an across-the-board increase in employees' annual rate of basic pay would affect employees in disparate ways.

We also note that any increase in annual rates of basic pay to replace the loss of hazard pay would result in higher retirement benefits, since those rates are retirement-creditable, while hazard pay is not. Thus, there would be a permanent increase in Government costs for retirement benefits for the affected category of employees.

I appreciate the opportunity to respond to your interest in this matter. If you have any further questions, please feel free to contact Stephen Billy, Acting Director of Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Kimberly A. Holden  
Deputy Associate Director  
Recruitment and Hiring

cc: The Honorable Claire McCaskill



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 2, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448).

We are in partial agreement with the recommendations identified in the report and appreciate GAO's input. As we continue with our data center consolidation initiative, we will develop plans for implementing appropriate automated monitoring tools at our two remaining data centers by the end of FY18. A specific response to GAO's recommendation is enclosed.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure

OPM Response to GAO Report Titled *Data Center Optimization Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goal* (GAO-17-448)

In July 2017, the U.S. Office of Personnel Management (OPM) provided a response to U.S. Government Accountability Office (GAO) draft report recommendation, which is included in the GAO's final report. As we stated in the response to the draft report, we partially concur with the GAO recommendation to achieve cost savings goal.

Response to Recommendation:

**Recommendation:** We also recommend [...] the Director of OPM [...] take action to, within existing OMB reporting mechanisms, complete plans describing how the agency will achieve OMB's requirement to implement automated monitoring tools at all agency-owned data centers by the end of fiscal year 2018.

**Management Response:**

**OPM partially concurs.** OPM is in the process of consolidating its remaining data centers into two main data center locations, which is on track to be completed by the end of FY18. This consolidation will obviate the need to implement automated monitoring tools at the data centers that are closing. OPM will complete plans describing how the agency will achieve OMB's requirements to implement appropriate automated monitoring tools at the designated core data centers by the end of FY18.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP - 6 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

Thank you for your letter dated August 31, 2017 and your interest in the critical issues surrounding Section 951 in the National Defense Authorization Act for Fiscal Year 2017.

As you are aware, Section 951 required the Department of Defense (DOD) to develop an implementation plan to move DOD-specific background investigations from the National Background Investigations Bureau (NBIB) within the Office of Personnel Management (OPM) to the Defense Security Service (DSS) within the DOD. Implementing this plan will have wide-ranging effects on our Government's ability to efficiently process background investigations vital to national security within DOD and the 100-plus other Federal agencies OPM currently supports.

In less than a year, since NBIB was created, multiple and significant steps have been taken to address the current challenges in our background investigative processes. NBIB has established a strong focus on national security through inter-agency representation, an enhanced emphasis on customer service, and continuous process improvement to meet this critical governmentwide need<sup>1</sup>. NBIB has shown consistent progress in standing up the new organization, reallocating resources and reengineering processes to address the governmentwide challenges. OPM and NBIB are fully committed to continuing our efforts to reducing the backlog and our role supporting nearly 100 percent of all government clearances. Among other things, OPM has made arrangements to commit support staff in other offices to work predominantly on NBIB matters, so as to increase mission cohesion and efficiency in the delivery of such services.

As recently recognized by a multi-association coalition of industry experts, introducing a three-year process to transfer background investigations to DOD, in a piecemeal manner, will have a negative impact on the current progress. Additionally, because of the inevitable duplication of

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<sup>1</sup> NBIB has sought to integrate employees from other agencies through details, and has listened to agency interests and concerns, and considered appropriate responses, through interagency stakeholder groups such as the Background Investigations Stakeholder Group.


processes, it will create long-term systemic obstacles to reform and disrupt the current security clearance system. Agencies governmentwide depend on that system to obtain background investigations for their employees and employees of their contractors. A blow to the efficiency of that process is a blow to efficiency – and effectiveness – across Government. All of these outcomes seem inconsistent with Congress’s expressed desire, through enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, to concentrate most background investigations for national security purposes in the hands of one lead investigative agency.

As DOD has begun its work to develop the plan required by Section 951 in the Fiscal Year 2017 NDAA, OPM has provided DOD with comments and concerns. On July 5, 2017, DOD shared a copy of its then-draft plan. OPM provided a response shortly thereafter. A copy of OPM’s response to DOD’s draft plan is enclosed as requested. Additionally, in our role as the Suitability and Credentialing Executive Agent, we have provided these concerns to Director Mulvaney of the Office of Management and Budget. A copy of a document summarizing that presentation has also been enclosed for your review. Also enclosed is a letter from the Professional Services Council to the Senate Armed Services Committee.

OPM directed NBIB to develop a comprehensive Impact Assessment on the effects that implementing the proposed plan under Section 951 will have on the background investigation process and our many stakeholders across government and industry. This Impact Assessment is included as part of OPM’s response to your letter of August 31, 2017.

OPM and NBIB are fully committed to meeting the security clearance needs of the Federal Government community in a timely and professional manner. We appreciate the opportunity to respond to your interest in this important matter and value your consideration of the governmentwide impacts of Section 951 of the NDAA and the potential migration of the mission, at least in part. If you have any questions or would like for us to meet with your staff to address this topic in greater detail, please contact Mr. Stephen Billy, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs at 202-606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosures

cc: The Honorable James Mattis  
Secretary  
U.S. Department of Defense

Charles S. Phalen Jr.  
Director  
National Background Investigations Bureau

The Honorable John McCain  
Chairman  
Committee on Armed Services  
U.S. Senate

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
U.S. Senate

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives

The Honorable Adam Smith  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN - 9 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

Thank you for your letter, dated May 19, 2017, requesting basic accounting of the unobligated funds held by the U.S. Office of Personnel Management (OPM) at the end of fiscal year 2015. At the end of fiscal year 2015, OPM held \$64.4 billion of unobligated funds. All of these resources were held in unexpired accounts. \$43.3 billion of the unobligated balance was held in the Employees' Life Insurance Fund, representing the invested premiums of Federal Employees Group Life Insurance Program participants. \$20.8 billion of the unobligated balance was held in the Employees' Health Benefits Fund, representing the contingency reserves of the Federal Employees Health Benefits Program. OPM's revolving fund, which finances services performed by OPM for other Federal agencies as authorized by 5 U.S.C. 1304(e) held \$374 million, the Federal Flexible Spending Account Program (FSAFEDS) Risk Reserve account held \$69 million, and OPM's Salaries and Expenses account held \$15 million.

The Employees' Life Insurance Fund, Employees' Health Benefits Fund, and OPM's revolving fund are all revolving funds with no-year availability. They continuously receive new budget authority through the receipt of insurance premiums, and the ordering of OPM services. Obligations are incurred as insurance carriers process claims, and as OPM performs services. As of the 2<sup>nd</sup> quarter of 2017, these funds gained an additional \$83.8 billion of budget authority, spent \$80.2 billion, and incurred \$80.5 billion of obligations. At the end of the 2<sup>nd</sup> quarter, the unobligated balance of these funds totaled \$67.6 billion.

The FSAFEDS Risk Reserve account was primarily established to hold reserve funds collected from Federal agencies to be used when claims for flexible spending account disbursements exceed resources collected from account holders. OPM's actuaries determined that the assets of this account are more than necessary to indemnify the plan administrator, and assets are being used to offset (reduce) the amounts that Federal agencies would otherwise be required to pay the plan administrator each year to operate the FSAFEDS program. As of the end of the 2<sup>nd</sup> quarter

of 2017, the account gained an additional \$7.3 million of budget authority, spent \$17.6 million, and incurred \$24.5 million of obligations. At the end of the 2<sup>nd</sup> quarter, the unobligated balance of the FSAFEDS risk reserve account was \$51.7 million.

Unobligated balances at the end of fiscal year 2015 in OPM's Salaries and Expenses account consisted of \$14 million in currently unexpired authority, and \$768,000 of authority transferred to OPM for services from the Chief Human Capital Officers (CHCO) Council which expired on September 30, 2016. Prior to expiration, OPM incurred an additional \$664,000 of obligations and spent \$452,000. The unobligated balance at expiration was \$103,000.

The unexpired resources represent balances of appropriations enacted in prior years and no-year authority transferred to OPM for Voting Rights Observation and for the Suitability and Security Clearance Reform Performance and Accountability Reform Council's Program Management Office. In addition, the balance included the unobligated resources in our Building Operations Fund, which is used to operate and maintain the Theodore Roosevelt Building under authority delegated by the General Services Administration. Since 2015, OPM has been appropriated \$2.5 million of additional no-year authority, received additional transfers, and contributed to the Building Operations Fund. We have incurred \$20.8 million of obligations and expended \$16.6 million. At the end of the 2<sup>nd</sup> quarter, the unobligated balance was \$23.4 million.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen M. McGettigan". The signature is written in a cursive style with a small dot above the 'i' in "Kathleen".

Kathleen M. McGettigan,  
Acting Director





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAR 29 2017**

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Meadows:

Thank you for your letter, dated March 10, 2017, requesting information regarding the U.S. Office of Personnel Management's (OPM) review of (b) (6) appointment from a Schedule C employee at OPM to a non-political civil service position at the Consumer Financial Protection Bureau (CFPB).

(b) (6) served as a Public Affairs Specialist, (b) (6) in OPM's Office of Communications, at a rate of basic pay of (b) (6) and locality adjustment of (b) (6), for an adjusted salary of (b) (6). CFPB appointed (b) (6) to the position of Public Affairs Specialist, (b) (6), at a rate of basic pay of (b) (6) and locality adjustment of (b) (6) for an adjusted salary of (b) (6). (b) (6) did not receive a raise upon his appointment.

In response to your request for specific information, the incumbent of the Public Affairs Specialist position notified CFPB in October 2016, of the intent to accept another position within the agency. On November 13, 2016, the Public Affairs Specialist position at CFPB became vacant. On November 22, 2016, the supervisor of the CFPB Public Affairs Specialist position requested the Office of Human Capital (OHC) post the job announcement. We have enclosed a copy of the CFPB job announcement, which posted on December 5, 2016, on USAJobs.gov.

CFPB received a total of 68 applications for the position, of which 8 preference eligible candidates, including (b) (6) were certified and referred to the selecting official. Consistent with competitive examining procedures and veterans' preference laws and regulations, the preference eligible candidates were certified and referred to the selecting official ahead of non-preference eligibles. A selecting official may not pass over a preference eligible to select a non-preference eligible without adequate reasons and requisite approval.

When a request for pre-appointment review is received at OPM, career staff in our Merit Systems Accountability and Compliance division review the documents associated with the

<sup>1</sup> This updated information is based on (b) (6) appointment SF-50 which OPM received after the February 22, 2017 submission to your committee was prepared on requests for pre-appointment reviews received October 1, 2016 – January 20, 2017.

selection, such as the job opportunity announcement, job analysis, position description, applications, assessment scores, etc.<sup>2</sup> OPM reviews this information, which is provided by the agency, to reconstruct the hiring action and determine whether the candidates referred possessed appropriate qualifications and whether or not the record supports adherence to merit system principles and civil service laws. During the course of our review, OPM would not request information related to the applicant's job performance at his or her previous Federal position, whether the position was at OPM or another Federal agency.

The selecting official at the appointing agency, not OPM, chooses the candidate it deems most qualified from those candidates who were within reach. As noted above, OPM's purpose in performing its review is to satisfy itself that the record demonstrates an adherence to merit system principles and civil service laws governing the selection process.

OPM approved CFPB's pre-appointment review request concerning (b) (6) on January 19, 2017, before the issuance of the January 23, 2017 Presidential Memorandum for the Heads of Executive departments and Agencies, entitled "Hiring Freeze," had been issued. Accordingly, that memorandum played no role in this review.

I appreciate the opportunity to provide you information on OPM's efforts to safeguard the merit system principles. If you have any further questions, please do not hesitate to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

cc: The Honorable Gerald E. Connolly  
Ranking Minority Member

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<sup>2</sup> Links to OPM's memo to Agencies about pre-appointment reviews and the information OPM requests depending on the type of appointment can be found here: <https://www.opm.gov/policy-data-oversight/oversight-activities/political-conversions/>



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**AUG - 1 2017**

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Meadows:

Thank you for your letter, dated June 12, 2017, regarding the Veterans Employment Initiative (the "Initiative") and your suggestions for increased areas of continued research and data collection.

The U.S. Office of Personnel Management's (OPM) Veterans Services Office has coordinated our review of your letter with the Institute for Veterans and Military Families (IVMF). We believe that IVMF would be best positioned to address separately your questions pertaining to IVMF's recent research into the Initiative. Like you, we also look forward to IVMF's final report on the Initiative.

Agencies have a responsibility to understand the experience veterans have in the Federal Government. Agencies are encouraged in this effort by the Interagency Council on Veterans Employment (the 'Council'), on which I serve as the Vice Chair. As outlined in the Addendum to the Government-wide Veterans Recruitment and Employment Strategic Plan FY 2014-FY 2017, agencies should conduct analyses of their Federal Employee Viewpoint Survey (FEVS) results "to identify disparities related to veterans." This analysis extends past just retention and looks at how Federal employees are engaged in their workplace. This includes measurements of employee views of their agency leaders, the interpersonal relationships between employees and supervisors, and employees' motivation and competency relating to their role in support of their agency's mission.

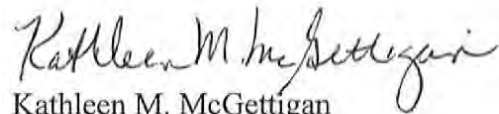
From reviewing data for 2015, we have not identified appreciable differences in how veterans experience the Federal workplace as compared to their non-veteran counterparts. Please see the enclosed veteran input from the 2015 FEVS.

The topics raised in your letter definitely deserve full consideration and discussion before the Council. Going forward, the Council will continue our work in carrying out Executive Order

13518 and its directives. As the Council continues to be filled out with more permanent political leadership, OPM, in its roles on the Council, will share your letter for the Council's consideration and discussion.

Thank you for the opportunity to share these issues with the Council. If you have any follow up questions, please contact Janel Fitzhugh, Acting Director, Congressional, Legislative and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

The Honorable Devin Nunes     SEP - 6 2017  
Chairman  
Permanent Select Committee on Intelligence  
United States House of Representatives  
House Visitor Center HVC-304, The Capitol  
Washington, DC 20515

Dear Chairman Nunes:

Thank you for your letter dated August 31, 2017 and your interest in the critical issues surrounding Section 951 in the National Defense Authorization Act for Fiscal Year 2017.

As you are aware, Section 951 required the Department of Defense (DOD) to develop an implementation plan to move DOD-specific background investigations from the National Background Investigations Bureau (NBIB) within the Office of Personnel Management (OPM) to the Defense Security Service (DSS) within the DOD. Implementing this plan will have wide-ranging effects on our Government's ability to efficiently process background investigations vital to national security within DOD and the 100-plus other Federal agencies OPM currently supports.

In less than a year, since NBIB was created, multiple and significant steps have been taken to address the current challenges in our background investigative processes. NBIB has established a strong focus on national security through inter-agency representation, an enhanced emphasis on customer service, and continuous process improvement to meet this critical governmentwide need<sup>1</sup>. NBIB has shown consistent progress in standing up the new organization, reallocating resources and reengineering processes to address the governmentwide challenges. OPM and NBIB are fully committed to continuing our efforts to reducing the backlog and our role supporting nearly 100 percent of all government clearances. Among other things, OPM has made arrangements to commit support staff in other offices to work predominantly on NBIB matters, so as to increase mission cohesion and efficiency in the delivery of such services.

As recently recognized by a multi-association coalition of industry experts, introducing a three-year process to transfer background investigations to DOD, in a piecemeal manner, will have a negative impact on the current progress. Additionally, because of the inevitable duplication of

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<sup>1</sup> NBIB has sought to integrate employees from other agencies through details, and has listened to agency interests and concerns, and considered appropriate responses, through interagency stakeholder groups such as the Background Investigations Stakeholder Group.

processes, it will create long-term systemic obstacles to reform and disrupt the current security clearance system. Agencies governmentwide depend on that system to obtain background investigations for their employees and employees of their contractors. A blow to the efficiency of that process is a blow to efficiency – and effectiveness – across Government. All of these outcomes seem inconsistent with Congress’s expressed desire, through enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, to concentrate most background investigations for national security purposes in the hands of one lead investigative agency.

As DOD has begun its work to develop the plan required by Section 951 in the Fiscal Year 2017 NDAA, OPM has provided DOD with comments and concerns. On July 5, 2017, DOD shared a copy of its then-draft plan. OPM provided a response shortly thereafter. A copy of OPM’s response to DOD’s draft plan is enclosed as requested. Additionally, in our role as the Suitability and Credentialing Executive Agent, we have provided these concerns to Director Mulvaney of the Office of Management and Budget. A copy of a document summarizing that presentation has also been enclosed for your review. Also enclosed is a letter from the Professional Services Council to the Senate Armed Services Committee.

OPM directed NBIB to develop a comprehensive Impact Assessment on the effects that implementing the proposed plan under Section 951 will have on the background investigation process and our many stakeholders across government and industry. This Impact Assessment is included as part of OPM’s response to your letter of August 31, 2017.

OPM and NBIB are fully committed to meeting the security clearance needs of the Federal Government community in a timely and professional manner. We appreciate the opportunity to respond to your interest in this important matter and value your consideration of the governmentwide impacts of Section 951 of the NDAA and the potential migration of the mission, at least in part. If you have any questions or would like for us to meet with your staff to address this topic in greater detail, please contact Mr. Stephen Billy, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs at 202-606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

cc: The Honorable James Mattis  
Secretary  
U.S. Department of Defense

Charles S. Phalen Jr.  
Director  
National Background Investigations Bureau

The Honorable John McCain  
Chairman  
Committee on Armed Services  
U.S. Senate

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
U.S. Senate

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives

The Honorable Adam Smith  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

The Honorable Jim Risch  
Chairman  
Committee on Small Business and Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, DC 20510

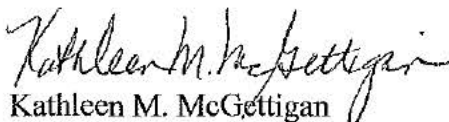
Dear Chairman Risch:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Office of Personnel Management: Small Business Contracting - Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates*, GAO-17-675, GAO job code number 100820.

We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

At the time of enactment of section 691(a), OPM's OSDBU Director position was encumbered by an employee at the GS-15 pay grade. OPM is presently awaiting the confirmation of its nominee for Director. Should the nominee be confirmed, this requirement will be one of the many items the new OPM Director will evaluate and take appropriate action to comply, or to request an exception from this provision.

**Section 15(k)(8), Assign Small Business Technical Advisor:** An agency official stated that the OSDBU has hired 1 staff member who is technically qualified to work with the procurement center representative. The employee also does market research and helps with outreach events of the OSDBU, and in general mirrors the OSDBU Director's work. The official told us the staff member spends about 50 percent of her time working with the procurement center representative. The official also said the OPM OSDBU is small and the OSDBU Director handles many tasks himself or may refer them to other relevant individuals.

**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

**Section 15(k)(17), Respond to Notification of Undue Restriction on Ability of Small Business to Compete:** The survey response indicated that the OSDBU had not received a notification of an undue restriction in the past 3 years. In a follow-up discussion, an agency official indicated that the OSDBU Director would take most of the steps specified in the notification requirement, but would only inform the advocate for competition if the situation could not be resolved between contracting, the procurement center representative, and the OSDBU Director. According to the official, the agency has created a draft standard operating procedure that will address the issue of communicating to the agency advocate for competition. However, the official also added that draft review process is lengthy and had not yet been completed as of October 23, 2017.

**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2017

The Honorable John Thune  
Chairman  
Committee on Commerce, Science  
and Transportation  
United States Senate  
512 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:


In accordance with 31 U.S.C. 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Personnel Practices: Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests*, GAO-17-674, GAO job code number 100540.

We are pleased GAO concurred with OPM's determinations to approve 78 and deny 21 agency requests to appoint current or former political appointees to covered career civil service positions from January 1, 2010, through March 17, 2016. Specifically, GAO supported OPM's conclusion that all approved cases appeared to be free of political influence and complied with merit system principles.

We recognize that even the most well-run programs may benefit from external evaluations. Therefore, we provide detailed responses to GAO's recommendations in the enclosure to this letter.

If you have any questions, please feel free to contact Mr. Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

*Personnel Practices: Actions Needed to Improve Documentation of OPM  
Decisions on Conversion Requests, GAO-17-674*

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that OPM’s finalized records schedule on retaining conversion case files specifically lists all documentation that must be saved in its case files.

**Management Response:**

**OPM partially concurs.**

**We agree** that the finalized guidance on retaining conversion case files should specifically list information that must be documented in OPM’s case files.

OPM’s draft records retention schedule for maintaining pre- and post-appointment review case files includes a list of documents that must be retained and exceptions to retaining voluminous or large sized agency files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM’s files. By the end of calendar year 2017, OPM will submit the draft retention schedule to the National Archives and Records Administration for review, public comment, and approval.

**We do not agree** with the implication that OPM’s current guidance lacks information that must be maintained in case files. OPM’s Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the “Pre-appointment Checklist contents.” While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM’s decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM’s files. Nonetheless, OPM’s evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

**Recommendation 2:** The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists completed before recommending approval or denial of a conversion request. OPM may incorporate such a verification requirement as part of checklists completed by its staff when reviewing conversion requests.

**Management Response:**

**OPM partially concurs.**

**We agree** with the recommendation to add a box to the evaluator checklist for evaluators to indicate they have reviewed all applicable documentation, and for their reviewers to add their concurrence. OPM's revised evaluator checklists now include such verification requirement, which will be applied moving forward.

**We do not agree** with the implication that OPM lacks a policy or process to implement a thorough evaluation of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. The process involves experienced evaluators serving as subject matter experts in human resources evaluation, standardized checklists and operating procedures, and multiple levels of management review prior to issuing a final decision of approval or denial. The thoroughness of our review process is also evidenced by the fact that GAO agreed with all of our decisions in the 99 cases reviewed.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2017

The Honorable Greg Walden  
Chairman  
Committee on Energy and Commerce  
United States House of Representatives  
2185 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

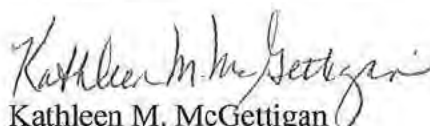
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Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure

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Decisions on Conversion Requests, GAO-17-674*

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

November 22, 2017

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20515

Dear Vice Chairman Leahy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Office of Personnel Management: Small Business Contracting - Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates*, GAO-17-675, GAO job code number 100820.

We recognize that even the most well-run program benefits from external evaluations. We provide detailed responses to GAO's recommendations in the enclosure of this letter.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative and Intergovernmental Affairs (202) 606-1300.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure



**Recommendation:** The Director of OPM should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

### **OPM Response**

**Section 15(k)(2), Compensation/Seniority:** Generally requires that OSDBU Director be appointed by the agency head to an SES position. According to the survey response, the OSDBU Director is a General Schedule position (GS-15 level) and the Senior Procurement Executive is a Senior Executive Service (SES) position.

**Management Response:** We concur in part. OPM recognizes that the National Defense Authorization Act for 2013, Section 691(a) Pub. L. No. 112-239 included the requirement that the OSDBU Director be a member of the Senior Executive Service (SES) if the chief acquisition officer (CAO) or the senior procurement executive (SPE) is an SES. By statute, OPM has no chief acquisition officer, but it does have a senior procurement executive, who is a member of the SES.

At the time of enactment of section 691(a), OPM's OSDBU Director position was encumbered by an employee at the GS-15 pay grade. OPM is presently awaiting the confirmation of its nominee for Director. Should the nominee be confirmed, this requirement will be one of the many items the new OPM Director will evaluate and take appropriate action to comply, or to request an exception from this provision.

**Section 15(k)(8), Assign Small Business Technical Advisor:** An agency official stated that the OSDBU has hired 1 staff member who is technically qualified to work with the procurement center representative. The employee also does market research and helps with outreach events of the OSDBU, and in general mirrors the OSDBU Director's work. The official told us the staff member spends about 50 percent of her time working with the procurement center representative. The official also said the OPM OSDBU is small and the OSDBU Director handles many tasks himself or may refer them to other relevant individuals.

**Management Response:** We partially concur. OPM agrees with GAO's summary for Section 15(k)(8); however, the summary does not take into account that the OSDBU office has two full-time "FTEs" who each share 50 percent of their time with the procurement center representative which equates to 100 percent full-time coverage.

**Section 15(k)(17), Respond to Notification of Undue Restriction on Ability of Small Business to Compete:** The survey response indicated that the OSDBU had not received a notification of an undue restriction in the past 3 years. In a follow-up discussion, an agency official indicated that the OSDBU Director would take most of the steps specified in the notification requirement, but would only inform the advocate for competition if the situation could not be resolved between contracting, the procurement center representative, and the OSDBU Director. According to the official, the agency has created a draft standard operating procedure that will address the issue of communicating to the agency advocate for competition. However, the official also added that draft review process is lengthy and had not yet been completed as of October 23, 2017.

**Management Response:** We concur. The Director of the OSDBU prepared a draft SOP entitled "Undue Restriction on Small Business Ability to Compete" which is undergoing agency review. This proposal will be evaluated by the incoming OPM Director, if confirmed, as part of his comprehensive review of the OSDBU program at OPM.



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP - 6 2017

The Honorable Mark Warner  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner:

Thank you for your letter dated August 31, 2017 and your interest in the critical issues surrounding Section 951 in the National Defense Authorization Act for Fiscal Year 2017.

As you are aware, Section 951 required the Department of Defense (DOD) to develop an implementation plan to move DOD-specific background investigations from the National Background Investigations Bureau (NBIB) within the Office of Personnel Management (OPM) to the Defense Security Service (DSS) within the DOD. Implementing this plan will have wide-ranging effects on our Government's ability to efficiently process background investigations vital to national security within DOD and the 100-plus other Federal agencies OPM currently supports.

In less than a year, since NBIB was created, multiple and significant steps have been taken to address the current challenges in our background investigative processes. NBIB has established a strong focus on national security through inter-agency representation, an enhanced emphasis on customer service, and continuous process improvement to meet this critical governmentwide need<sup>1</sup>. NBIB has shown consistent progress in standing up the new organization, reallocating resources and reengineering processes to address the governmentwide challenges. OPM and NBIB are fully committed to continuing our efforts to reducing the backlog and our role supporting nearly 100 percent of all government clearances. Among other things, OPM has made arrangements to commit support staff in other offices to work predominantly on NBIB matters, so as to increase mission cohesion and efficiency in the delivery of such services.

As recently recognized by a multi-association coalition of industry experts, introducing a three-year process to transfer background investigations to DOD, in a piecemeal manner, will have a negative impact on the current progress. Additionally, because of the inevitable duplication of

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<sup>1</sup> NBIB has sought to integrate employees from other agencies through details, and has listened to agency interests and concerns, and considered appropriate responses, through interagency stakeholder groups such as the Background Investigations Stakeholder Group.

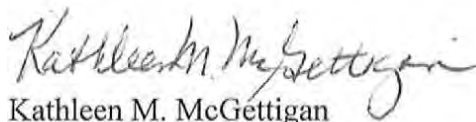
processes, it will create long-term systemic obstacles to reform and disrupt the current security clearance system. Agencies governmentwide depend on that system to obtain background investigations for their employees and employees of their contractors. A blow to the efficiency of that process is a blow to efficiency – and effectiveness – across Government. All of these outcomes seem inconsistent with Congress’s expressed desire, through enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, to concentrate most background investigations for national security purposes in the hands of one lead investigative agency.

As DOD has begun its work to develop the plan required by Section 951 in the Fiscal Year 2017 NDAA, OPM has provided DOD with comments and concerns. On July 5, 2017, DOD shared a copy of its then-draft plan. OPM provided a response shortly thereafter. A copy of OPM’s response to DOD’s draft plan is enclosed as requested. Additionally, in our role as the Suitability and Credentialing Executive Agent, we have provided these concerns to Director Mulvaney of the Office of Management and Budget. A copy of a document summarizing that presentation has also been enclosed for your review. Also enclosed is a letter from the Professional Services Council to the Senate Armed Services Committee.

OPM directed NBIB to develop a comprehensive Impact Assessment on the effects that implementing the proposed plan under Section 951 will have on the background investigation process and our many stakeholders across government and industry. This Impact Assessment is included as part of OPM’s response to your letter of August 31, 2017.

OPM and NBIB are fully committed to meeting the security clearance needs of the Federal Government community in a timely and professional manner. We appreciate the opportunity to respond to your interest in this important matter and value your consideration of the governmentwide impacts of Section 951 of the NDAA and the potential migration of the mission, at least in part. If you have any questions or would like for us to meet with your staff to address this topic in greater detail, please contact Mr. Stephen Billy, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs at 202-606-1300.

Sincerely,



Kathleen M. McGettigan  
Acting Director

Enclosures

cc: The Honorable James Mattis  
Secretary  
U.S. Department of Defense

Charles S. Phalen Jr.  
Director  
National Background Investigations Bureau

The Honorable John McCain  
Chairman  
Committee on Armed Services  
U.S. Senate

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
U.S. Senate

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives

The Honorable Adam Smith  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 30 2017**

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chaffetz:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Identity Theft Services: Services Offer Some Benefits but are Limited in Preventing Fraud*, GAO-17-254.

OPM is committed to ensuring that we have consistent criteria by which to evaluate breaches of personally identifiable information and an appropriate process in place to document our decisions. We provide detailed responses to GAO's recommendations in the enclosure to this letter.

If you have any questions, please feel free to contact Janel Fitzhugh, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure

**Recommendation 1:** GAO recommends that the Director of OPM incorporate criteria and procedures for determining whether to offer identity theft services into the agency's data-breach-response policy.

**Management Response: We concur.** OPM will update its breach response plan in accordance with the Office of Management and Budget's recently issued Memorandum 17-12 (OMB M-17-12). That memorandum requires that OPM assess the risk of harm to individuals affected or potentially affected by a breach and to determine how best to mitigate that harm, including what services to offer affected individuals. The framework set out in the memorandum for conducting those assessments will be incorporated into the OPM breach response plan, which is due to be completed and submitted to OMB by July 2017.

**Recommendation 2:** GAO recommends that the Director of OPM implement procedures that provide reasonable assurance that significant decisions on the use of identity theft services are appropriately documented.

**Management Response: We concur.** As noted above, OPM will update its breach response plan in accordance with OMB M-17-12. In developing that plan, OPM will incorporate the memorandum's guidance concerning tracking and documenting the agency's response to a breach, including documenting decisions to provide identity theft services to affected individuals. The OPM breach response plan is due to be completed and provided to OMB by July 2017.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 30 2017**

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

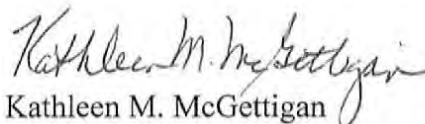
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Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 30 2017**

The Honorable Rodney Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

Dear Chairman Frelinghuysen:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, *Identity Theft Services: Services Offer Some Benefits but are Limited in Preventing Fraud*, GAO-17-254.

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Sincerely,

  
Kathleen M. McGettigan  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 30 2017**

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 30 2017

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Vice Chairman Leahy:

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP 29 2017

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Chairman Cochran:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Security: OPM Has Improved Controls but Further Efforts Are Needed*, GAO-17-614, GAO job code 100559.

Enclosed with this letter please find OPM's detailed responses to GAO's recommendations.

If you have any questions, please feel free to contact Mr. Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP 29 2017

The Honorable Rodney Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

Dear Chairman Frelinghuysen:

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP 29 2017

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

Dear Chairman Gowdy:

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP 29 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

SEP 29 2017

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Vice Chairman Leahy:

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Kathleen M. McGettigan  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Rodney Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) and the National Background Investigations Bureau (NBIB) hereby submit our response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *"Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address Timeliness, and Reduce Investigation Backlog," GAO-18-29.*

In its report, GAO issued three recommendations for NBIB. These recommendations focus on continued development of plans and goals related to NBIB's ability to reduce its case inventory and to properly build an investigative capacity and Federal workforce that can meet NBIB's organizational needs and demands for service. NBIB concurred with these recommendations and will set in place a process to address each of the three recommendations. However, it should be noted that following the issuance of GAO's report, the FY 2018 National Defense Authorization Act (NDAA), Section 925, was enacted. Section 925 directs the Secretary of Defense to transfer the function of the background investigations for Department of Defense (DOD) personnel from NBIB to DOD. This will result in a transfer of approximately 70 percent of NBIB's current workload to DOD and a shift in NBIB's organizational structure over the next few years. As a result, NBIB's ability to develop and implement strategic plans will be dependent on ongoing coordination with DOD during this transition, and will be influenced by DOD's continued efforts to finalize a comprehensive plan and timeline.

Detailed responses to the recommendations, including related ongoing efforts and activities, are enclosed with this letter. If you have any further questions, please feel free to contact Stephen Billy, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure

U.S. Office of Personnel Management's Response to GAO's Recommendations in Report:  
*Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address  
Timeliness, and Reduce Investigation Backlog*

NBIB's responses to its pertinent recommendations are detailed below by the specific recommendation in GAO's report.

**Recommendation #4:** Develop a plan, including goals and milestones, that includes a determination of the effect of the business process reengineering efforts for reducing the backlog to a "healthy" inventory of work, representing approximately 6 weeks of work.

**We concur.** Over the last year, NBIB has implemented efficiencies to reduce the level of effort through its business process reengineering effort and has increased its overall investigator capacity. Additionally, NBIB has dedicated resources to work with the Office of the Director of National Intelligence, Office of Management and Budget, Department of Defense (DOD), OPM and other Departments and Agencies to further develop, scope, and implement a series of operational and administrative process changes aimed at bringing about both short and long-term reductions in the current inventory.

Despite making great strides on the business process reengineering effort, NBIB's ability to develop the kind of plan envisioned by this recommendation is dependent on the execution of the transition with DOD, as directed in Section 925. Until NBIB receives a fully executable plan and timeline from DOD for the transition of up to 70 percent of its workload, it will be difficult for NBIB to develop realistic and reasonable goals and milestones that will help it reach a "healthy" inventory.

**Recommendation #5:** Establish goals for increasing total investigator capacity – Federal employees and contractor personnel - in accordance with the plan for reducing the backlog of investigations.

**We concur.** We agree that an increase in investigator capacity – both Federal and contractor – is critical to reducing the current inventory. Since our inception, NBIB has prioritized efforts to increase investigator capacity. On the Federal side, NBIB added 600 funded field investigator positions and currently have approximately 1,700 fully trained and productive Federal investigators in place. We plan to continue our aggressive hiring efforts with a goal of sustaining a workforce of 1975 total Federal investigators. For contract investigators, we increased our total contract vendors to four, and those four contract vendors have increased available resources by over 800 investigators, with a total of approximately 5,300 contractor investigators deployed in the field today.

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**We concur.** We generally agree we need to further develop a solid workforce strategy that not only accommodates for the business process improvement initiatives, but accounts for the reduction in workload that is anticipated to be triggered by a transition of certain background investigation activities to DoD.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Vice Chairman Leahy:

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**We concur.** We generally agree we need to further develop a solid workforce strategy that not only accommodates for the business process improvement initiatives, but accounts for the reduction in workload that is anticipated to be triggered by a transition of certain background investigation activities to DoD.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Samuel B. Graves, Jr.  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
2000 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

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Kathleen M. McGettigan  
Acting Director

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Shelley Moore Capito  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
184 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Capito:

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Acting Director

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Devin Nunes  
Chairman  
Permanent Select Committee on Intelligence  
United States House of Representatives  
House Visitor Center HVC-304, The Capitol  
Washington, DC 20515

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In its report, GAO issued three recommendations for NBIB. These recommendations focus on continued development of plans and goals related to NBIB's ability to reduce its case inventory and to properly build an investigative capacity and Federal workforce that can meet NBIB's organizational needs and demands for service. NBIB concurred with these recommendations and will set in place a process to address each of the three recommendations. However, it should be noted that following the issuance of GAO's report, the FY 2018 National Defense Authorization Act (NDAA), Section 925, was enacted. Section 925 directs the Secretary of Defense to transfer the function of the background investigations for Department of Defense (DOD) personnel from NBIB to DOD. This will result in a transfer of approximately 70 percent of NBIB's current workload to DOD and a shift in NBIB's organizational structure over the next few years. As a result, NBIB's ability to develop and implement strategic plans will be dependent on ongoing coordination with DOD during this transition, and will be influenced by DOD's continued efforts to finalize a comprehensive plan and timeline.

Detailed responses to the recommendations, including related ongoing efforts and activities, are enclosed with this letter. If you have any further questions, please feel free to contact Stephen Billy, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen M. McGettigan".

Kathleen M. McGettigan  
Acting Director

Enclosure

U.S. Office of Personnel Management's Response to GAO's Recommendations in Report:  
*Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address  
Timeliness, and Reduce Investigation Backlog*

NBIB's responses to its pertinent recommendations are detailed below by the specific recommendation in GAO's report.

**Recommendation #4:** Develop a plan, including goals and milestones, that includes a determination of the effect of the business process reengineering efforts for reducing the backlog to a "healthy" inventory of work, representing approximately 6 weeks of work.

**We concur.** Over the last year, NBIB has implemented efficiencies to reduce the level of effort through its business process reengineering effort and has increased its overall investigator capacity. Additionally, NBIB has dedicated resources to work with the Office of the Director of National Intelligence, Office of Management and Budget, Department of Defense (DOD), OPM and other Departments and Agencies to further develop, scope, and implement a series of operational and administrative process changes aimed at bringing about both short and long-term reductions in the current inventory.

Despite making great strides on the business process reengineering effort, NBIB's ability to develop the kind of plan envisioned by this recommendation is dependent on the execution of the transition with DOD, as directed in Section 925. Until NBIB receives a fully executable plan and timeline from DOD for the transition of up to 70 percent of its workload, it will be difficult for NBIB to develop realistic and reasonable goals and milestones that will help it reach a "healthy" inventory.

**Recommendation #5:** Establish goals for increasing total investigator capacity – Federal employees and contractor personnel - in accordance with the plan for reducing the backlog of investigations.

**We concur.** We agree that an increase in investigator capacity – both Federal and contractor – is critical to reducing the current inventory. Since our inception, NBIB has prioritized efforts to increase investigator capacity. On the Federal side, NBIB added 600 funded field investigator positions and currently have approximately 1,700 fully trained and productive Federal investigators in place. We plan to continue our aggressive hiring efforts with a goal of sustaining a workforce of 1975 total Federal investigators. For contract investigators, we increased our total contract vendors to four, and those four contract vendors have increased available resources by over 800 investigators, with a total of approximately 5,300 contractor investigators deployed in the field today.

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U.S. Office of Personnel Management's Response to GAO's Recommendations in Report:  
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**Recommendation #6:** The Director of NBIB should build upon NBIB's current workforce planning efforts by developing and implementing a comprehensive strategic workforce plan that focuses on what workforce and organizational needs and changes will enable the Bureau to meet the current and future demand for its services.

**We concur.** We generally agree we need to further develop a solid workforce strategy that not only accommodates for the business process improvement initiatives, but accounts for the reduction in workload that is anticipated to be triggered by a transition of certain background investigation activities to DoD.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Mark Warner  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) and the National Background Investigations Bureau (NBIB) hereby submit our response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *"Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address Timeliness, and Reduce Investigation Backlog," GAO-18-29.*

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Kathleen M. McGettigan  
Acting Director

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**We concur.** We generally agree we need to further develop a solid workforce strategy that not only accommodates for the business process improvement initiatives, but accounts for the reduction in workload that is anticipated to be triggered by a transition of certain background investigation activities to DoD.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Richard M. Burr  
Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) and the National Background Investigations Bureau (NBIB) hereby submit our response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *"Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address Timeliness, and Reduce Investigation Backlog," GAO-18-29*.

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Kathleen M. McGettigan  
Acting Director

Enclosure

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Mac Thornberry  
Chairman  
Committee on Armed Services  
United States House of Representatives  
2216 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

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Kathleen M. McGettigan  
Acting Director

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable John McCain  
Chairman  
Committee on Armed Services  
United States Senate  
228 Russell Senate Office Building  
Washington, DC 20510

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

February 8, 2018

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

FEB - 1 2018

The Director

Honorable Ron Johnson  
Chairman  
Homeland Security and  
Government Affairs Committee  
340 Dirksen Senate Office Building  
Washington, DC 20510

Re: Production of additional records in further compliance with subpoena 000001.

Dear Chairman Johnson:

In compliance with the above referenced subpoena, the Office of Personnel Management (OPM) is producing a batch of OPM material completing our response to your document request. From September, 2017 to date, OPM has applied significant effort and resources to produce over 10,000 pages of email communication and hand written documentation. Additionally, a supplementary production of items currently being processed through interagency review will be produced in the near term, and we appreciate your patience as this process concludes.

These productions represent complete and full production of responsive documents we have located to the best of our knowledge and our ability. We recognize a continuing duty to comply with the subpoena and produce any additional responsive items we might later discover. As previously communicated to the Committee, should OPM find additional responsive documents, OPM will produce those appropriate documents to the Committee in compliance with subpoena 000001.

We recognize the difficulty for the Committee to conduct oversight of regulatory action nearly five years after promulgation of the rule. To provide the necessary context for the Committee to conduct their oversight, we have complied as instructed in the subpoena. However, by producing the material today, OPM does not waive any privilege over the information contained therein, or previously produced in response to this request, nor does OPM consent to further dissemination of the information provided.

Sincerely,

A handwritten signature in black ink that reads "Kathleen McGettigan".

Kathleen McGettigan  
Acting Director

Cc: The Hon. Claire McCaskill  
Ranking Member

Ms. Kathleen McGettigan

January 25, 2018

Page 2 of 2

cc: The Honorable Claire McCaskill  
Ranking Member

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable William Hurd  
Chairman  
Subcommittee on Information Technology  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform: Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

We agree with the recommendation identified in the report and appreciate GAO's input. OPM intends to update its policies and processes to include a description of the Chief Information Officer's (CIO) role in the certification process and a description of how the CIO certification will be documented, consistent with the Office of Management and Budget's relevant guidance.

If you have any questions, please feel free to contact Stephen Billy, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Kathleen M. McGettigan  
Acting Director

Enclosure

OPM Response to GAO Report Titled *Information Technology Reform Agencies Need to Improve Certification of Incremental Development* (GAO-18-148)

In September 2017, the U.S. Office of Personnel Management (OPM) provided a response to U.S. Government Accountability Office (GAO) draft report recommendation, which is included in the GAO's final report. As we stated in the response to the draft report, we concur with the GAO recommendation towards certification of incremental development.

Response to Recommendation:

**Recommendation:** The Director of OPM should ensure that the CIO of OPM updates the agency's policy and process for the CIO's certification of major IT investments' adequate use of incremental development, in accordance with OMB's guidance on the implementation of FITARA, and confirm that it includes a description of the CIO's role in the certification process and a description of how CIO certification will be documented.

**Management Response:**

OPM concurs with this recommendation. OPM intends to update its policies and processes to include a description of the CIO's role in the certification process and a description of how the CIO certification will be documented, consistent with OMB's relevant guidance. Updating its processes may be impacted by, among other things, the availability of resources.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

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Kathleen M. McGettigan  
Acting Director

Enclosure

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**Management Response:**

OPM concurs with this recommendation. OPM intends to update its policies and processes to include a description of the CIO's role in the certification process and a description of how the CIO certification will be documented, consistent with OMB's relevant guidance. Updating its processes may be impacted by, among other things, the availability of resources.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable Rodney Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform: Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

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Enclosure

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Mr. Vice Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform: Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

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Acting Director

Enclosure

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**Management Response:**

OPM concurs with this recommendation. OPM intends to update its policies and processes to include a description of the CIO's role in the certification process and a description of how the CIO certification will be documented, consistent with OMB's relevant guidance. Updating its processes may be impacted by, among other things, the availability of resources.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform: Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

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Kathleen M. McGettigan  
Acting Director

Enclosure

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**Management Response:**

OPM concurs with this recommendation. OPM intends to update its policies and processes to include a description of the CIO's role in the certification process and a description of how the CIO certification will be documented, consistent with OMB's relevant guidance. Updating its processes may be impacted by, among other things, the availability of resources.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

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

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

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Kathleen M. McGettigan  
Acting Director

Enclosure

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**Management Response:**

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

January 8, 2018

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its report titled *Information Technology Reform: Agencies Need to Improve Certification of Incremental Development* (GAO-18-148).

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Sincerely,

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Kathleen M. McGettigan  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

June 26, 2018

The Director

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

Dear Mr. Chairman:

In accordance with 41 CFR part 102-5, I am notifying your committee of my decision authorizing home-to-work transportation for the U.S. Office of Personnel Management (OPM) Investigators/Investigative Assistants who perform personnel background investigative field work.

In accordance with 31 U.S.C. Section 1344, I authorized OPM Investigators (GS-1810) /Investigative Assistants (GS-1802) to use government transportation between their domicile and the performance of field work as stated in 31 U.S.C. § 1344(a)(2)(A). This authorization is in the best interest of the United States Government and will substantially increase the efficiency and economy of the OPM mission and achievement of the Office of Management and Budget (OMB) directives.

OPM Investigator/Investigative Assistant duties require the full time assignment and use of the government owned vehicles (GOV) to perform background investigative field work. They are engaged in this type of activity a minimum of 40 hours per week. Each day their interview appointment and record collection locations change requiring numerous hours of travel over large geographic areas. Authorizing our growing number of OPM Investigators/Investigative Assistants to operate over 1,950 GOVs from their domicile is the most efficient use of government resources to enable mission accomplishment. We will ensure there is no abuse of this privilege by requiring our Special Agents in Charge (supervisors) to audit the use of these vehicles periodically.

This decision will remain in effect for two years and will be updated as necessary as required by 41 CFR part 102-5.

Thank you for your attention to and implementation of this guidance. If you have any questions or concerns, please contact Mr. Stephen Billy, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. T. H. Pon", with a long horizontal flourish extending to the right.

Dr. Jeff T.H. Pon



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

June 26, 2018

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 41 CFR part 102-5, I am notifying your committee of my decision authorizing home-to-work transportation for the U.S. Office of Personnel Management (OPM) Investigators/Investigative Assistants who perform personnel background investigative field work.

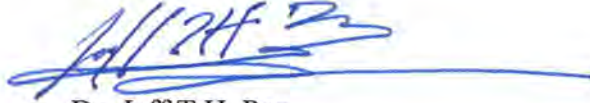
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Sincerely,

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Dr. Jeff T.H. Pon



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 30 2018

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Mr. Vice Chairman:

In accordance with 31 U.S.C. §720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendation made in the U.S. Government Accountability Office's (GAO) final report, entitled, "*Actions and Guidance Could Help Address Issues and Inconsistencies in Estimation Processes*" GAO 18-377, GAO job code 101247.

Please note that OPM plans to complete corrective actions within a timely manner. These planned actions are noted in the attached response, dated May 3, 2018.

If you have any additional questions or concerns, please do not hesitate to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff T.H. Pon", with a long horizontal flourish extending to the right.

Dr. Jeff T.H. Pon  
Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**JUL 30 2018**

The Honorable Rodney Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

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Dr. Jeff T.H. Pon  
Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 30 2019

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

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Dr. Jeff T.H. Pon  
Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

**JUL 30 2018**

The Honorable Tom Graves  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
2000 Rayburn House Office Building  
Washington, DC 20515

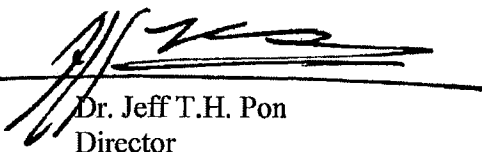
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Sincerely,



Dr. Jeff T.H. Pon  
Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**JUL 30 2018**

The Director

The Honorable James Lankford  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
184 Dirksen Senate Office Building  
Washington, DC 20510

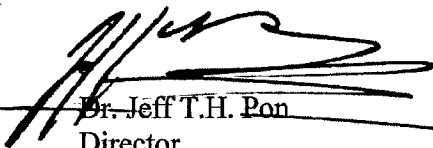
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Sincerely,



Dr. Jeff T.H. Pon  
Director

Enclosure



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

August 13, 2018

The Honorable Steve Chabot  
Chairman  
Committee on Small Business  
United States House of Representatives  
2361 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your letter dated May 1, 2018, requesting information regarding U.S. Office of Personnel Management (OPM) regulations that require a final regulatory flexibility analysis under the Regulatory Flexibility Act (RFA). OPM's Regulatory Affairs unit, under the Office of the Executive Secretariat, researched the issue and found that the agency has not published any regulations that have required a regulatory flexibility analysis within the requested timeframe of 2007 to the present.

All of OPM's rules published within that timeframe have been reviewed by the Office of Management and Budget, and none were found to require an analysis under the RFA. Therefore, we do not have any small entity compliance guides to provide to the Committee.

If you have any additional questions or concerns, please contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dr. Jeff T.H. Pon".

Dr. Jeff T.H. Pon



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

September 28, 2018

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

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities*, GAO-18-93, GAO Job code 101056.

We provide detailed responses to GAO's recommendation within the enclosure to this letter.

If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Dr. Jeff T.H. Pon

Enclosure

GAO Report: *Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities*, GAO-18-93

**Recommendation #1:** The Director of the Office of Personnel Management should ensure that the department's IT management policies address the role of the CIO for key responsibilities in the 5 areas we identified.

**Management Response:**

**We concur.** OPM will review and update, as appropriate, the agency's IT management policies to address the role of the CIO for the key responsibilities identified. Since our last response to GAO, OPM CIO is working with a professional services firm to establish an Enterprise Program Management Office (EPMO) within the Office of the Chief Information Officer (OCIO). This firm has completed an overall assessment of OCIO's existing policies and procedures. Over the coming months, the EPMO will support OCIO's efforts to establish a more robust governance process and to further develop its policies and procedures. The overall efforts will address some of the recommendations from GAO's report while OPM will continue to work to close out any other remaining recommendations identified in the five areas.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

September 28, 2018

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

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Dr. Jeff T.H. Pon

Enclosure



GAO Report: *Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities*, GAO-18-93

**Recommendation #1:** The Director of the Office of Personnel Management should ensure that the department's IT management policies address the role of the CIO for key responsibilities in the 5 areas we identified.

**Management Response:**

**We concur.** OPM will review and update, as appropriate, the agency's IT management policies to address the role of the CIO for the key responsibilities identified. Since our last response to GAO, OPM CIO is working with a professional services firm to establish an Enterprise Program Management Office (EPMO) within the Office of the Chief Information Officer (OCIO). This firm has completed an overall assessment of OCIO's existing policies and procedures. Over the coming months, the EPMO will support OCIO's efforts to establish a more robust governance process and to further develop its policies and procedures. The overall efforts will address some of the recommendations from GAO's report while OPM will continue to work to close out any other remaining recommendations identified in the five areas.



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

October 19, 2018

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

Dear Chairman Gowdy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report entitled, "*FEDERAL EMPLOYEE MISCONDUCT: Actions Needed to Ensure Agencies Have Tools to Effectively Address Misconduct (GAO-18-48)*."

We appreciate GAO identifying the need to help agencies better deal with employee misconduct. OPM will work with agencies and, as appropriate, key stakeholders, on needed improvements. We provide a detailed response to GAO's recommendations in the enclosure to this letter.

If you have any additional questions or concerns, please do not hesitate to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read "Margaret M. Weichert".

Margaret M. Weichert  
Acting Director

Enclosure

**U.S. Office of Personnel Management's Response to GAO's Recommendations in Report:  
"FEDERAL EMPLOYEE MISCONDUCT: Actions Needed to Ensure Agencies Have  
Tools to Effectively Address Misconduct" (GAO-18-48)**

On May 30, 2018, OPM provided a response to GAO's draft report recommendations. Our response to the GAO final recommendations published July 16, 2018, and released on August 15, 2018, is similar and is provided below. We appreciate GAO's review of matters related to federal employee misconduct and their perspective on potential ways to improve how agencies can address misconduct issues. The response below identifies OPM's work in progress and planned actions to address GAO's recommendations.

**GAO Recommendation #1**

The Director of OPM, after consultation with the CHCO Council, should explore the feasibility of improving the quality of data on employee misconduct by providing additional guidance to agencies on how to record instances of misconduct in OPM's databases.

**OPM's Response:**

**We do not concur.**

OPM requires agencies to process a personnel action to document an adverse action, as defined by statute, and those transactions are centrally recorded in OPM's EHRI database under the nature of action code for the action taken. OPM's database does not record instances or forms of misconduct as described by GAO.

Given the array of potential types of misconduct that may form the basis for management action (e.g., a reprimand could be issued as a result of tardiness, failure to follow instructions, dressing inappropriately, being rude to a co-worker or customer, or for dozens of other reasons or combinations thereof), it is not feasible to collect this information at an enterprise level. As noted in GAO's report, CHCOs and subject matter experts agreed that "while common types of misconduct exist, such as time-and-attendance infractions, many unique types of misconduct cannot be placed into easily identifiable categories." Further, OPM cautions against creating a comprehensive catalogue of forms of misconduct because such an approach could expose agencies to the argument that any conduct that was not captured by OPM is not a permissible basis for discipline. Creation of such a catalogue may also have the unintended effect of inducing agencies to force charges into the predefined categories recognized by OPM rather than addressing the unique aspects of each instance of misconduct and tailoring discipline to the specific situation as required under the President's directive in Executive Order (EO) 13839, *Promoting Accountability and Streamlining Removal Procedures Consistent with Merit System Principles*. Specifically, Section 2(c) of the EO instructs agencies to calibrate discipline to the unique facts and circumstances of each case, which is consistent with the flexibility afforded agencies under the "efficiency of the service standard" for imposing discipline contained in the Civil Service Reform Act.

For the reasons noted above, OPM also disagrees with GAO's characterization that "OPM's non-concurrence with this recommendation seems inconsistent with the Administration's own

initiatives, including the May 2018 *Executive Order Promoting Accountability and Streamlining Removal Procedures Consistent with Merit System Principles*, which was released after OPM commented on our draft report.” EO 13839 does not require agencies to report the specific facts and circumstances underlying each act of discipline. Rather, it requires agencies to report the frequency or timeliness with which various types of penalties for misconduct are imposed (e.g., how many written reprimands, how many adverse actions broken down by type, including removals, suspensions, and reductions in grade or pay, removals, how many suspensions, how many notice periods exceeding 30 days, etc.). OPM believes that there is value in collecting such data and its position with regard to GAO’s Recommendation # 1 is not inconsistent with the data collection requirements specified in EO 13839.

As for the role of the CHCO Council, the strategic management of human capital is primarily an OPM function. The Director, may wish to consult with the CHCO Council on these matters. However, we do not agree with the recommendation that the Director commit to an extra-statutory requirement.

### **GAO Recommendation #2**

The Director of OPM, after consultation with the CHCO Council, should broadly disseminate to agencies the promising practices and lessons learned, such as those described in this report, as well as work with agencies through such vehicles as the CHCO Council, to identify any additional practices.

### **OPM’s Response:**

#### **We partially concur.**

OPM partially concurs with Recommendation #2 to the extent that OPM agrees to continue its ongoing efforts through OPM’s accountability toolkit and related outreach. We do agree with GAO that sharing of promising practices and lessons learned can be of benefit to federal agencies. However, OPM cannot concur in this recommendation to the extent it commits OPM to broadly disseminate all of the “promising practices” as identified by GAO.

OPM’s accountability toolkit includes some of the key practices and lessons discussed in the report. OPM frequently communicates these strategies and approaches to the Federal community through ongoing outreach to agencies and through the CHCO Council. In addition, these recommended approaches are available on OPM’s website. Also, OPM is willing to seek the views of agencies in identifying additional practices. OPM plans to engage agencies and other stakeholders over the next year concurrent with any regulatory changes made by OPM due to EO 13839 and the President’s Management Agenda (PMA), to ascertain other methods agencies have used to successfully address employee misconduct. After consulting with interested stakeholders, OPM will assess what may be appropriate for dissemination to agencies. OPM’s work on the PMA has similar objectives. For example, OPM is currently working on identifying best practices for addressing poor performance. OPM will build upon that experience in identifying the best practices for addressing poor performance to determine the best way forward for addressing best practices on misconduct.

As for the requirement to consult with the CHCO Council prior to disseminating best practices, please see the OPM Response regarding the role of the CHCO Council in Recommendation #1 above.

**GAO Recommendation #3**

The Director of OPM, after consultation with the CHCO Council, should provide guidance to agencies to enhance the training received by managers/supervisors and human capital staff to ensure that they have the guidance and technical assistance they need to effectively address misconduct and maximize the productivity of their workforces.

**OPM's Response:**

**We partially concur.**

OPM partially concurs with Recommendation #3. We agree with GAO that OPM guidance and technical assistance to agencies is important to help them effectively address misconduct issues. To achieve this, OPM will continue to carry out its statutory role under 5 U.S.C. chapter 41 and will support agencies on the PMA. The PMA's cross agency priority goal regarding "Workforce for the 21st Century" includes a sub-goal to "Improve Employee Performance Management and Engagement." One of the key milestones under this sub-goal is to ensure that managers are appropriately trained on performance management (including misconduct) and are provided with support to address performance and conduct issues.

In accordance with OPM's general oversight and policy responsibilities for the Federal personnel system and 5 U.S.C. chapter 41, OPM will continue to give guidance to agencies on training requirements for managers, supervisors and human resources staff consistent with OPM's statutory role, as well as guidance and technical assistance regarding misconduct matters, as needed and upon request. This includes providing guidance and assistance when agencies are developing and delivering training on any changes OPM makes to government-wide misconduct policies based on EO 13839 and the PMA. OPM will be supporting agencies in these efforts, consistent with the responsibilities of OPM and Federal agencies with regard to training and how it is delivered and funded. While OPM can educate agencies on the requirements for training these individuals on their roles and responsibilities with respect to addressing employee misconduct, each agency will have to assess whether it finds benefit in utilizing a specific approach if they are not already doing so. OPM continues to design policies, guidance, and tools with the objective of identifying government-wide approaches and solutions to ensure consistency, high quality, efficiency, and cost savings.

As for the requirement to consult with the CHCO Council prior to providing guidance to agencies, please see OPM's Response regarding the role of the CHCO Council in Recommendation #1 above.



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

October 19, 2018

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management (OPM) hereby submits its response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report entitled, "*FEDERAL EMPLOYEE MISCONDUCT: Actions Needed to Ensure Agencies Have Tools to Effectively Address Misconduct (GAO-18-48)*."

We appreciate GAO identifying the need to help agencies better deal with employee misconduct. OPM will work with agencies and, as appropriate, key stakeholders, on needed improvements. We provide a detailed response to GAO's recommendations in the enclosure to this letter.

If you have any additional questions or concerns, please do not hesitate to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Margaret M. Weichert  
Acting Director

Enclosure

**U.S. Office of Personnel Management's Response to GAO's Recommendations in Report:  
"FEDERAL EMPLOYEE MISCONDUCT: Actions Needed to Ensure Agencies Have  
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As for the requirement to consult with the CHCO Council prior to providing guidance to agencies, please see OPM's Response regarding the role of the CHCO Council in Recommendation #1 above.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

October 26, 2018

The Honorable James Lankford  
Chairman  
Subcommittee on Regulatory Affairs  
and Federal Management  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Heidi Heitkamp  
Ranking Member  
Subcommittee on Regulatory Affairs  
and Federal Management  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
605 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Lankford and Ranking Member Heitkamp:

The U.S. Office of Personnel Management (OPM) worked with the U.S. Congress on language providing expedited hiring authorities for college graduates and post-secondary students for inclusion in Pub. L. 115-232, the Fiscal Year 2019 (FY19) John S. McCain National Defense Authorization Act (NDAA).

OPM consistently believed the U.S. Congress' intent was to provide the greatest legal flexibility for expedited hiring authorities for college graduates and post-secondary students within the applicable Title 5 authorities. This desire has also been expressed in public forums by members of Congress themselves. Congress included in the FY19 NDAA language that created a new 5 U.S.C. § 3115 (Expedited hiring authority for college graduates; competitive service) and 5 U.S.C. § 3116 (Expedited hiring authority for post-secondary students; competitive service).<sup>1</sup>

The final language of 5 U.S.C. § 3116(d)(1), however, includes language that limits its application. Specifically, the paragraph states, "(1) IN GENERAL.—Except as provided in paragraph (2), the total number of students that the head of an agency may appoint under this section during a fiscal year may not exceed the number equal to 15 percent *of the number of students that the agency head appointed during the previous fiscal year to a position in the competitive service* at the GS-11 level, or an equivalent level, or below." (*emphasis added*).

Students currently come into Federal service by appointment to internships in the *excepted* service. This poses a problem for the formula in the new 5 U.S.C. § 3116(d)(1), which instructs the number of students an agency may appoint should be based on the number of *competitive* service student appointments by the agency in the previous fiscal year. Under the new law's formula, there may be no base of students appointed to the competitive service in the previous fiscal year by an agency, and zero students may be hired using the new authority.

<sup>1</sup> Pub. L. 115-232, Sec. 1108 (Aug. 13, 2018).

OPM can only surmise in the technical drafting process, a decision was made to have the language providing for limitations on appointments in the new 5 U.S.C. § 3115 and 5 U.S.C. § 3116 mirror one another. While the insertion of “competitive service” in 5 U.S.C. § 3115(e)(1) did not affect the paragraph, the same insertion in 5 U.S.C. § 3116(d)(1) meaningfully impacted that paragraph’s effectiveness. OPM does not believe the U.S. Congress intended this result. While such consistency is typically desired, here it is misplaced.

In order to realize what OPM believes may have been the U.S. Congress’s true intent, OPM recommends the simple removal of the words, “to a position in the competitive service” from 5 U.S.C. § 3116(d)(1). With this correction, agencies would be able to count the number of students appointed to excepted service positions for application of the new law’s formula in addressing their expedited hiring needs. The technical fix would also remove from the statute unnecessary language that may invite agency confusion.

OPM appreciates the opportunity to have worked with your offices on this language in the past and welcomes your consideration of the technical correction outlined above. If you have any additional questions or concerns, please do not hesitate to contact Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Margaret M. Weichert  
Acting Director



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

November 1, 2018

The Honorable James Lankford  
Chairman  
Subcommittee on Regulatory Affairs  
and Federal Management  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Lankford:

Thank you for your letter dated October 16, 2018, expressing interest in the security clearance process and the current efforts to transfer the responsibility for conducting background investigations from the U.S. Office of Personnel Management (OPM) to the Department of Defense (DoD).

The National Background Investigations Bureau (NBIB) is committed to eliminating the backlog, which is that portion of the investigative cases in NBIB's inventory that are not meeting timeliness goals and standards. NBIB has implemented a multi-pronged approach to addressing the backlog, which consists of increasing the size of its workforce, implementing business process reengineering initiatives, and executing backlog mitigation efforts. As a direct reflection of the success of these initiatives, NBIB has been able to reduce its inventory from 725,825 cases on April 2, 2018, to 640,538 as of October 22, 2018, a reduction of 12 percent.

NBIB inventory metrics are made available to the public on a quarterly basis via <https://www.performance.gov/>. Additionally, NBIB provided a breakdown of the security clearance inventory for each sensitivity level, including the number of initial investigations and periodic reinvestigations, in its initial response to Section 3 of the Securely Expediting Clearances through Reporting Transparency Act (SECRET Act) of 2018. That report is enclosed.

NBIB, as the primary investigative service provider for the Federal government, does not conduct adjudications. Once NBIB completes an investigation, it is returned to the requesting agency for an adjudicative decision. Therefore, NBIB does not collect or maintain Governmentwide timeliness data on the adjudication process. NBIB defers on this question to the Office of the Director of National Intelligence (ODNI), as the Security Executive Agent (SecEA). To provide transparency in pricing and permit agency customers to budget for background investigation costs, NBIB publishes Investigations Reimbursable Billing Rates via Federal Investigations Notices (FINs) on the NBIB website (<https://nbib.opm.gov/hr-security-personnel/investigations-billing-rates-resources/billing-rates/>). A copy of the current FIN is also

enclosed. NBIB operates under a fully reimbursable pricing model. NBIB's largest expenses include the costs associated with salaries for NBIB's Federal workforce, field investigation and support contracts, and information technology. Customer agencies are billed for an investigative product at the time it is scheduled, but NBIB does not realize the revenue until NBIB completes the work associated with the requested product. NBIB is currently working with OMB and DoD on developing a funding plan related to the transition of the background investigation activity.

We thank you for your interest in this very important matter. If you have any additional questions, please contact Jonathan Blyth, Director, Congressional, Legislative and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Weichert', with a long horizontal flourish extending to the right.

Margaret M. Weichert  
Acting Director

Enclosures



# National Background Investigations Bureau



## Report on Backlog of Personnel Security Clearance Investigations

*In response to SECRET Act of 2018*  
(Public Law 115-173)

**September 2018**

## **Executive Summary**

Section 3 of the Securely Expediting Clearances Through Reporting Transparency Act of 2018 or the “SECRET Act of 2018” (Public Law 115-173) requires the National Background Investigations Bureau (NBIB), in coordination with the Director of National Intelligence (DNI), to submit not later than 90 days after the date of enactment of the Act and quarterly thereafter for 5 years, a Report on the Backlog of Personnel Security Clearance Investigations to Congress for the most recent full calendar quarter. This report is the initial submission to satisfy this requirement. Going forward, NBIB will provide updates to Section 3 of this report on a quarterly basis.

In addition, Section 5 of the SECRET Act of 2018 requires the Office of Personnel Management (OPM) to submit not later than 120 days after the date of enactment of the Act a report on the cost of maintaining a background investigations capability within OPM and a background investigations capability for Department of Defense (DoD) personnel under the control of the DoD (per Section 925 of the FY 2018 NDAA (Public Law 115–91)), as compared to the cost of sustaining a single Government-wide background investigations enterprise. This report provides OPM’s response to this requirement as well.

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## **NBIB's Response to Section 3, Subsection 1**

### **Size of the backlog of personnel security clearance investigations<sup>1</sup>, including for each sensitivity level<sup>2</sup>**

#### **(A) The number of interim clearances granted**

NBIB, as the primary provider of background investigations for the Federal Government, does not grant interim clearances. NBIB is not able to provide the number of interim clearances granted for all of government. The responsibility for granting interim clearances lies with each individual Federal agency.

In addition, the Office of the Director of National Intelligence (ODNI) is in the process of developing a directive as clarifying guidance to Federal agencies on the granting of interim clearances. ODNI, as the Security Executive Agent (SecEA), is best positioned to comment on the status of the guidance and government wide metrics pertaining to interim clearances.

#### **(B) The number of initial investigations for Federal employees**

As of July 2, 2018, there were a total of 235,861 initial national security clearance investigations on Federal employees in NBIB's pending inventory.

- 65,110 of those investigations were for a Top Secret clearance.
- 170,751 of those investigations were for a Secret clearance.

#### **(C) The number of periodic reinvestigations for Federal employees**

As of July 2, 2018, there were a total of 136,464 periodic national security clearance reinvestigations on Federal employees in NBIB's pending inventory.

- 67,013 of those investigations were for a Top Secret clearance.
- 69,451 of those investigations were for a Secret clearance.

#### **(D) The number of initial investigations for employees of Federal contractors**

As of July 2, 2018, there were a total of 77,719 initial national security clearance investigations on employees of Federal contractors in NBIB's pending inventory.

- 32,877 of those investigations were for a Top Secret clearance.
- 44,842 of those investigations were for a Secret clearance.

#### **(E) The number of periodic reinvestigations for employees of Federal contractors**

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<sup>1</sup> NBIB's inventory is made up of a variety of investigative products, to include products supporting both national security and suitability determinations. For the purpose of this report, NBIB is limiting reporting to the number of national security clearance investigations in its current inventory. Not all these cases should be considered backlog, as the numbers reported are total inventory, which include the investigations NBIB consider to be part of a healthy steady state inventory.

<sup>2</sup> Agencies do not report "sensitivity designations" to NBIB with the investigation submission. OPM has data standards for Enterprise Human Resources Integration submissions related to risk and sensitivity designation. These fields are currently optional, but if provided, they directly correlate to the level of investigation that is required for a position. Accordingly, we are reporting the number of national security clearance investigations.

As of July 2, 2018, there were a total of 81,257 periodic national security clearance reinvestigations on employees of Federal contractors in NBIB's pending inventory.

- 52,390 of those investigations were for a Top Secret clearance.
- 28,867 of those investigations were for a Secret clearance.

(F) The number of initial investigations for employees of, and employees of contractors of, the Department of Defense

As of July 2, 2018, there were 85,721 Top Secret and 196,768 Secret initial national security clearance investigations for employees of, and employees of contractors of, the Department of Defense.

- Of the total Top Secret initial clearance investigations, 59,210 are on Federal employees and 26,511 are on employees of Federal contractors.
- Of the total Secret initial clearance investigations, 153,923 are on Federal employees and 42,845 are on employees of Federal contractors.

(G) The number of periodic reinvestigations for employees of and employees of contractors of the Department of Defense

As of July 2, 2018, there were 84,280 Top Secret and 93,306 Secret periodic national security clearance reinvestigations for employees of, and employees of contractors of, the Department of Defense.

- Of the total Top Secret periodic clearance reinvestigations, 47,607 are on Federal employees and 36,673 are on employees of Federal contractors.
- Of the total Secret periodic clearance reinvestigations, 65,920 are on Federal employees and 27,386 are on employees of Federal contractors.

(H) The number of employees of the Bureau conducting background investigations for the Bureau

As of July 2, 2018, NBIB has 1,714 Federal field investigator employees.

(I) The number of employees of contractors of the Bureau conducting a background investigations for the Bureau

As of July 2, 2018, NBIB has 6,687 contractor field investigator employees working on behalf of NBIB. NBIB's contractor investigator count is tracked in OPM's case management system.

## NBIB's Response to Section 3, Subsection 2

### Average length of time, for each sensitivity level, to carry out an initial investigation and a periodic reinvestigation

**Investigation Closing Timeliness Performance**  
Investigation Service Provider: National Background Investigations Bureau

Clearance/ Suitability Investigation Type		National Security - Initial			National Security - Reinvestigations		
		TopSecret/Q	Secret/Conf/L	TOTAL Initial National Security	TopSecret Reinvest.	Secret/Conf/L Reinvest.	TOTAL National Security Reinvest.
Case Types Included:		Tier 5, SSBI	Tier 3, NAACL (SF 86), and ANACL	TOTAL	Tier 5R, SSBI-PR, and PPR	Tier 3R	TOTAL
Q3	Total Cases Completed	28,504	109,856	<b>138,360</b>	17,591	39,118	<b>56,709</b>
	Average Processing Time	390 days	179 days	<b>222 days</b>	518 days	208 days	<b>304 days</b>
	Fastest 90%	345 days	130 days	<b>171 days</b>	488 days	168 days	<b>259 days</b>

## NBIB's Response to Section 3, Subsection 3

### Discussion of the factors contributing to the average length of time to carry out an initial investigation and a periodic reinvestigation

Numerous factors impact the amount of time needed to carry out investigations, including but not limited to the size of the investigative workforce, the increased complexity of case types, and the Information Technology (IT) systems that support background investigations.

NBIB's inventory is a result, in part, of not having the investigator capacity on hand in the past to meet the workload demands for investigations. NBIB addressed this by increasing the capacity of its investigative workforce from 5,843 Federal and contractor investigators on October 1, 2016 to over 8,400 Federal and contractor investigators today. NBIB continually works to improve the timely delivery of investigations by optimizing its total workforce. Geographic requirements, the availability of contract resources, and the overall capacity and productivity of the workforce are all central to this optimization. NBIB plans to continue to increase its workforce numbers. Please note that these efforts have been undertaken at the same time as the implementation of the 2012 Federal Investigative Standards. These standards use a tiered model and flagging strategy which have increased the complexity of each case type, as well as the number of investigative elements required to meet standards.

The background investigation process is heavily reliant on the availability of current IT systems and the delivery of new and advanced automated systems. Improvements in timeliness will require on-time implementation of certain IT systems that provide process efficiencies. Additionally, delays can be caused due to factors internal to completing background investigations. Investigation subjects must submit information that is complete and thorough; agencies must provide complete applications to NBIB; and references close to the subject must make themselves available for interviews. Factors such as subjects' overseas deployments, and the need to develop leads in complex cases or cases where national security issues are reported, result in longer case

processing. Further, state and local law enforcement records must be obtained.

## **NBIB's Response to Section 3, Subsection 4**

**Paragraph A. Identification of the cause of, and recommendations to remedy, the backlog;**

**Paragraph B. Steps NBIB shall take to reduce the backlog;**

**Paragraph C. Process reforms to improve efficiencies in, and the quality of, background investigations; and**

**Paragraph D. Projection of when the backlog will be sufficiently reduced to meet required timeliness standards**

From 2009-2014, OPM Federal Investigative Services, NBIB's predecessor organization, performed timely processing of cases and met the timeliness goals required by the Intelligence Reform & Terrorism Prevention Act. In September 2014, the cancellation of the contract of OPM's then largest contract investigation supplier resulted in a 60 percent loss of investigative capacity. This loss was compounded in October 2014 by the introduction of a phased implementation of the 2012 Revised Federal Investigative Standards (FIS). This implementation increased the workload, time and cost required to process and close cases. The most notable impacts were felt with the Tier 3/Tier 3 Reinvestigation (T3R) Implementation in October 2015 and Tier 5/Tier 5 Reinvestigation (T5R) Implementation in October 2016.

NBIB is taking several courses of action to reduce the backlog and is formalizing its existent action plan that is being prepared to respond to the recommendation made in GAO-18-29: Personnel Security Clearances: Additional Actions Needed to Ensure Quality, Address Timeliness, and Reduce Investigation Backlog. NBIB is currently finalizing this formal plan, which includes details about the following measures that NBIB has implemented to reduce the backlog to a "healthy" state inventory.

- Security and Suitability Executive Agent (EA) Executive Correspondence (EC) – In late 2017 and mid-2018, the Security and Suitability EAs jointly issued guidance to reduce the background investigation inventory. NBIB has a strong role in the implementation of these EC measures.
- Business Process Reengineering (BPR) – NBIB undertook a Business Process Reengineering (BPR), which will support NBIB's Backlog Mitigation Plan. The BPR followed NBIB's comprehensive, interagency assessment in FY16 that identified 57 'pain points' in the current background investigations process. In FY17, NBIB finalized its BPR implementation plan and formed a new Strategy and Business Transformation Office to lead BPR. BPR addresses technology and process changes and informs data-based decisions. BPR also supports the development of the National Background Investigation Services (NBIS), the shared government-wide IT service. The relationship between NBIB's efforts to reduce the inventory and BPR means that successful implementation of the BPR and other initiatives could accelerate the reduction of the case inventory.

- Increasing the investigative workforce – NBIB’s inventory is a result, in part, of not having the investigator capacity on hand to meet the workload demands for investigations. NBIB increased the capacity of its investigative workforce from 5,843 Federal and contractor investigators on October 1, 2016 to over 8,400 Federal and contractor investigators today.
- Trusted Workforce 2.0 – NBIB is a member of the Trusted Workforce Executive Steering Group and is actively involved in the establishment of the Trusted Workforce 2.0 effort. Established by the SecEA (ODNI) and Suit/CredEA (OPM) to overhaul the fundamental Security, Suitability/Fitness, and Credentialing vetting approach and establish the framework for the Trusted Workforce 2.0 effort, Trusted Workforce 2.0 is focused on pursuing reform to overhaul the fundamental security, suitability, and credentialing vetting enterprise. The outcomes of this undertaking will influence how NBIB and the background investigation community move forward to address the investigation inventory, modernize policies and processes, and develop an agile IT environment to share information and enable vetting operations at agencies Government-wide. As part of the first phase of Trusted Workforce 2.0, in May 2018, the Executive Agents issued a joint Executive Correspondence outlining measures to reduce and mitigate the Federal Government’s Background Investigation inventory. This collaborative risk management decision clarifies and adjusts certain elements of the FIS to increase investigative resources and production, incorporate business transformation efficiencies, and streamline quality review processes.
- Position Designation Requirements – The Executive Agents oversee compliance with Title 5 Part 1400 implementation, which requires department and agency heads to conduct a top down review of position designations and national security clearance requirements for their unique missions.

The *projected* point in time when the backlog will be sufficiently reduced to meet required timeliness standards is approximately mid to late 2020. The inventory forecast uses a series of estimates and assumptions, some of which are controlled or influenced by outside entities, and some of which are part of NBIB’s overall backlog mitigation strategy, to project NBIB’s future inventory.

## **NBIB’s Response to Section 3, Subsection 5**

### **Description of improvements in the information and data security**

OPM has centralized cybersecurity resources under a Chief Information Security Officer (CISO) and is publishing policies that empower the CISO and Chief Information Officer (CIO) organizations to take further proactive steps to secure and control access to sensitive information. We have expeditiously implemented the Department of Homeland Security (DHS) Continuous Diagnostic and Mitigation program, the DHS Einstein 3 Accelerated initiative while also employing the DHS Binding Operational Directive for vulnerability management and prevention to proactively detect and remediate identified vulnerabilities.

OPM has matured its assessment and authorization framework while continually

striving to improve the effectiveness of the program. OPM has created and/or updated numerous operational templates, guidance, and policies to reflect the most recent legislative mandates for information security defined by the Federal Information Security Modernization Act while also adhering to the Federal Information Processing Standards. All OPM systems have a current and valid Authorization to Operate.

OPM actively participated in numerous Government-wide Federal initiatives, including OMB's Cyber Sprint, the identification of High Value Assets, Personal Identity Verification Implementation, and the establishment of Incident Response teams as part of the Security Operation Center implementation which provides 24X7 monitoring and protection services across the OPM enterprise.

OPM has implemented a "defense in depth" cyber security program which employs multiple layers and aspects as a defensive strategy for protecting its networks, systems, and data. Some highlights include strong encryption standards to include both database and network layer encryption (data in transit, data at rest, data in use); upgraded email security gateways to provide additional security functionality which includes advanced malware analysis; data loss prevention; phishing detection in accordance with DHS Trusted Internet Connections requirements; and full deployment of encrypted communications for all agency public websites (HTTPS and HSTS).

In accordance with the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328), the DoD CIO has led efforts to design, develop, secure, operate, and sustain the NBIS. The NBIS will replace NBIB's current legacy systems and be the system that supports background investigations by providing information resources necessary to determine an individual's trustworthiness to have access to US Government facilities, information, and information systems.

## **NBIB's Response to Section 5**

### **Report on Costs Associated with Bifurcated Background Investigation Systems.**

On June 21, 2018, the Executive Office of the President published its government reform plan, "Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations." One of the Government-wide reorganization proposals called for the full transfer of the background investigations program from OPM to DoD, which would remove the possibility that the background investigation systems would be bifurcated. Because the details of this initiative are still in the planning stage, NBIB is not yet in a position to report on the costs associated with the future-state enterprise.

# Enclosure (2)



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
NATIONAL BACKGROUND INVESTIGATIONS BUREAU



## Federal Investigations Notice

**Notice No. 18-06**

**Date: September 24, 2018**

**Subject: FY 2019 Pricing Increase Deferment**

On June 28, 2017 the National Background Investigations Bureau (NBIB) published its FY 2019 prices (FIN 17-05; FY 2019 Investigations Reimbursable Billing Rates Effective October 1, 2018). At that time, NBIB estimated price increases would be required to ensure the continued financial health of the Background Investigations (BI) program. Due to successful cost control efforts, policy initiatives and process efficiencies, NBIB will be able to maintain its current FY 2018 prices at least through the 1<sup>st</sup> quarter of FY 2019. Throughout FY 2019, NBIB will continue to reassess its financial standing quarterly to determine if previously published FY 2019 prices should be implemented. If so, advanced notice will be provided.

A handwritten signature in black ink, appearing to read "Charles S. Phalen, Jr.".

Charles S. Phalen, Jr.  
Director  
National Background Investigations  
Bureau

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Inquiries:	NBIB Billing Oversight Team (BillingOversightTeam@nbib.gov), 724-794-5612 x4490
Distribution:	SOIs/SONs
Notice Expires:	Until superseded



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415



National Background  
Investigations  
Bureau

**Federal Investigations Notice**

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**Notice No. 17-05**

**Date: June 28, 2017**

**Subject: FY 2019 Investigations Reimbursable Billing Rates Effective October 1, 2018**

The attached billing rates for reimbursable background investigative services will be effective beginning FY 2019 (October 1, 2018). This FIN reflects the National Background Investigations Bureau's (NBIB) continued commitment to publish its investigative prices in time for our customer agencies to best account for investigation costs in their out-year annual budgets.

After a complete analysis and consideration of our planned workload and required expenses in FY 2019, NBIB will be adjusting base prices for FY 2019. As compared to our FY 2018 published price (see FIN 17-04; FY 2018 Investigations Reimbursable Billing Rates Effective October 1, 2017), FY 2019 prices will increase an estimated overall average of 1.7%. Note this is different than the 2.8% estimated overall average price increase NBIB initially published for FY 2019 (see FIN 17-02; FY 2019 Initial Estimated Pricing).

In building early required funding projection, NBIB is assuming a certain amount of risk with the publication of this FIN. Fluctuations in workload and the dynamic costs associated with meeting customer demand can significantly impact the average cost of each investigation. NBIB will continue to work with its customer agencies and do everything possible to maintain these published prices, however the full impact of external factors may require pricing adjustments prior to the beginning of FY 2019.

Charles S. Phalen, Jr.

Director

National Background Investigations Bureau

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Inquiries:	Agency Liaison, 724-794-5612
Code:	736, Investigations
Distribution:	SOis/SONs
Notice Expires:	September 30, 2019, unless superseded
Attachment:	FY 2019 Investigations Reimbursable Billing Rates - Effective October 1, 2018



# FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

## Section 1: Investigations Billing Base Rates

**Table 1: Effective Investigations Billing Base Rates**

Case Type		Case Type Code	Case Service	
			Standard	Priority
<b>NAC</b>	National Agency Check	06	\$159	<i>Not Available</i>
<b>T1</b>	Tier 1	63	\$198	<i>Not Available</i>
<b>T2</b>	Tier 2	55	\$559	\$604
<b>T2R</b>	Tier 2 Reinvestigation	56	\$265	\$286
<b>T2S</b>	Tier 2 with a Subject Interview	57	\$1,573	\$1,699
<b>T2RS</b>	Tier 2 Reinvestigation with a Subject Interview	58	\$1,279	\$1,381
<b>T3</b>	Tier 3	64	\$440	<i>Not Available</i>
<b>T3R</b>	Tier 3 Reinvestigation	65	\$424	<i>Not Available</i>
<b>T4</b>	Tier 4	66	\$4,233	\$4,571
<b>T4R</b>	Tier 4 Reinvestigation	67	\$2,723	\$2,940
<b>T5</b>	Tier 5	70	\$5,706	\$6,163
<b>T5R</b>	Tier 5 Reinvestigation	71	\$3,134	\$3,385

*Note: For case types T2/T2R, T2S/T2RS, T4/T4R and T5/T5R, priority service (Case Service Code "A") is available at a higher base price, which will prioritize the processing of your request ahead of standard service cases. All other case types are only available in standard service.*

The Investigations Billing Base Rates are applied upon the receipt of the complete investigation request. Additional and subsequent fees and adjustments may be applied. Please refer to the following sub-sections for more details:

- Optional extra coverage and associated fees (*sub-section 1a*)
- Required expanded coverage to include the Triggered Enhanced Subject Interview (TESI) and International Coverage and associated fees (*sub-section 1b*)
- Investigations discontinued billing rates (*sub-section 1c*)

Case type and service changes may be requested at any point prior to case closing by contacting the FIPC Telephone Liaison at 724-794-5228 or [FISUpgradeDowngrade@nbib.gov](mailto:FISUpgradeDowngrade@nbib.gov). Case type or service changes that result in additional work (i.e. case and service upgrades) will receive a new case schedule date and be billed according to the effective date the upgrade request was received. Case type or service changes that do not result in additional work (i.e. case and service downgrades) will be billed according to the effective date the initial request was received or the discontinued rate of the initial case type or service, whichever is greater.

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

## FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

### Sub-Section 1a: Optional Extra Coverage Fees

The optional extra coverage outlined in this section can be requested by including the appropriate code in the “Extra Coverage” field of the Agency Use Block (AUB) of the Standard Forms. The below table defines the extra coverage available, the case types that would allow each particular extra coverage to be requested, the appropriate codes to use in the AUB and the fees that will be applied to your bill. If the case type is not listed in the “Available Case Types” column, then the below coverages are included in the basic case coverage, unless specified otherwise.

**Table 2: Optional Extra Coverage Fees**

Extra Coverage	Available Case Types	Extra Coverage Code	Fee
<b>Bar Association License Check (BAR)</b> <i>Note: A \$10 processing fee is charged <u>per state search</u> where the subject claims a license. An additional state processing fee may be added where applicable. For a current listing of state fees, please contact the Billing Oversight Team.</i>	All	Q	\$10 + Varying State Fee for each search
<b>Bureau of Vital Statistics Check (BVS)</b>	All	L	\$24
<b>National Credit Check (CRED)</b> <i>Note: Credit search provided on T1 investigations in accordance with the Federal Investigative Standards. Under these conditions the extra coverage code 2 will be automatically added to the case and the fee will be applied.</i>	NAC T1	2	\$11
<b>State Criminal History Repository Check (SCHR)</b> <i>Note: For positions involving child care, a \$5 processing fee per search will be charged. Also, for each SCHR, an additional user fee (determined and charged by each state) will be applied. Some states may charge for each name search conducted. For a current listing of state fees, please contact the Billing Oversight Team.</i>	All	<b>8</b> <i>(SF-85)</i> <b>Position Code</b> <b>H</b> <i>(SF-85P and SF-86)</i>	\$5 + Varying State Fee for each search

Please note, the extra coverage outlined above is only what is available at an added cost to the customer above the basic investigative rate. For additional extra coverage available at no charge, please refer to the most current version of the INV 15, [Requesting NBIB Personnel Investigations](#), which is located on the NBIB website. The INV 15 is intended to assist federal agencies in requesting background investigations. It provides information to familiarize agency human resource and security officials with NBIB investigations and the products and services we offer.

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

## FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

### Sub-Section 1b: Required Expanded Coverage Fees (*not optional*)

The required expanded coverage outlined in this section is added to the customer's bill according to the expansion criteria and is not optional. The below table defines the expanded coverage and the specific criteria that generate assessment of the additional fee.

**Table 3: Required Expanded Coverage Fees**

Expanded Coverage and Criteria	Fee
<p><b>FBI Name Search for Spouse and/or Cohabitant (SFPN/SFBN) for NAC</b>  <i>Expansion Criteria: For NAC (case type 06) investigations submitted by an OPM-authorized delegated agency in support of a higher level background using a SF-86 and having Access Levels 3 through 5, a name-based search of FBI Criminal Files (SFPN) and FBI Investigative Files (SFBN) for subject spouse and/or cohabitant will be automatically scheduled. Fees apply to each search conducted.</i></p>	<p><b>\$25</b>  <i>(fee per search;  SFPN = \$2;  SFBN = \$23)</i></p>
<p><b>International Coverage</b>  <i>Expansion Criteria: International coverage is defined as any casework conducted outside of the United States and its territories. All case types including the RSI (See Section 3) are subject to an International Coverage fee.</i></p>	<p><b>\$950</b>  <i>(flat fee per case)</i></p>
<p><b>Triggered Enhanced Subject Interview (TESI) for Tier 2, Tier 2R, Tier 3 and Tier 3R</b>  <i>Expansion Criteria: Applied to each case when a TESI is added to a Tier 2, Tier 2R, Tier 3 or Tier 3R investigation. The TESI must be completed for charges to apply.</i></p>	<p><b>\$1,014</b>  <i>(flat fee per Case)</i></p>

# FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

## Sub-Section 1c: Investigations Discontinued Billing Rates

The following table lists the billing rates for investigations discontinued prior to completion. With the exception of Tier 1 and NAC investigations, all standard investigations offered in this Federal Investigative Notice receive discounted pricing if they are discontinued or cancelled within 30 days of case scheduling. Priority investigations receive discounted pricing if they are discontinued or cancelled within 15 days of case scheduling. Discontinued investigations that meet the criteria described in the table below will receive a credit (“AC” bill event) thereby reducing the base case price to the prices reflected below. Agencies may discontinue an investigation by contacting the FIPC Telephone Liaison at 724-794-5228 or emailing [FISCTRBoyersTelephoneLiaisons@nbib.gov](mailto:FISCTRBoyersTelephoneLiaisons@nbib.gov).

**Table 4: Investigations Discontinued Billing Rates**

Case Type	Case Service	Case Type/ Service Code	Base Price / Full Charge (FC)	Adjusted Case Cost based on Time Discontinued from the Initial Schedule Date			
				0 - 5 days	6 - 15 days	16 - 30 days	Over 30 days
NAC	Standard	06A	<b>\$159</b>	FC	FC	FC	FC
T1	Standard	63B	<b>\$198</b>	FC	FC	FC	FC
T2	Priority	55A	<b>\$604</b>	\$332	\$393	FC	FC
	Standard	55C	<b>\$559</b>	\$168	\$224	\$280	FC
T2R	Priority	56A	<b>\$286</b>	\$157	\$186	FC	FC
	Standard	56C	<b>\$265</b>	\$80	\$106	\$133	FC
T2S	Priority	57A	<b>\$1,699</b>	\$934	\$1,104	FC	FC
	Standard	57C	<b>\$1,573</b>	\$472	\$629	\$787	FC
T2RS	Priority	58A	<b>\$1,381</b>	\$760	\$898	FC	FC
	Standard	58C	<b>\$1,279</b>	\$384	\$512	\$640	FC
T3	Standard	64B	<b>\$440</b>	\$220	\$264	\$330	FC
T3R	Standard	65B	<b>\$424</b>	\$212	\$254	\$318	FC
T4	Priority	66A	<b>\$4,571</b>	\$457	\$1,828	FC	FC
	Standard	66C	<b>\$4,233</b>	\$423	\$1,058	\$2,117	FC
T4R	Priority	67A	<b>\$2,940</b>	\$294	\$1,176	FC	FC
	Standard	67C	<b>\$2,723</b>	\$272	\$681	\$1,362	FC
T5	Priority	70A	<b>\$6,163</b>	\$616	\$2,465	FC	FC
	Standard	70C	<b>\$5,706</b>	\$571	\$1,427	\$2,853	FC
T5R	Priority	71A	<b>\$3,385</b>	\$339	\$1,354	FC	FC
	Standard	71C	<b>\$3,134</b>	\$313	\$784	\$1,567	FC

FC = Full Charge

If a scheduled investigation is discontinued and subsequently the same level of investigation is reopened by the same agency within four (4) months from the discontinuation date, the rate charged for the reopened investigation will be adjusted (“RO” bill event) by the amount previously credited. Use the FIPC Form 553 to request reopens of previously discontinued cases and to request Reimbursable Suitability/Security Investigations (RSI). Please submit all reopen and RSI requests via the NP2 Portal. Faxed, scanned, and/or mailed request will no longer be accepted. FIPC Form 553 is available on the NBIB website.

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

# FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

## Section 2: Special Agreement Check (SAC) Billing Rates

**Table 5: Special Agreement Check (SAC) Billing Rates**

Basic Processing Fee (applies to all requests) Additional charges listed below based on coverage requested		\$13
Code	Type	Fee
3	<b>Continuous Evaluation Special Agreement Check (CE SAC)</b> Includes SAC item codes A, E, X, and also includes a Financial Crimes Enforcement Network Check (FNCN) for \$10. <i>Note: A signed interagency agreement is required to request the CE SAC product. Agencies can contact their NBIB Agency Liaison to obtain information regarding component coverage for the CE SAC and to establish the required agreement (See FIN 17-03)</i>	\$32
4	<b>Military Discharge Check (MILD)</b> <i>Price effective April 3, 2018.</i>	\$3
8 (with B*)	<b>State Criminal History Repository Check (SCHR)</b> <i>Note: A \$5 processing fee per search will be added to your bill (indicated by an “AD” bill event on the invoice). Also, for each SCHR, an additional user fee charged by each state will be applied (shows as an “AE” bill event on the invoice). Some states may charge for each name search conducted. For a current listing of state fees, please contact Billing Oversight. *Must be ordered in addition to SAC code B. Fees for SAC code B will apply.</i>	\$5 + Varying State Fee for each search
A	<b>Security/Suitability Investigations Index Check (SII)</b>	\$5
B	<b>FBI Fingerprint Classification Check (FBIF/BFBN)</b>	\$10
C	<b>FBI Investigations Files Check (FBIN)</b>	\$23
D	<b>Defense Central Index of Investigations Check (DCII)</b>	\$11
E	<b>National Credit Check (CRED)</b>	\$11
F	<b>Selective Service Check (SESE)</b>	\$4
G	<b>Military Personnel Records Check (MILR)</b>	\$16
H	<b>Investigative Agencies Check (INVA)</b>	\$8
I (letter i)	<b>Citizenship and Immigration Services Check (IMM)</b> <i>Note: If multiple searches are required, the fee will be charged per search.</i>	\$6
N	<b>Bureau of Vital Statistics Check (BVS)</b>	\$24
R	<b>SAC National Agency Check (SAC NAC)</b> Includes SAC item codes A, B, C, D, and H. <i>Note: The SAC NAC is not the same product as a NAC (case type 06A) ordered on an SF-85, SF-85P, or SF-86. The SAC NAC <u>cannot</u> be used by an OPM-authorized delegated agency in support of a higher level background investigation.</i>	\$57
S	<b>Spouse/Cohabitant National Agency Check (NAC)</b> Includes SAC item codes A, B (at a reduced rate of \$2), C, and D. <i>Note: Additional coverage items may be applied at an additional charge based on the individual background.</i>	\$41
U	<b>Periodicals Check (PERI)</b>	\$11.50
X	<b>National Crime Information Center/Interstate Identification Index Check (NCIC/III)</b>	\$6

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

# FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

## Sub-Section 2a: Fingerprint SAC Requests

**Table 6: Electronic Fingerprint-Only Special Agreement Check (SAC)**

SAC Code	Type	Fee
<b>B</b> (electronic)	<p><b>Electronic Fingerprint-Only Special Agreement Check (SAC)</b> Fingerprint only SAC for Federal applicants, employees, contractor, military personnel, or non-Federal personnel (for regulatory purposes). The electronic fingerprints are those submitted electronically via LiveScan or CardScan technology to the OPM Fingerprint Transaction System (FTS) via submission of SF-87/FD 258 only. Costs shown include FBI user fee (\$10) and the basic SAC processing fee of \$13 is reduced to \$10.</p> <p><i>Note: Certain criminal justice positions are exempt from the FBI user fee of \$10. OPM will only charge for the reduced SAC processing fee (\$10). For more details, please contact your Agency Liaison.</i></p>	<b>\$20</b>

### Special Notes on Fingerprint SAC Requests

If a fingerprint SAC is submitted in advance of the higher level investigation, a credit may be applied to the higher level case in the amount of the initial fingerprint SAC. To receive this credit, the requester must:

1. Submit the fingerprint SAC at least 1 day, but no greater than 120 days, in advance of the higher level investigation, and
2. Include FIPC Code “I” (letter i) on the higher level investigation.

### Including Agency Specific Accounting Details within Fingerprint Submissions

- Since not all electronic fingerprint machines contain an accounting field, the Attention Indicator (ATN) field can be used as an alternative method on most machines. Populated ATN field details will return in the “ACCOUNT BLOCK” field within the monthly invoices<sup>1</sup>.
- Additionally, the Occupation (OCP) field can be used to return agency, requesting office, and/or subject specific identifiers. Populated OCP field details will return in the “POSITION” field on monthly invoices<sup>2</sup>.
- Agencies using GSA shared enrollment (USAccess) centers may not have the ability to populate the ATN and OCP fields and should address their concerns regarding this and/or other issues directly with their USAccess Agency Lead or GSA ([hspd12@gsa.gov](mailto:hspd12@gsa.gov)).

### Requirements for Submitting Reprints when Prints are **Unclassifiable**

When the FBI is unable to make a classifiable determination due to illegible fingerprints, the FBI deems the submissions as “Unclassifiable”. A reprint may be submitted within one year of the case closing date in an effort to obtain a classifiable determination without incurring additional cost. The original case number of the unclassifiable fingerprint must be provided with the reprint submission to avoid the discontinuance of the reprint or an additional fingerprint processing charge. The original case number must be provided in the OCA block on the SF-87 or FD-258 hard card or in the tagged field 2.009 of the electronic transmission. When submitting a hard card, please note “Reprint” in the top left-hand corner and attach the Notice of Unclassifiable Fingerprints. See section 6.2 of [INV 15](#) for additional details.

<sup>1</sup>The field requirements for the ATN field are: populated with greater than 3 characters; truncated at 30 characters; and cannot contain any dot or “special” characters.

<sup>2</sup>The only field requirement for the OCP field is that it will be truncated at 50 characters.

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

# FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

## Section 3: Reimbursable Suitability/Security Investigation (RSI) Billing Rates

**Table 7: Reimbursable Suitability/Security Investigation (RSI) Billing Rates**

Basic Processing Fee (applies to all requests) Additional charges listed below based on coverage requested		Standard \$73	Priority \$85
Code	Type	Standard	Priority
0 (zero)	<b>Basic Record Check with No Known Issues</b>	\$170	\$199
	<b>Bulk Record Check</b> <i>Note: When possible a “bulk” record check (RSI Code 1) will be conducted at a reduced fee (as reflected)</i>	\$30	\$35
2	<b>Record Search for Known Issues</b>	\$294	\$344
4	<b>Personal Source for Coverage (No Known Issues)</b>	\$469	\$549
5	<b>Personal Source to Address Known Issues</b>	\$559	\$654
6	<b>Subject Contact</b>	\$241	\$282
7	<b>Enhanced Subject Interview (ESI)</b>	\$1,014	\$1,186
	<b>Enhanced Subject Interview (ESI) – Unable to Contact</b> <i>Note: When an ESI is requested, if the investigator was unable to conduct (UC) the ESI after several attempts with the subject and agency, a reduced fee is charged (as reflected). RSI Code 9 will be used in these situations. This can be avoided by providing accurate subject location information in the RSI request.</i>	\$254	\$297
8 (with B*)	<b>State Criminal History Repository Check (SCHR)</b> <i>Note: A \$5 processing fee per search will be added to your bill (indicated by an “AD” bill event on the invoice). Also, for each SCHR, an additional user fee charged by each state will be applied (shows as an “AE” bill event on the invoice). Some states may charge for each name search conducted. For a current listing of state fees, please contact Billing Oversight. *Must be ordered in addition to SAC code B. Fees for SAC code B will apply.</i>	\$5 + Varying State Fee for each search	NA
A	<b>Security/Suitability Investigations Index Check (SII)</b>	\$5	NA
B	<b>FBI Fingerprint Classification Check (FBIF/FBFN)</b>	\$10	NA
C	<b>FBI Investigations Files Check (FBIN)</b>	\$23	NA
D	<b>Defense Central Index of Investigations Check (DCII)</b>	\$11	NA
E	<b>National Credit Check (CRED)</b>	\$11	NA
F	<b>Selective Service Check (SESE)</b>	\$4	NA
G	<b>Military Personnel Records Check (MILR)</b>	\$16	NA
H	<b>Investigative Agencies Check (INVA)</b>	\$8	NA
I (letter i)	<b>Citizenship and Immigration Services Check (IMM)</b> <i>Note: If multiple searches are required, the fee will be charged per search.</i>	\$6	NA
J	<b>State Department Passport Office Check (STPA)</b>	\$6	NA

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)

## FY 2019 Investigations Reimbursable Billing Rates – Effective October 1, 2018

Code	Type	Standard	Priority
L	<b>Military Discharge Check (MILD)</b> <i>Price effective April 3, 2018.</i>	<b>\$3</b>	NA
N	<b>Bureau of Vital Statistics Check (BVS)</b>	<b>\$24</b>	NA
Q	<b>Bar Association License Check (BAR)</b> <i>Note: A \$10 processing fee is charged <u>per state search</u> where the subject claims a license. An additional state processing fee may be added where applicable. For a current listing of state fees, please contact the Billing Oversight Team.</i>	<b>\$10</b> + Varying State Fee for each search	NA
S	<b>Spouse/Cohabitant National Agency Check (NAC)</b> Includes SAC item codes A, B (at a reduced rate of \$2), C, and D. <i>Note: Additional coverage items may be applied at an additional charge based on the individual background.</i>	<b>\$41</b>	NA
T	<b>Interpol Search</b>	<b>\$21</b>	NA
U	<b>Periodicals Check (PERI)</b>	<b>\$11.50</b>	NA
V	<b>Financial Crimes Enforcement Network Check (FNCN)</b>	<b>\$10</b>	NA
X	<b>National Crime Information Center/Interstate Identification Index Check (NCIC/III)</b>	<b>\$6</b>	NA

NA = Not Available

### Special Notes on RSI Requests

- RSIs are conducted, by request of the adjudicating agency, when additional work is needed that falls outside the scope or coverage requirements of an investigative product. To initiate an RSI, an authorized contact from the agency's security office must submit the request to NBIB in accordance with NBIB's Reopen and RSI instructions which can be found on the Reopen and RSI webpage.
- Priority service can be requested at an additional charge above the standard service, which will prioritize the processing of your request ahead of the standard service RSI cases.
- Records and personal sources (RSI codes 0 through 6) can be defined as employment, education, financial, residential, law enforcement, or public records coverage depending on the check requested.
- In some situations, a NAC item cannot be conducted to obtain the requested record. Depending on the location of the information and the repository's electronic capabilities, the price of these items can range from the listed NAC item price up to the fieldwork item price. NBIB will strive to obtain the item electronically at a lower cost to the agency when possible.
- The International Coverage fee will be applied on any RSI where casework is conducted outside of the United States and its territories. Please refer to Required Expanded Coverage Fees for the current fee amount.
- Many of the National Agency Check (NAC) items available for the RSI are also available in the SAC product. When only NAC items are needed, the SAC may be a more cost effective option.
- If a code is not listed for a needed item, please contact your NBIB Agency Liaison.

For additional information regarding billing rates, submitting financial information, invoicing and fingerprint submissions among other topics, please visit [www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources](http://www.nbib.gov/hr-security-personnel/investigations-billing-rates-resources)





The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

May 16, 2018

The Honorable William Hurd  
Chairman  
Subcommittee on Information Technology  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Hurd:

Thank you for your letter, dated April 17, 2018, requesting information regarding the U.S. Office of Personnel Management's (OPM) establishment of a working capital fund for the modernization of Information Technology (IT) as authorized under the Modernizing Government Technology (MGT) Act.

Specifically, you requested responses to the following:

1. Does your agency plan to establish a working capital fund in fiscal year 2018 as authorized by the *Modernizing Government Technology Act*?
  - A. If your agency does not plan to establish this fund, why?
  - B. If your agency already has a working capital fund, please explain how you plan to use it for purposes authorized by the *MGT Act*.

Response: OPM does not plan to establish an IT working capital fund in fiscal year 2018 because we do not have transfer authorities from our Salaries and Expenses appropriation and revolving fund that would be necessary to finance the account. OPM is interested in establishing an IT working capital fund once transfers from other sources of OPM financing are authorized. The President's 2019 Budget proposes that Congress enact broad authorization of transfers to IT working capital funds.

2. Who will be accountable for establishing and managing this fund? If the official in charge is not the Chief Information Officer (CIO), how is the official in charge working with the CIO in this effort?

Response: If OPM obtains the necessary transfer authority, a working capital fund would be established and managed by OPM's Chief Financial Officer.

OPM envisions that a governance committee, chaired by OPM's Chief Information Officer, would direct financing, authorize, and oversee all projects financed by the fund.

3. By what date will the agency have this fund set up and operational?

Response: OPM cannot commit to establishing an IT working capital fund until the transfer authority necessary to finance the fund has been established.

4. Does your agency have sufficient authority to transfer funds into this working capital fund?

- A. Please identify the legal authority to transfer funds into this working capital fund.
- B. If you believe the agency does not have sufficient transfer authority, please explain the basis for this determination and the legal impediments to utilizing the working capital fund.

Response: No. Title 31 of the United States Code, Section 1532 prohibits transfers between appropriation accounts or to a working fund without authorization. OPM's general authorization (5 U.S.C. chapter 11) and revolving fund authorization (5 U.S.C. 1304(e)) do not authorize transfers.

5. Please explain how your agency plans to use this fund or other appropriated funds to procure emerging technologies, including artificial intelligence.

Response: If OPM were granted transfer authority to utilize its appropriations to fund an IT working capital fund, it would use that authority in conjunction with appropriated funds received from P.L. 115-31, The Consolidated Appropriations Act, 2017 and P.L. No: 115-141, The Consolidated Appropriations Act, 2018 to improve IT service delivery and reduce operational risk. The IT Modernization funds included in these appropriations are being utilized to procure the necessary resources to strengthen OPM's IT governance and enterprise architecture capabilities, modernize the OPM IT environment, and deliver new and improved business capabilities based on emerging technologies and modern service models.

I appreciate the opportunity to provide you information on this very important matter. If you have any further questions, please do not hesitate to contact Mr. Stephen Billy, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Dr. Jeff T.H. Pon



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

May 16, 2018

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Meadows:

Thank you for your letter, dated April 17, 2018, requesting information regarding the U.S. Office of Personnel Management's (OPM) establishment of a working capital fund for the modernization of Information Technology (IT) as authorized under the Modernizing Government Technology (MGT) Act.

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Response: OPM does not plan to establish an IT working capital fund in fiscal year 2018 because we do not have transfer authorities from our Salaries and Expenses appropriation and revolving fund that would be necessary to finance the account. OPM is interested in establishing an IT working capital fund once transfers from other sources of OPM financing are authorized. The President's 2019 Budget proposes that Congress enact broad authorization of transfers to IT working capital funds.

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Sincerely,



Dr. Jeff T.H. Pon



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

The Honorable Orrin G. Hatch  
Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

NOV 16 2018

Dear Chairman Hatch:

I am pleased to submit the annual report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This annual report provides information concerning documents that contain an individual's full Social Security Number (SSN) and were sent by mail during the last fiscal year. In addition, it provides an update regarding the U.S. Office of Personnel Management's plan to comply with the Act's requirement that an agency not send by mail any document containing an SSN unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read "Margaret M. Weichert".

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 16 2018

The Honorable Ron Wyden  
Ranking Member  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Ranking Member Wyden:

I am pleased to submit the annual report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This annual report provides information concerning documents that contain an individual's full Social Security Number (SSN) and were sent by mail during the last fiscal year. In addition, it provides an update regarding the U.S. Office of Personnel Management's plan to comply with the Act's requirement that an agency not send by mail any document containing an SSN unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

NOV 16 2018

The Honorable Kevin Brady  
Chairman  
Ways and Means Committee  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Brady:

I am pleased to submit the annual report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This annual report provides information concerning documents that contain an individual's full Social Security Number (SSN) and were sent by mail during the last fiscal year. In addition, it provides an update regarding the U.S. Office of Personnel Management's plan to comply with the Act's requirement that an agency not send by mail any document containing an SSN unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 16 2018

The Honorable Richard E. Neal  
Ranking Member  
Ways and Means Committee  
United States House of Representatives  
1139E Longworth House Office Building  
Washington, DC 20515

Dear Ranking Member Neal:

I am pleased to submit the annual report required under the Social Security Fraud Prevention Act of 2017, Pub. L. 115-59 (Sept. 15, 2017). This annual report provides information concerning documents that contain an individual's full Social Security Number (SSN) and were sent by mail during the last fiscal year. In addition, it provides an update regarding the U.S. Office of Personnel Management's plan to comply with the Act's requirement that an agency not send by mail any document containing an SSN unless the head of the agency has determined that including the SSN is necessary.

If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

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Margaret M. Weichert  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

The Honorable Orrin G. Hatch  
Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

NOV 16 2018

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 16 2018

The Honorable Kevin Brady  
Chairman  
Ways and Means Committee  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

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If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 06 2018

The Honorable William Hurd  
Chairman  
Subcommittee on Information Technology  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Robin L. Kelly  
Ranking Member  
Subcommittee on Information Technology  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

The Honorable Gerald E. Connolly  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Chairmen Hurd and Meadows and Ranking Members Kelly and Connolly:

Thank you for your letter, dated November 15, 2018, requesting information about the United States Office of Personnel Management's (OPM) plan with respect to the working capital fund as authorized by the Modernizing Government Technology (MGT) Act.

To assist the Committee on Oversight and Government Reform, OPM provides the following responses to your questions.

1. Has the agency established a working capital fund as authorized by the MGT Act?

Response: OPM has not established a working capital fund as authorized by the MGT Act.

- a. If so, please describe the implementation of the fund, including how funding decisions are made and the role of the Chief Information Officer.
- b. If not, does your agency plan to establish a working capital fund in fiscal year 2019 or fiscal year 2020? Please explain your agency's plans, including the role of the Chief Information Officer.

Response: OPM is considering the establishment of a working capital fund if the United States Congress enacts legislation that provides OPM with transfer authorities that are necessary to finance the fund.

2. Has your agency taken other steps to meet the intent of the MGT Act? If so, please describe those steps.

Response: In 2018, OPM submitted two investment proposals to the General Services Administration for resources from the Technology Modernization Fund.

3. Are there any obstacles to your agency's implementation of the MGT Act? If so, please describe those obstacles.

Response: As noted above, the major impediment to establishing an IT working capital fund at OPM is the lack of transfer authorities from OPM's other accounts that would be needed to finance the fund.

4. If your agency does not have sufficient authority to transfer funds into this working capital fund, what steps have been taken to obtain the needed authority?

Response: The President's 2019 Budget proposed a general provision that would provide Federal agencies with authority to transfer funds into IT working capital funds (text below).

*SEC. 737. The head of a covered agency, as defined by section 901(b) of title 31, U.S. Code, that has established an "Information Technology System Modernization and Working Capital Fund" (IT Fund), pursuant to section 1077(b)(1) of title X of division A of the National Defense Authorization Act for Fiscal Year 2018, may transfer funds appropriated in this or any other Act that become available upon or after the date of enactment of this Act to such agency's IT Fund for the purposes specified in section 1077(b)(3) of title X of division A of the National Defense Authorization Act for Fiscal Year 2018: Provided, That any transfer executed pursuant to such authority that reduces any account by the amount specified in the reprogramming notification provision in this or any other Act that applies to the covered agency shall be subject to the notification requirements of such provision: Provided further, That amounts transferred to the IT Fund of a covered agency shall remain available for three fiscal years.*

I trust this information is helpful. Should you have any additional questions or concerns, please feel free to contact Jonathan J. Blyth, Director of Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Margaret M. Weichert', written in a cursive style.

Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 06 2018

The Honorable William Hurd  
Chairman  
Subcommittee on Information Technology  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
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Subcommittee on Information Technology  
Committee on Oversight  
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United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

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Ranking Member  
Subcommittee on Government Operations  
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United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

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- b. If not, does your agency plan to establish a working capital fund in fiscal year 2019 or fiscal year 2020? Please explain your agency's plans, including the role of the Chief Information Officer.

Response: OPM is considering the establishment of a working capital fund if the United States Congress enacts legislation that provides OPM with transfer authorities that are necessary to finance the fund.

2. Has your agency taken other steps to meet the intent of the MGT Act? If so, please describe those steps.

Response: In 2018, OPM submitted two investment proposals to the General Services Administration for resources from the Technology Modernization Fund.

3. Are there any obstacles to your agency's implementation of the MGT Act? If so, please describe those obstacles.

Response: As noted above, the major impediment to establishing an IT working capital fund at OPM is the lack of transfer authorities from OPM's other accounts that would be needed to finance the fund.

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Sincerely,

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Margaret M. Weichert  
Acting Director





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 13 2018

The Honorable James Lankford  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

The U.S. Office of Personnel Management (OPM) respectfully submits the enclosed report to the Committees on Appropriations of the House of Representatives and the Senate, as spelled out in House Report 115-234, on reducing the time it takes to hire Federal employees. Specifically, the language provides:

*The Committee is concerned with the length of time it often takes the Federal Government to hire qualified employees. Rigid rules along with long delays in the hiring and interview process discourage top candidates from applying for or accepting Federal positions. The Committee notes that a Presidential Memorandum—Improving the Federal Recruitment and Hiring Process—was issued on May 11, 2010, and the Office of Personnel Management (OPM) was instructed to increase the capacity of USAJOBS and develop a plan to improve the federal recruitment and hiring processes. While the Committee is supportive of some of the changes OPM has made to improve the user experience on USAJOBS, it remains concerned with the amount of time it takes the Federal Government to hire qualified employees. The committee is also concerned with the length and content of the questionnaire that USAJOBS candidates must complete, which can include up to 100 questions. This can discourage talented candidates from applying for or accepting Federal positions. The committee directs OPM to report to the Committees on Appropriations of the House and Senate no later than September 30, 2018 on a plan to reduce barriers to Federal employment, reduce delays in the hiring process, and how it intends to improve the overall federal recruitment and hiring process. As part of OPM's mission to recruit and hire the most talented and diverse Federal workforce, the Committee encourages Federal agencies to increase recruitment efforts within the United States and the territories and at Hispanic Serving Institutions and Historically Black Colleges and Universities.*

OPM recognizes that the current law governing hiring is complex and in need of reform, and we have proposed legislation that we believe would help improve hiring. In addition, we continue to proactively work with agencies to simplify their hiring practices. We also welcome Congressional oversight and efforts to advance legislation that will make further improvements to the process. We understand it is frustrating for applicants to feel their applications are not receiving timely review and consideration, and we are committed to helping relieve this sentiment.

We thank you for your interest in this very important matter and OPM will continue to work to address the Committee's concerns. Upon reviewing the report, if you have any questions or concerns, please do not hesitate to contact Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Weichert', written in a cursive style.

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 13 2018

The Honorable Richard C. Shelby  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

The U.S. Office of Personnel Management (OPM) respectfully submits the enclosed report to the Committees on Appropriations of the House of Representatives and the Senate, as spelled out in House Report 115-234, on reducing the time it takes to hire Federal employees. Specifically, the language provides:

*The Committee is concerned with the length of time it often takes the Federal Government to hire qualified employees. Rigid rules along with long delays in the hiring and interview process discourage top candidates from applying for or accepting Federal positions. The Committee notes that a Presidential Memorandum—Improving the Federal Recruitment and Hiring Process—was issued on May 11, 2010, and the Office of Personnel Management (OPM) was instructed to increase the capacity of USAJOBS and develop a plan to improve the federal recruitment and hiring processes. While the Committee is supportive of some of the changes OPM has made to improve the user experience on USAJOBS, it remains concerned with the amount of time it takes the Federal Government to hire qualified employees. The committee is also concerned with the length and content of the questionnaire that USAJOBS candidates must complete, which can include up to 100 questions. This can discourage talented candidates from applying for or accepting Federal positions. The committee directs OPM to report to the Committees on Appropriations of the House and Senate no later than September 30, 2018 on a plan to reduce barriers to Federal employment, reduce delays in the hiring process, and how it intends to improve the overall federal recruitment and hiring process. As part of OPM's mission to recruit and hire the most talented and diverse Federal workforce, the Committee encourages Federal agencies to increase recruitment efforts within the United States and the territories and at Hispanic Serving Institutions and Historically Black Colleges and Universities.*

OPM recognizes that the current law governing hiring is complex and in need of reform, and we have proposed legislation that we believe would help improve hiring. In addition, we continue to proactively work with agencies to simplify their hiring practices. We also welcome Congressional oversight and efforts to advance legislation that will make further improvements to the process. We understand it is frustrating for applicants to feel their applications are not receiving timely review and consideration, and we are committed to helping relieve this sentiment.

We thank you for your interest in this very important matter and OPM will continue to work to address the Committee's concerns. Upon reviewing the report, if you have any questions or concerns, please do not hesitate to contact Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink, appearing to read 'Margaret M. Weichert', written in a cursive style.

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 13 2010

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 13 2018

The Honorable Rodney P. Frelinghuysen  
Chairman  
Committee on Appropriations  
United States House of Representatives  
H-305 The Capitol  
Washington, DC 20515

Dear Mr. Chairman:

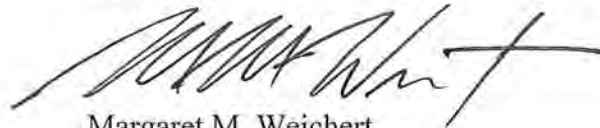
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Margaret M. Weichert  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 13 2018

The Honorable Tom Graves  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
2000 Rayburn House Office Building  
Washington, DC 20515

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Margaret M. Weichert  
Acting Director

Enclosure

- c. E2 Solutions, an end-to-end travel management system, is used to manage travel for the OPM. This system allows OPM employees to create and track travel authorizations, book reservations, define approval workflows and obtain approvals, submit travel claims, and receive reimbursements in accordance with federal travel regulations.
- d. Additionally, OPM has not been required to make a determination on travel associated with exceptional security circumstances, requiring other than coach-class airline accommodations. Therefore, written authorization from the head of the agency or by the Inspector General of the agency has not been needed. If travel associated with exceptional security circumstances is required in the future, OPM will comply with the Appropriations Act by obtaining the appropriate written authorization.

For Fiscal Year (FY) 2017 through the first two quarters of FY 2019, OPM did not have any instances of non-coach class airline travel for official Government business. This information was confirmed by our Travel Management Center, CWTSatoTravel.

Thank you for an opportunity to respond to this inquiry on OPM's compliance with FTR and Section 632 of the Financial Services and General Government Appropriations Act, 2019. If you have questions regarding the information provided, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Margaret M. Weichert  
Acting Director



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 24 2019**

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Government Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Johnson:

The U.S. Office of Personnel Management (OPM) is committed to keeping you and your Committee informed of our activities in improving our ability to serve the federal workforce and the missions they serve.

As you are aware, the 2018 National Defense Authorization Act mandated transfer of Department of Defense (DoD) background investigations, effectively moving 70-80% of the National Background Investigation Bureau's (NBIB) workload and \$70 million in annual NBIB contributions to OPM operations. Executive Order 13869, signed on April 24, 2019, formalized the decision to transfer all of NBIB to DoD, which is on track for September 30, 2019.

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Since the original proposal was released, OPM conducted approximately 100 interactions with Members of Congress, Congressional staff, OPM employees, and outside stakeholder groups to discuss this proposal and gain input on a sustainable path forward. Most recently, in hearings before the Committee on Oversight and Reform's Subcommittee on Government Operations on May 21, 2019 and June 27, 2019, OPM outlined a set of concrete strategic, operational, technological and financial challenges, and shared perspectives on how the proposal would address them. OPM also reinforced a sincere desire to work closely with Congress to pursue a long-term and sustainable solution to root-cause issues preventing our Agency from fully meeting our potential.

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Sincerely,



Margaret M. Weichert  
Acting Director

Enclosure

Cc: The Honorable Gary Peters  
Ranking Member  
Committee on Homeland Security and Government Affairs



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 24 2019**

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Committee on Homeland Security  
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United States Senate  
340 Dirksen Senate Office Building  
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Sincerely,



Margaret M. Weichert  
Acting Director

Enclosure

Cc: The Honorable Gary Peters  
Ranking Member  
Committee on Homeland Security and Government Affairs



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

JUL 24 2019

The Honorable Mike Quigley  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
Room H-307 U.S. Capitol  
Washington, D.C. 20515

Dear Chairman Quigley:

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Acting Director

Enclosure

Cc: The Honorable Tom Graves  
Ranking Member  
Subcommittee on Financial Services and General Government  
Committee on Appropriations



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 24 2019**

The Honorable Mike Quigley  
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Ranking Member  
Subcommittee on Financial Services and General Government  
Committee on Appropriations



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 24 2019**

The Honorable John N. Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
Room S-128 U.S. Capitol  
Washington, D.C. 20510

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Margaret M. Weichert  
Acting Director

Enclosure

Cc: The Honorable Christopher A. Coons  
Ranking Member  
Subcommittee on Financial Services and General Government  
Committee on Appropriations



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 24 2019**

The Honorable John N. Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
Room S-128 U.S. Capitol  
Washington, D.C. 20510

Dear Chairman Kennedy:

The U.S. Office of Personnel Management (OPM) is committed to keeping you and your Committee informed of our activities in improving our ability to serve the federal workforce and the missions they serve.

As you are aware, the 2018 National Defense Authorization Act mandated transfer of Department of Defense (DoD) background investigations, effectively moving 70-80% of the National Background Investigation Bureau's (NBIB) workload and \$70 million in annual NBIB contributions to OPM operations. Executive Order 13869, signed on April 24, 2019, formalized the decision to transfer all of NBIB to DoD, which is on track for September 30, 2019.

This functional shift created an existential, structural challenge for OPM that can be overcome only with significant structural reform. The strategic case for change was originally outlined in "Reform Plan and Reorganization Recommendations" published by OMB in June 2018. The proposal addressed those structural challenges and recommended a strategic shift from a transactional, reactive personnel function, to a more integrated, modern enterprise human capital capability that could address the people needs required of government in the 21st Century. Updated information about the proposal was included in the FY 2020 President's Budget.

Since the original proposal was released, OPM conducted approximately 100 interactions with Members of Congress, Congressional staff, OPM employees, and outside stakeholder groups to discuss this proposal and gain input on a sustainable path forward. Most recently, in hearings before the Committee on Oversight and Reform's Subcommittee on Government Operations on May 21, 2019 and June 27, 2019, OPM outlined a set of concrete strategic, operational, technological and financial challenges, and shared perspectives on how the proposal would address them. OPM also reinforced a sincere desire to work closely with Congress to pursue a long-term and sustainable solution to root-cause issues preventing our Agency from fully meeting our potential.

However, in the short-term, when Fiscal Year 2020 begins on October 1, 2019, regardless of the status of our long-term reform proposal, OPM faces a financial shortfall resulting from the NBIB transition to DoD. OPM and OMB shared an overview of the budget gap with Congressional staffers back on June 13, 2019. OPM is evaluating all options to address the impending budget gap and avoid adverse impacts to our mission and our people as a result of NBIB's transfer.

Enclosed is a compilation of documents I wanted to share as part of the accommodation process between the Congressional and Executive branch. These documents provide insight into the challenges, opportunities and rationale for the reform proposal. These documents incorporate extensive documentation from GAO analysts, OPM Inspector General Reports and others regarding the risks and challenges facing our human capital function. These documents highlight the fact that although OPM leaders across administrations have tried repeatedly to address OPM's recurring problems, the existing organizational and fiscal construct have prevented progress for decades.

In these materials, you will also see the strategic rationale for the reform plan draws heavily on leading practices, from state governments, national governments and the private sector. For well over 20 years, it has been a leading practice in the human capital field, to shift the transactional and compliance aspects of HR into a shared services operating environment that is focused on world class service delivery, process improvement and IT excellence. Just as we have proposed, the "best places to work" across the globe, have found that using shared services for transactional HR allows HR specialists to focus on strategic human capital management.

To date, we have initiated efforts to stabilize OPM IT infrastructure via an Interagency support Agreement with GSA. These documents are enclosed. In addition, we have enclosed information relating to communications with our workforce and other stakeholders, as requested by the Committee, and are re-submitting documents previously provided to the Committee including the case for change, cost savings analysis, and qualitative business case.

Thank you again for your attention to this very important matter and I look forward to continuing to work with you and appreciate your engagement thus far. My staff and I stand ready to assist in any way required. If you have any additional questions or concerns, please contact Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



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**JUL 24 2019**

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Connolly:

I want to thank you for your on-going interest in efforts to create a sustainable path forward for the U.S. Office of Personnel Management (OPM). OPM is committed to working with you and the Committee on Oversight and Reform to provide relevant information as we work toward the shared goal of improving our ability to serve the federal workforce and the missions they serve.

As you are aware, the 2018 National Defense Authorization Act mandated transfer of Department of Defense (DoD) background investigations, effectively moving 70-80% of the National Background Investigation Bureau's (NBIB) workload and \$70 million in annual NBIB contributions to OPM operations. Executive Order 13869, signed on April 24, 2019, formalized the decision to transfer all of NBIB to DoD, which is on track for September 30, 2019.

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Enclosed are responses for the Questions for the Record (QFRs) from my May 21, 2019 hearing. In the first question, I mention a compilation of over 3,000 pages of information that will be shared along with the QFRs as part of the accommodation process between the Congressional and Executive branch. These documents provide insight into the challenges, opportunities and rationale for the reform proposal. Much of the data requested in your letter of March 22, 2019 and June 13, 2019 is covered by these materials. These documents incorporate extensive documentation from GAO analysts, OPM Inspector General Reports and others regarding the risks and challenges facing our human capital function. These documents highlight the fact that although OPM leaders across administrations have tried repeatedly to address OPM's recurring problems, the existing organizational and fiscal construct have prevented progress for decades. These documents are responsive to the Committee's document request and provide critical context during this unique situation where oversight is being conducted during ongoing deliberations as opposed to following execution of a decision. However, I believe it would also be critical for the Chairman to visit OPM for a briefing on OPM Information Technology (IT) and Retirement Services (RS) operations to provide full context for the reorganization proposal. In addition, this briefing would signal full engagement by the Chairman into understanding the fundamental challenges OPM faces which are not able to be gleaned through document production alone.

In these materials, you will also see the strategic rationale for the reform plan draws heavily on leading practices, from state governments, national governments and the private sector. For well over 20 years, it has been a leading practice in the human capital field, to shift the transactional and compliance aspects of HR into a shared services operating environment that is focused on world class service delivery, process improvement and IT excellence. Just as we have proposed, the "best places to work" across the globe, have found that using shared services for transactional HR allows HR specialists to focus on strategic human capital management.

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Margaret M. Weichert  
Acting Director

Enclosures

Cc: The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations,  
Committee on Oversight and Reform



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

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Committee on Oversight and Reform  
United States House of Representatives  
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Sincerely,



Margaret M. Weichert  
Acting Director

Enclosures

Cc: The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations,  
Committee on Oversight and Reform



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

OCT 21 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2163 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Cummings:

We are pleased to present the U.S. Office of Personnel Management's (OPM's) report to Congress on critical position pay in calendar year 2018 as required under section 5377 of title 5, United States Code.

Critical position pay is one of many pay flexibilities OPM administers to help agencies recruit and retain highly qualified individuals for Federal service. We will continue to work with agencies to assist them in using this flexibility, if warranted, to ensure that agency missions are accomplished in a cost effective manner.

If you have any further questions for OPM, please feel free to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Dale Cabaniss".

Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Office of the Director

OCT 21 2019

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairwoman Maloney:

We are pleased to present the U.S. Office of Personnel Management's (OPM's) report to Congress on critical position pay in calendar year 2018 as required under section 5377 of title 5, United States Code.

Critical position pay is one of many pay flexibilities OPM administers to help agencies recruit and retain highly qualified individuals for Federal service. We will continue to work with agencies to assist them in using this flexibility, if warranted, to ensure that agency missions are accomplished in a cost effective manner.

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Sincerely,

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Dale Cabaniss

Enclosure

## Critical Position Pay in Calendar Year 2018

### I. Summary

Section 5377(h) of title 5, United States Code, requires the U.S. Office of Personnel Management (OPM) to report annually to the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate on the operation of the critical position pay program. The law requires OPM to report on the number of authorized positions, in the aggregate and by agency, for which higher rates of pay were authorized or paid under this section during any part of the applicable calendar year. The law also requires OPM to report the name of each employee to whom a higher rate of pay was paid, the rate paid under the authority, the dates between which each such higher rate was paid, and the rate or rates that would have otherwise been paid.

In January 2019, OPM requested agency reports on the use of critical position pay in calendar year 2018. For that year, OPM approved or continued to authorize critical position pay for 106 positions in 12 agencies. However, only 5 of those agencies report using the critical position pay authority in 2018 for 39 incumbents.

### II. Background

Under 5 U.S.C. 5377, OPM, in consultation with the Office of Management and Budget (OMB), may authorize the head of an agency to fix the rate of basic pay for one or more positions up to the rate of pay for level I of the Executive Schedule (\$210,700 in 2018), or at a higher rate with written approval of the President. No more than 800 positions may be covered Governmentwide at any one time and no more than 30 active authorizations may be for positions otherwise paid rates of pay under the Executive Schedule.

To use this authority, an agency must show that the position requires expertise of an extremely high level in a scientific, technical, professional, or administrative field; the position must be critical to the agency's successful accomplishment of an important mission; and the authority may be used only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position.

Under regulations issued at part 535 of title 5, Code of Federal Regulations, agencies must submit written requests describing the position and the qualifications of any incumbent or prospective candidates; document the level of expertise required and explain how any incumbent or candidate is exceptionally well qualified for the position; demonstrate that the use of other human resources flexibilities has not enabled the agency to fill the position; and explain why the position is critical to an important agency mission and describe the potential impact if the agency is unable to fill the position with an exceptional candidate.

OPM and OMB also monitor agency reports of existing critical position pay authorities to assure their continued use is warranted under the statute.



### III. Agency Reports

OPM’s regulations at 5 CFR 535.107(a) require agencies to submit a report to OPM by January 31 of each year on their use of the critical position pay authority for the previous calendar year. Agency reports contain the following information: (1) the name, title, pay plan, and grade/level of each employee receiving a higher rate of basic pay under this subpart; (2) the annual rate or rates of basic pay paid in the preceding calendar year to each employee in a critical position; (3) the beginning and ending dates of such rate(s) of basic pay, as applicable; (4) the rate or rates of basic pay that would have been paid but for the grant of critical position pay; and (5) whether the authority is still needed for the critical position(s).

For calendar year 2018, OPM received information from the 12 agencies having approved critical position pay authorizations. The tables below show the activity under the critical position pay authority and the 39 positions receiving critical position pay in calendar year 2018:

Agency	Approved 2018	Cancelled 2018	Available 2018	Used 2018
U.S. Department of Education	--	--	3	--
U.S. Department of Energy	--	--	1	--
U.S. Department of Health and Human Services	--	--	1	1
U.S. Department of the Interior	--	--	1	--
U.S. Department of Veterans Affairs	--	--	69	35
Federal Bureau of Investigation	--	--	24	--
Federal Motor Carrier Safety Administration	--	--	1	--
National Aeronautics and Space Administration	--	--	1	--
National Institute of Standards and Technology	--	--	1	1
National Transportation Safety Board	--	--	2	--
U.S. Office of Personnel Management	--	--	1	1
Transportation Security Administration	--	--	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>106</b>	<b>39</b>

Agency and Position	Incumbent	Rate of Pay	Rate of Pay without Critical Position Pay	Coverage Start Date	Coverage End Date
U.S. Department of Health and Human Services – Director, National Institutes of Health	Collins, Francis S.	\$199,700	\$164,200	1/1/2018	12/31/2018
U.S. Department of Veterans Affairs – Chief Information Security Officer	Cussatt, Dominic A.	\$207,800	\$189,600	1/1/2018	8/5/2018
U.S. Department of Veterans Affairs – Deputy Undersecretary for Health for Operations and Management	Young, Steven W.	\$210,637	\$189,542	1/1/2018	12/31/2018
U.S. Department of Veterans Affairs – Complexity Level 1a Medical Center Director	Battle, Joe D.	\$196,184	\$189,600	1/1/2018	12/31/2018
	Brandecker, John A.	\$199,020	\$189,600	1/1/2018	12/31/2018
	Breyfogle, Cynthia	\$193,084	\$189,600	1/1/2018	12/31/2018
	Brown, Ann R.	\$196,146	\$189,600	1/1/2018	12/31/2018
	Cullen, Sheila M.	\$199,892	\$189,600	1/1/2018	3/31/2018
	Culliton, Gerald	\$199,020	\$189,600	1/1/2018	12/31/2018
	Fisher, Michael W.	\$199,175	\$189,600	9/30/2018	12/31/2018
	Fuehrer, Susan M.	\$199,080	\$189,600	1/1/2018	12/31/2018
	Gigliotti, Ralph T.	\$200,902	\$189,600	1/1/2018	12/31/2018
	Graham, Bonnie S.	\$192,924	\$189,600	1/1/2018	12/31/2018
	Heimall, Michael	\$199,080	\$189,600	10/14/2018	12/31/2018
	Houser-Hanfelder, Sallie A.	\$196,146	\$189,600	1/1/2018	12/31/2018
	Isaacks, Scott R.	\$191,393	\$189,600	1/1/2018	12/31/2018
	Kelly, Patrick J.	\$197,129	\$189,600	1/1/2018	12/31/2018
	Lilly, Ryan	\$193,424	\$189,600	9/2/2018	12/31/2018
	McDivitt, Robert P.	\$201,728	\$189,600	1/1/2018	12/31/2018
	McDougall, Skye	\$196,905	\$189,510	1/1/2018	12/31/2018
	McGraw, Karin L.	\$192,114	\$189,369	1/1/2018	12/31/2018
	Milligan, Jeffery L.	\$192,211	\$189,600	1/1/2018	12/31/2018
	Murphy, Janet P.	\$198,057	\$189,600	1/1/2018	5/29/2018
	Murphy, Michael J.	\$200,915	\$189,600	1/1/2018	12/31/2018
	Nelson, RimaAnn O.	\$205,700	\$189,600	1/1/2018	12/31/2018
	Ng, Vincent W.	\$194,355	\$189,600	1/1/2018	12/31/2018
	Parauda, Martina A.	\$192,340	\$189,600	1/1/2018	12/31/2018
	Russo, Paul M.	\$198,072	\$189,600	9/16/2018	12/31/2018
	Seekins, Deanne M.	\$192,673	\$189,600	1/1/2018	12/31/2018
	Smith, Thomas C.	\$192,480	\$185,442	1/1/2018	12/31/2018
	Vazquez, Francisco	\$189,739	\$189,600	1/1/2018	12/31/2018
	Walton, Robert M.	\$193,455	\$189,600	1/1/2018	12/31/2018
	Weldon, Marie L.	\$200,906	\$189,600	1/1/2018	3/31/2018
Wiggins, Leslie B.	\$202,870	\$189,600	1/1/2018	12/31/2018	
Williams, Joseph A. Jr.	\$202,810	\$189,600	1/1/2018	12/31/2018	
Zomchek, Daniel S.	\$177,848	\$173,573	1/1/2018	12/31/2018	

<b>Agency and Position</b>	<b>Incumbent</b>	<b>Rate of Pay</b>	<b>Rate of Pay without Critical Position Pay</b>	<b>Coverage Start Date</b>	<b>Coverage End Date</b>
National Institute of Standards and Technology – Associate Director for Laboratory Programs	Rochford, Kent	\$210,700	\$189,600	1/1/2018	7/2/2018
	Olthoff, James	\$208,560	\$189,600	12/9/2018	12/31/2018
Office of Personnel Management – Chief Actuary	Gresch, Ronald V.	\$187,000	\$174,500	1/1/2018	12/31/2018
Transportation Security Administration – Administrator	Pekoske, David P.	\$199,700	\$164,200	1/1/2018	12/31/2018

Note: Section 741 of title VII of Division E of the Consolidated Appropriations Act, 2014 (Public Law 113-76, January 17, 2014), froze pay rates for certain senior political officials in 2014 at 2013 levels. Section 738 of title VII of Division E of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235, December 16, 2014), continued the freeze during calendar year 2015. Section 738 of title VII of Division E of the Consolidated Appropriations Act, 2016 (Public Law 114-113, December 18, 2015) continued the freeze during calendar year 2016. The Consolidated Appropriations Act, 2017 (Public Law 115-31, May 5, 2017), continued the pay freeze through the remainder of calendar year 2017. (See section 738 of Division E of the Act.) For 2018, section 738 of Division E of the Consolidated Appropriations Act, 2018 (Public Law 115-141), continued the freeze on the payable rates of pay for the Vice President and certain senior political appointees at 2013 levels through calendar year 2018. In the chart above, the individual who served as the Director of the National Institutes of Health and the individual who served in the Administrator of the Transportation Security Administration position were paid a critical pay rate of \$199,700 instead of the official 2018 EX-I rate of \$210,700 due to this pay freeze.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

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OCT 21 2019

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
328 Hart Senate Office Building  
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Dear Chairman Johnson:

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OPM and OMB also monitor agency reports of existing critical position pay authorities to assure their continued use is warranted under the statute.

### III. Agency Reports

OPM's regulations at 5 CFR 535.107(a) require agencies to submit a report to OPM by January 31 of each year on their use of the critical position pay authority for the previous calendar year. Agency reports contain the following information: (1) the name, title, pay plan, and grade/level of each employee receiving a higher rate of basic pay under this subpart; (2) the annual rate or rates of basic pay paid in the preceding calendar year to each employee in a critical position; (3) the beginning and ending dates of such rate(s) of basic pay, as applicable; (4) the rate or rates of basic pay that would have been paid but for the grant of critical position pay; and (5) whether the authority is still needed for the critical position(s).

For calendar year 2018, OPM received information from the 12 agencies having approved critical position pay authorizations. The tables below show the activity under the critical position pay authority and the 39 positions receiving critical position pay in calendar year 2018:

Agency	Approved 2018	Cancelled 2018	Available 2018	Used 2018
U.S. Department of Education	--	--	3	--
U.S. Department of Energy	--	--	1	--
U.S. Department of Health and Human Services	--	--	1	1
U.S. Department of the Interior	--	--	1	--
U.S. Department of Veterans Affairs	--	--	69	35
Federal Bureau of Investigation	--	--	24	--
Federal Motor Carrier Safety Administration	--	--	1	--
National Aeronautics and Space Administration	--	--	1	--
National Institute of Standards and Technology	--	--	1	1
National Transportation Safety Board	--	--	2	--
U.S. Office of Personnel Management	--	--	1	1
Transportation Security Administration	--	--	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>106</b>	<b>39</b>

Agency and Position	Incumbent	Rate of Pay	Rate of Pay without Critical Position Pay	Coverage Start Date	Coverage End Date
U.S. Department of Health and Human Services – Director, National Institutes of Health	Collins, Francis S.	\$199,700	\$164,200	1/1/2018	12/31/2018
U.S. Department of Veterans Affairs – Chief Information Security Officer	Cussatt, Dominic A.	\$207,800	\$189,600	1/1/2018	8/5/2018
U.S. Department of Veterans Affairs – Deputy Undersecretary for Health for Operations and Management	Young, Steven W.	\$210,637	\$189,542	1/1/2018	12/31/2018
U.S. Department of Veterans Affairs – Complexity Level 1a Medical Center Director	Battle, Joe D.	\$196,184	\$189,600	1/1/2018	12/31/2018
	Brandecker, John A.	\$199,020	\$189,600	1/1/2018	12/31/2018
	Breyfogle, Cynthia	\$193,084	\$189,600	1/1/2018	12/31/2018
	Brown, Ann R.	\$196,146	\$189,600	1/1/2018	12/31/2018
	Cullen, Sheila M.	\$199,892	\$189,600	1/1/2018	3/31/2018
	Culliton, Gerald	\$199,020	\$189,600	1/1/2018	12/31/2018
	Fisher, Michael W.	\$199,175	\$189,600	9/30/2018	12/31/2018
	Fuehrer, Susan M.	\$199,080	\$189,600	1/1/2018	12/31/2018
	Gigliotti, Ralph T.	\$200,902	\$189,600	1/1/2018	12/31/2018
	Graham, Bonnie S.	\$192,924	\$189,600	1/1/2018	12/31/2018
	Heimall, Michael	\$199,080	\$189,600	10/14/2018	12/31/2018
	Houser-Hanfelder, Sallie A.	\$196,146	\$189,600	1/1/2018	12/31/2018
	Isaacks, Scott R.	\$191,393	\$189,600	1/1/2018	12/31/2018
	Kelly, Patrick J.	\$197,129	\$189,600	1/1/2018	12/31/2018
	Lilly, Ryan	\$193,424	\$189,600	9/2/2018	12/31/2018
	McDivitt, Robert P.	\$201,728	\$189,600	1/1/2018	12/31/2018
	McDougall, Skye	\$196,905	\$189,510	1/1/2018	12/31/2018
	McGraw, Karin L.	\$192,114	\$189,369	1/1/2018	12/31/2018
	Milligan, Jeffery L.	\$192,211	\$189,600	1/1/2018	12/31/2018
	Murphy, Janet P.	\$198,057	\$189,600	1/1/2018	5/29/2018
	Murphy, Michael J.	\$200,915	\$189,600	1/1/2018	12/31/2018
	Nelson, RimaAnn O.	\$205,700	\$189,600	1/1/2018	12/31/2018
	Ng, Vincent W.	\$194,355	\$189,600	1/1/2018	12/31/2018
	Parauda, Martina A.	\$192,340	\$189,600	1/1/2018	12/31/2018
	Russo, Paul M.	\$198,072	\$189,600	9/16/2018	12/31/2018
	Seekins, Deanne M.	\$192,673	\$189,600	1/1/2018	12/31/2018
	Smith, Thomas C.	\$192,480	\$185,442	1/1/2018	12/31/2018
	Vazquez, Francisco	\$189,739	\$189,600	1/1/2018	12/31/2018
	Walton, Robert M.	\$193,455	\$189,600	1/1/2018	12/31/2018
	Weldon, Marie L.	\$200,906	\$189,600	1/1/2018	3/31/2018
Wiggins, Leslie B.	\$202,870	\$189,600	1/1/2018	12/31/2018	
Williams, Joseph A. Jr.	\$202,810	\$189,600	1/1/2018	12/31/2018	
Zomchek, Daniel S.	\$177,848	\$173,573	1/1/2018	12/31/2018	

<b>Agency and Position</b>	<b>Incumbent</b>	<b>Rate of Pay</b>	<b>Rate of Pay without Critical Position Pay</b>	<b>Coverage Start Date</b>	<b>Coverage End Date</b>
National Institute of Standards and Technology – Associate Director for Laboratory Programs	Rochford, Kent	\$210,700	\$189,600	1/1/2018	7/2/2018
	Olthoff, James	\$208,560	\$189,600	12/9/2018	12/31/2018
Office of Personnel Management – Chief Actuary	Gresch, Ronald V.	\$187,000	\$174,500	1/1/2018	12/31/2018
Transportation Security Administration – Administrator	Pekoske, David P.	\$199,700	\$164,200	1/1/2018	12/31/2018

Note: Section 741 of title VII of Division E of the Consolidated Appropriations Act, 2014 (Public Law 113-76, January 17, 2014), froze pay rates for certain senior political officials in 2014 at 2013 levels. Section 738 of title VII of Division E of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235, December 16, 2014), continued the freeze during calendar year 2015. Section 738 of title VII of Division E of the Consolidated Appropriations Act, 2016 (Public Law 114-113, December 18, 2015) continued the freeze during calendar year 2016. The Consolidated Appropriations Act, 2017 (Public Law 115-31, May 5, 2017), continued the pay freeze through the remainder of calendar year 2017. (See section 738 of Division E of the Act.) For 2018, section 738 of Division E of the Consolidated Appropriations Act, 2018 (Public Law 115-141), continued the freeze on the payable rates of pay for the Vice President and certain senior political appointees at 2013 levels through calendar year 2018. In the chart above, the individual who served as the Director of the National Institutes of Health and the individual who served in the Administrator of the Transportation Security Administration position were paid a critical pay rate of \$199,700 instead of the official 2018 EX-I rate of \$210,700 due to this pay freeze.





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

NOV 27 2019

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

Dear Chairman Connolly:

I want to thank you for your on-going interest in efforts to create a sustainable path forward for the U.S. Office of Personnel Management (OPM). OPM is committed to working with the Committee on Oversight and Reform to provide relevant information as we work toward the shared goal of improving our ability to serve the federal workforce.

I have reviewed your November 6, 2019 request for documents and the previous requests that were made of my predecessor, which I would like to address below:

- **Any legal analysis generated by any government agency or outside organization of the authority to perform the reorganization, and what would be needed from Congress to accomplish it;**
  - *OPM has acknowledged that legislation is necessary to effect a complete transfer of functions from OPM to GSA. Nevertheless, the Administration is also currently exploring ways for OPM and GSA to leverage each agency's respective strengths through interagency agreements and joint activities. I will continue to communicate final decisions to your Committee as they are made through the tollgate process, as has been the practice before my time as Director.*
- **A list of all authorities and missions of OPM and where these responsibilities would be conducted throughout the reorganization;**
  - *Per Section 2(b) and Section (3)(1)(A) of the Administration's May 16, 2019 legislative proposal, the Office of Personnel Management would be established within the General Services Administration and all functions and authorities of OPM would transfer to GSA.*
- **An analysis of how moving OPM components to GSA will improve operations;**
  - *On July 24, 2019, OPM transmitted a document production to your Committee that included a *Qualitative Business Case* that is available on pages A006 – A064.*
- **A detailed timeline of all ongoing and planned reorganization actions;**

- *Documents related to ongoing deliberations related to the reorganization remain pre-decisional and will be made available when internal consensus is reached and decisions are finalized.*
- **A detailed risk analysis and contingency plans related to all steps envisioned as part of the OPM reorganization;**
  - *On July 24, 2019, OPM transmitted a document production to your Committee that included a risk register that is available on pages C274 – C 277.*
- **A plan that details new location and reporting structure for the OPM Director;**
  - *Per the Administration's May 16, 2019 legislative proposal, Section 2(b), the OPM Director "shall perform personnel management functions designated by the Administrator of General Services."*
- **The effects the proposal has had and will have on staff, including employee engagement, staff size, recruitment ability, and the need for reductions-in-force or buyouts, including all pulse surveys or interviews with staff;**
  - *Through October 2019, OPM has had 473 separations, which includes NBIB employees who left before the transfer which took place on September 30, 2019, and is comparable to recent years. Also, on July 24, 2019, in OPM's document production were the Pulse Survey results which are available on pages C033 – C045.*
- **A plan to assure GSA's effective and successful management of OPM's functions and responsibilities;**
  - *Per the Administration's May 16, 2019 legislative proposal, all personnel resources will transfer to GSA to continue to assure an effective and successful management of OPM's functions and responsibilities.*
- **Plans to protect sensitive data, including personally identifiable information and personally identifiable health information of millions of federal employees and their families, held by OPM;**
  - *In the July 24, 2019 document production, there is a comprehensive list of interagency agreements and memoranda of understanding that address this available on pages C271 – C 273.*
- **Alternative plans or options discussed to create a more effective and efficient OPM**
  - *The Administration looks forward to working with Congress to explore ideas on how to best reform OPM. To this end, we look forward to working as partners with Congress on the proposed legislation. Regardless of any legislative steps, I will work to continue to reform OPM's IT, finances, and human capital management to better serve the Federal workforce and American taxpayers.*

Please find enclosed the memorandum you requested that was cited at a September 11, 2019 briefing, which authorized moving the support for the Chief Human Capital Officers Council from OPM to GSA. This memorandum was provided to your staff at that September 11 meeting.

Thank you for your interest to this very important matter. OPM looks forward to working with you and the Committee on this issue. If you have any additional questions or concerns, please contact Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Dale Cabaniss  
Director

Enclosures

Cc: The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations,  
Committee on Oversight and Reform



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Adam Smith  
Chairman  
Committee on Armed Services  
United States House of Representatives  
2216 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Smith:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

The enclosed report serves as the final report on the Act and provides updated accomplishments, as well as a snapshot of the Federal cybersecurity workforce based on agency reported data.

I am pleased to inform you of the progress that has been made to address cybersecurity workforce needs. This report identifies where the greatest challenges exist and plans to reduce critical shortages, address continuing needs, and make data-driven decisions for recruiting, hiring, and retaining cybersecurity talent in the Federal sector. The report also contains data, derived from agency submissions, of the current Federal cybersecurity workforce and needs.

If you would like a more in-depth briefing on the data, we would be happy to meet with you. In addition to the report, we have included a one-page enclosure reflecting a broad overview of the current Federal cybersecurity workforce. This one page document will be available to the public.

If you have any questions, please contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Dale Cabaniss".

Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable James M. Inhofe  
Chairman  
Committee on Armed Services  
United States Senate  
228 Russell Senate Office Building  
Washington, DC 20510

Dear Chairman Inhofe:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Madam Chairwoman:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Roger Wicker  
Chairman  
Committee on Commerce, Science  
and Transportation  
United States Senate  
512 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Wicker:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Sincerely,

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Dale Cabaniss

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Bennie G. Thompson  
Chairman  
Committee on Homeland Security  
United States House of Representatives  
117 Ford House Office Building  
Washington, DC 20515

Dear Chairman Thompson:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Sincerely,

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Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

DEC 30 2019

The Honorable Richard M. Burr  
Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Burr:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Sincerely,

Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Mark Warner  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Sincerely,

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Dale Cabaniss

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

DEC 30 2019

The Honorable Adam B. Schiff  
Chairman  
Permanent Select Committee on Intelligence  
United States House of Representatives  
House Visitor Center HVC-304, The Capitol  
Washington, DC 20515

Dear Chairman Schiff:

I am submitting this report on the Identification of Cyber-Related Work Roles of Critical Need, as required by the Federal Cybersecurity Workforce Assessment Act (Act), Public Law No. 114-113 & 304 (2015). On December 18, 2017, the U.S. Office of Personnel Management (OPM), in consultation with the U.S. Department of Homeland Security (DHS), provided Congress with a progress report on efforts to identify critical needs for the information technology (IT), cybersecurity, and other cyber-related workforce across Federal agencies. In that report, we described steps agencies were taking to identify positions, prioritize those having the most critical impact, and mitigate shortages.

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Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

APR 25 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

This letter is to inform you that the President signed an Executive Order (EO), in combination with the National Defense Authorization Act of 2018, section 925, Transferring Responsibility for Background Investigations to the Department of Defense, underscoring the Administration's commitment to maintain a consolidated and centralized background investigations provider for the Federal Government and its decision that the primary responsibility for conducting background investigations should be transferred from the Office of Personnel Management (OPM) to the Department of Defense (DoD).

Transition teams at both OPM and DoD are working together to support a complete transfer of the mission, personnel, resources and assets of the National Background Investigations Bureau to the Defense Security Service in a transparent and seamless manner. When this transfer is completed, the reconfigured agency will support critical mission areas – the protection of critical technology, conducting background investigations, adjudicating clearances, and protecting against counterintelligence threats — in a more efficient, comprehensive, and streamlined manner consistent with the President's Management Agenda and Pub. L. 115-91, the National Defense Authorization Act for Fiscal Year 2018, and the Intelligence Reform and Terrorism Prevention Act; Pub. L. 108-458.

A strong team comprised of the people now performing these missions at OPM and DoD is our best combination for success in working with and serving the needs of our many partners and stakeholders. Together, we will continue to move forward on seeking improvements to processes and policies and implementing initiatives to meet the needs of establishing a trusted workforce more effectively. Collectively, we have an unprecedented opportunity to modernize and reform background investigations across the Federal Government.

Should you have any additional questions or concerns, please don't hesitate to contact Mr. Jonathan Blyth, OPM's Director of Congressional, Legislative and Intergovernmental Affairs at (202) 606-2837 or at [Jonathan.Blyth@opm.gov](mailto:Jonathan.Blyth@opm.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Margaret M. Weichert".

Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

APR 25 2019

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

This letter is to inform you that the President signed an Executive Order (EO), in combination with the National Defense Authorization Act of 2018, section 925, Transferring Responsibility for Background Investigations to the Department of Defense, underscoring the Administration's commitment to maintain a consolidated and centralized background investigations provider for the Federal Government and its decision that the primary responsibility for conducting background investigations should be transferred from the Office of Personnel Management (OPM) to the Department of Defense (DoD).

Transition teams at both OPM and DoD are working together to support a complete transfer of the mission, personnel, resources and assets of the National Background Investigations Bureau to the Defense Security Service in a transparent and seamless manner. When this transfer is completed, the reconfigured agency will support critical mission areas – the protection of critical technology, conducting background investigations, adjudicating clearances, and protecting against counterintelligence threats — in a more efficient, comprehensive, and streamlined manner consistent with the President's Management Agenda and Pub. L. 115-91, the National Defense Authorization Act for Fiscal Year 2018, and the Intelligence Reform and Terrorism Prevention Act; Pub. L. 108-458.

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Margaret M. Weichert  
Acting Director



The Director

## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**APR 29 2019**

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

I am writing to provide an update on the Multi-State Plan (MSP) Program, established pursuant to Section 1334 of the Affordable Care Act (P.L. 111-148). Under the MSP Program, the Office of Personnel Management (OPM) is charged with certifying MSP options to be offered on the Exchanges.

Currently, Arkansas Blue Cross Blue Shield (BCBS) is the only health insurance issuer participating in the MSP Program. In 2019, Arkansas BCBS offers two MSP options on the individual market. As of December 31, 2018, approximately 47,000 Arkansans are enrolled in an MSP option. Just over one thousand of those individuals enrolled through the Exchange; the rest are enrolled through the Medicaid premium assistance demonstration, Arkansas Works. OPM appreciates Arkansas BCBS's partnership and participation in the Program since its inception.

Section 1334 envisioned that MSP options would eventually be available on the Exchange in each State. However, beginning in 2016, issuer interest in participating in the MSP Program declined considerably, despite OPM's efforts to encourage participation.

As we look toward the future, OPM has determined we are unable to achieve the statutory goals and objectives of the Program, as outlined in Section 1334(e)(4) of the Affordable Care Act. Therefore, after careful consideration and thorough analysis, OPM has determined the prudent course of action is to suspend MSP Program operations, beginning with the 2020 plan year.

Upon notification of Congress, OPM will communicate immediately to Arkansas BCBS that we are unable to accept an application from them for participation in the MSP Program for 2020. OPM is committed to working with Arkansas BCBS, the Centers for Medicare & Medicaid Services (CMS), and the appropriate State agencies through this transition.

It is important to note that individuals who are currently enrolled in an MSP option will be able to maintain this coverage until the end of the calendar year. These enrollees will be notified later this year that their current plan will not be available in 2020, and they will receive information on the choices available to them for coverage next year.

A majority of the OPM staff currently working on the MSP Program will be realigned to support OPM's core mission, to include serving our 2.1 million Federal civilian employees, while providing any necessary support to Program closeout activities. Please be assured, OPM will continue to perform external review of denied claims as required by regulation and contract. Because individuals must exhaust internal appeals with the issuer before requesting external review, these activities may continue for approximately two years after Program suspension and should be mostly complete by the end of Fiscal Year 2021.

In addition, on Friday, May 3 from 3:00-4:00 pm (EST) the Deputy Director of Healthcare and Insurance at OPM, Laurie Bodenheimer and members of her staff, will be conducting a conference call to address any questions you, or your staff, may have on this issue. The conference call number is (866) 459-7560 and the passcode is 62228304.

We are available to discuss this matter with you further and answer any immediate questions you may have. Please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

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Margaret M. Weichert  
Acting Director





## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**APR 29 2019**

The Director

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

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Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**APR 29 2019**

The Honorable John N. Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
133 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

I am writing to provide an update on the Multi-State Plan (MSP) Program, established pursuant to Section 1334 of the Affordable Care Act (P.L. 111-148). Under the MSP Program, the Office of Personnel Management (OPM) is charged with certifying MSP options to be offered on the Exchanges.

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Margaret M. Weichert  
Acting Director



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**APR 29 2019**

The Director

The Honorable Mike Quigley  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

I am writing to provide an update on the Multi-State Plan (MSP) Program, established pursuant to Section 1334 of the Affordable Care Act (P.L. 111-148). Under the MSP Program, the Office of Personnel Management (OPM) is charged with certifying MSP options to be offered on the Exchanges.

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We are available to discuss this matter with you further and answer any immediate questions you may have. Please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,



Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY - 3 2019

The Honorable Rob Portman  
Chairman  
Permanent Subcommittee on Investigations  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
199 Russell Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your letter, dated March 5, 2019, to the U.S. Office of Personnel Management (OPM) regarding matters related to government shutdowns caused by lapses in appropriations.

Please see the attached spreadsheet for the data you requested. We have done our best to provide the most accurate data and estimates are noted where appropriate.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Weichert", written in a cursive style.

Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY - 3 2019

The Honorable Tom Carper  
Ranking Member  
Permanent Subcommittee on Investigations  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
199 Russell Senate Office Building  
Washington, DC 20510

Dear Ranking Member Carper:

Thank you for your letter, dated March 5, 2019, to the U.S. Office of Personnel Management (OPM) regarding matters related to government shutdowns caused by lapses in appropriations.

Please see the attached spreadsheet for the data you requested. We have done our best to provide the most accurate data and estimates are noted where appropriate.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Margaret M. Weichert  
Acting Director

Enclosure





## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

**MAY 14 2019**

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Jennifer Wexton  
United States House of Representatives  
1217 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Cummings, Chairman Connolly and Representative Wexton:

Thank you for your letter dated February 12, 2019 regarding retroactive pay for over 662,000 furloughed and excepted Federal employees following the partial lapse in appropriations that occurred between December 22, 2018, and January 25, 2019. We appreciate your interest in whether those Federal Government employees affected by the partial lapse received back pay expeditiously.

The Office of Management and Budget (OMB) and the U.S. Office of Personnel Management (OPM) began working with Federal payroll providers to prepare for the prompt provision of back pay well before the lapse ended. OMB and OPM encouraged these providers to prepare to execute under two different scenarios, noting that, depending on when any new appropriations bill became effective, they might be asked to provide back pay as part of a regular cycle payroll or as part of a special, mid-cycle payroll process. It was the latter, unprecedented process that eventually occurred. Processing back pay at mid-cycle, though challenging, permitted affected employees to be paid days earlier than would otherwise have been possible.

Indeed, by January 31, 2019 -- just four full business days after the lapse ended -- over 99 percent of impacted employees (nearly 659,000 individuals) had received retroactive pay disbursement for both missed pay periods. Stated differently, as of February 1, 2019, fewer than 4,400 individuals were missing pay disbursements, or had received partial disbursements. (In many cases, these delays stemmed from processing, certification or system errors.) This number had been substantially further reduced by March 15, 2019.

As of the date of this letter, all employees eligible for retroactive pay under the Government Employee Fair Treatment Act of 2019, Pub. Law 116-1 (Jan. 16, 2019), codified at

31 U.S.C. 1341(c), and OPM's January 27, 2019 guidance memorandum at <https://www.chcoc.gov/content/pay-and-benefits-employees-affected-lapse-appropriations-1> have been processed for retroactive pay for the December 22, 2018, through January 25, 2019, time period. Any required adjustments to the initial post-lapse paychecks were made via follow-on adjustments to subsequent "regular cycle" paychecks received by affected employees.

Thank you again for your interest in this issue. If you or your staff has any questions, please contact the Office of Legislative Affairs at the Office of Management and Budget at [LegislativeAffairs@omb.eop.gov](mailto:LegislativeAffairs@omb.eop.gov).

Sincerely,



Margaret M. Weichert  
Acting Director  
U.S. Office of Personnel Management

Russ Vought  
Acting Director  
Office of Management and Budget

Cc: Representative Cheri Bustos



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

MAY 21 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Cummings:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its final report entitled, *Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs*, GAO-19-144, GAO job code number 102594.

Our response to your recommendation is provided below.

**Recommendation:** To complete the appropriate assignment of codes to their positions performing IT, cybersecurity, or cyber-related functions, in accordance with the requirements of the Federal Cybersecurity Workforce Assessment Act of 2015, the Director of the Office of Personnel Management should take steps to review the assignment of the “000” code to any positions in the 2210 IT management occupational series and assign the appropriate NICE framework work role codes. (Recommendation 26)

***Concur***

Management agrees with the underlying findings that led to the recommendation, acknowledges there was a weakness, and agrees to address the recommendation. In response to the GAO recommendation, OPM has assessed the assignment of “000” cybercodes to agency personnel in the 2210 IT management occupation series in order to ensure accurate cybercoding and the appropriate application of the NICE framework work codes. OPM has now updated all 2210 series positions previously coded with the “000” cybercode to one or more non-000 cybercodes, in alignment to position duties.

OPM will continue to monitor cybercodes for agency hires or position changes to ensure appropriate application of the cyber work codes.

I appreciate the opportunity to respond to the final report. If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Weichert', with a long horizontal flourish extending to the right.

Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 21 2019

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its final report entitled, *Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs*, GAO-19-144, GAO job code number 102594.

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Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 21 2019

The Honorable Patrick Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
Room S-128, The Capitol  
Washington, DC 20510

Dear Vice Chairman Leahy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its final report entitled, *Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs*, GAO-19-144, GAO job code number 102594.

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Acting Director





The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

MAY 21 2019

The Honorable Nita Lowey  
Chairwoman  
Committee on Appropriations  
United States House of Representatives  
H-307 The Capitol  
Washington, DC 20515

Dear Chairwoman Lowey:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its final report entitled, *Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs*, GAO-19-144, GAO job code number 102594.

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Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 21 2019

The Honorable Richard C. Shelby  
Chairman  
Committee on Appropriations  
United States Senate  
Room S-128, The Capitol  
Washington, D.C. 20510

Dear Chairman Shelby:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to the recommendation made by the U.S. Government Accountability Office (GAO) in its final report entitled, *Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs*, GAO-19-144, GAO job code number 102594.

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***Concur***

Management agrees with the underlying findings that led to the recommendation, acknowledges there was a weakness, and agrees to address the recommendation. In response to the GAO recommendation, OPM has assessed the assignment of “000” cybercodes to agency personnel in the 2210 IT management occupation series in order to ensure accurate cybercoding and the appropriate application of the NICE framework work codes. OPM has now updated all 2210 series positions previously coded with the “000” cybercode to one or more non-000 cybercodes, in alignment to position duties.

OPM will continue to monitor cybercodes for agency hires or position changes to ensure appropriate application of the cyber work codes.

I appreciate the opportunity to respond to the final report. If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Weichert', with a long horizontal flourish extending to the right.

Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

JUN 10 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, entitled *Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals*, GAO-19-241.

We provide detailed responses to GAO's recommendations. Those responses are enclosed.

If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, entitled *Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals*, GAO-19-241.

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable Richard C. Shelby  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 The Capitol  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, entitled *Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals*, GAO-19-241.

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
S-146A The Capitol  
Washington, DC 20510

Dear Vice Chairman Leahy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, entitled *Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals*, GAO-19-241.

We provide detailed responses to GAO's recommendations. Those responses are enclosed.

If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

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Margaret M. Weichert  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable John N. Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
133 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report, entitled *Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals*, GAO-19-241.

We provide detailed responses to GAO's recommendations. Those responses are enclosed.

If you have any questions, please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable Nita M. Lowey  
Chairwoman  
Committee on Appropriations  
United States House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Madam Chairwoman:

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Margaret M. Weichert  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 10 2019

The Honorable Mike Quigley  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

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Margaret M. Weichert  
Acting Director

Enclosure



Congressional  
Legislative and  
Intergovernmental  
Affairs

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

JUN 21 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Cummings:

Thank you for the opportunity for the Office of Personnel Management (OPM) and Office of the Director of National Intelligence (ODNI) to jointly brief the Committee staff on June 12, 2019 in response to your May 23<sup>rd</sup> request regarding guidance and tools related to suitability determinations, background investigations, and security clearance eligibility. Following the briefing, on June 14, 2019 OPM received a request for additional information and priority documents consistent with the Chairman's letter of May 23, 2019.

ODNI and OPM have jointly responded to your May 23<sup>rd</sup> request via a separate correspondence. This letter responds to the Committee's June 14, 2019 request for additional OPM information and priority documents. ODNI will respond separately to the request for additional ODNI documents and information. Specifically, you requested responses to the following:

1. Are there any other tools or guidance that you put out other than the Suitability Processing Handbook?

Response: OPM's regulation at 5 C.F.R. part 731 provides primary guidance regarding suitability, and the joint OPM and ODNI regulation at 5 C.F.R. part 1400 provides primary guidance regarding designation of national security positions. The Suitability Processing Handbook (SPH) contains the majority of supplemental guidance that OPM provides to agencies performing delegated suitability functions. OPM is currently in the process of revising the SPH and in August, 2018 issued a draft volume of revised guidance for making suitability determinations to stakeholders. Once finalized, it will replace Chapters 3, 4, and Appendix C of the SPH.

OPM has also issued National Training Standards for Suitability Adjudicators and in September, 2018 issued revised suitability adjudicator training and enabling objectives. Please find the revised objectives enclosed. OPM offers Government-wide training that is compliant with the National Training Standards for Suitability Adjudicators and recently revised its fundamentals course to expand the training to both suitability and fitness adjudicators. OPM also provides tools and guidance regarding delegated suitability

functions on its website at <https://www.opm.gov/suitability/>. Tools and guidance available on OPM's suitability website include an informational Suitability Orientation video on suitability processes for hiring managers and human resource professionals, the automated interactive Position Designation Tool (and downloadable .pdf of the Position Designation System upon which the tool is based), information regarding suitability referrals to OPM and other guidance, and information regarding training opportunities.

2. Can you provide us with the list of agencies and individuals on the Advisory Committee mentioned in SEAD 1?

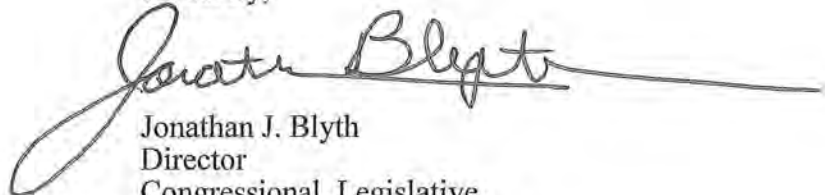
Response: The Advisory Committee mentioned in SEAD 1 is the Security Executive Agent Advisory Committee operated by ODNI. As mentioned during the briefing, OPM conducts outreach to the suitability community through the Suitability Stakeholders Group. Please find enclosed the list of agencies on the distribution list for this OPM's Suitability Stakeholders Group.

In response to your request for the OPM Investigator's Handbook (IH) and the OPM SPH, OPM will be providing these for your review in camera on the advice of counsel. The documents will be available beginning Friday, June 21, 2019 from 10:00 a.m. – 4:00 p.m. at OPM's Congressional Liaison office at the Rayburn House Office Building, Room 2030. We have included investigative policy issuances since 2013 with the IH. We have also included the draft revised volume of the SPH with the handbook.

The IH and SPH contain privileged information that has been bracketed and marked by OPM as protected by the investigative files privilege. Were the documents ever to be publicly released, the bracketed material would be redacted. Accordingly, OPM requests you treat the material in accordance with its respective markings and not divulge the bracketed content in any public report.

Thank you again for your interest in OPM's suitability program. If you have any additional questions, please feel free to contact me at (202) 606-1300.

Sincerely,



Jonathan J. Blyth  
Director  
Congressional, Legislative,  
and Intergovernmental Affairs

Enclosures:

- (1) Revised Suitability Adjudicator Training and Enabling Objectives, September 2018
- (2) Distribution List for OPM's Suitability Stakeholders Group

cc: The Honorable Jim Jordan, Ranking Member



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

JUN 26 2019

The Honorable Elijah E. Cummings  
Chairman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Cummings:

Thank you for your letter, dated May 16, 2019, regarding use and disclosure of ethics waivers. We appreciate your interest in reforming and improving existing ethics laws.

Enclosed with this response you will find copies of 53 individual ethics pledges executed by all political appointees of this Administration since January 20, 2017. This represents all documents responsive to the committee's request.

Please be advised that OPM has issued no waivers or recusals during this period.

We thank you for your interest in this very important matter. If you have any additional questions or concerns, please do not hesitate to contact me at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Jonathan Blyth". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Jonathan Blyth  
Director  
Congressional, Legislative,  
and Intergovernmental Affairs

Enclosure

cc: The Honorable Jim Jordan  
Ranking Member



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 11 2019

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Connolly and Ranking Member Meadows:

Thank you for your letter, dated June 11, 2019, requesting an update to the U.S. Office of Personnel Management's (OPM) implementation of the Modernizing Government Technology (MGT) Act.

To assist the Committee on Oversight and Reform, OPM provides the following responses to your questions.

1. Has the agency established a working capital fund as authorized by the MGT Act?

**Response:** OPM has not established a working capital fund as authorized by the MGT Act.

- a. If so, please describe the implementation of the fund, including how funding decisions are made and the role of the Chief Information Officer.
- b. If not, does your agency plan to establish a working capital fund in fiscal year 2019 or fiscal year 2020? Please explain your agency's plans, including the role of the Chief Information Officer.

**Response:** OPM is considering the establishment of a working capital fund if the United States Congress enacts legislation that provides OPM with transfer authorities that are necessary to finance the fund.

2. Has your agency taken other steps to meet the intent of the MGT Act? If so, please describe those steps.

**Response:** In 2018, OPM submitted two investment proposals to the General Services Administration for resources from the Technology Modernization Fund.

3. Are there any obstacles to your agency's implementation of the MGT Act? If so, please describe those obstacles.

**Response:** As noted above, the major impediment to establishing an IT working capital fund at OPM is the lack of transfer authorities from OPM's other accounts that would be needed to finance the fund.

4. If your agency does not have sufficient authority to transfer funds into this working capital fund, what steps have been taken to obtain the needed authority?

**Response:** OPM remains hopeful that Congress will enact a Government-wide General Provision, which was proposed in the President's 2019 budget request, which would have provided all covered agencies with transfer authority to an IT working capital fund. We stand ready to work should Congress provide OPM with this transfer authority.

I trust this information is helpful. Should you have any additional questions or concerns, please feel free to contact Jonathan J. Blyth, Director of Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Margaret M. Weichert  
Acting Director





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 11 2019

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

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Sincerely,



Margaret M. Weichert  
Acting Director



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUL 11 2019

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

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Sincerely,



Margaret M. Weichert  
Acting Director



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

JUL 19 2019

The Honorable John Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
184 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Christopher Coons  
Ranking Member  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
184 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman and Ranking Member:

Thank you for your letter, dated May 1, 2019, requesting information to evaluate the Office of Personnel Management's (OPM) compliance with the Federal Travel Regulation (FTR) and Section 632 of the Financial Services and General Government Appropriations Act, 2019. OPM is in support of ensuring that taxpayer dollars are responsibly managed and not used wastefully or inappropriately on travel accommodations not in accordance with the FTR and the Appropriations Act. The following information is being provided in response to this inquiry:

The OPM policies for ensuring compliance with Sections 301-10.121 through 301-10.125 title 41, Code of Federal Regulations are as follows:

- a. The OPM Travel Policy is published on the agency intranet, THEO, for employee access. The policy is currently being updated in conjunction of the OPM Financial Management Manual (FMM) to reference internal system and point of contact changes. The Travel chapter provides guidance to be followed by OPM employees who travel on official government business. This guidance is directly associated with the FTR, published by the General Services Administration (GSA) and also provides procedures specific to OPM such as preparation and approval of travel authorizations/vouchers, the payment process, travel card and rental vehicle use, foreign and local travel, and miscellaneous transportation expenses reimbursement.
- b. In compliance with Sections 301-10.121 through 301-10.125 of Title 41, Code of Federal Regulations, OPM employees are required to use the least expensive class of travel such as coach-class when making airline accommodations with the exception of:
  - i. Coach-class accommodations not being within 24 hours of the proposed departure time, or scheduled to arrive within 24 hours of the proposed arrival time
  - ii. Accommodating a medical disability or other special need that is certified annually in writing, or a one-time certification statement if it is associated with lifelong condition

- iii. Exceptional security circumstances as determined by OPM
  - iv. An agency mission requirement that is consistent with OPM's internal procedures
- c. An agency mission requirement that is consistent with OPM's internal procedures E2 Solutions, an end-to-end travel management system, is used to manage travel for the OPM. This system allows OPM employees to create and track travel authorizations, book reservations, define approval workflows and obtain approvals, submit travel claims, and receive reimbursements in accordance with federal travel regulations. OPM's travel management services is supported by CWTSatoTravel to facilitate compliance with FTR and the agency's policies and procedures.

The OPM policies for ensuring compliance with Section 633 of the "*Financial Services and General Government Appropriations Act, 2019.*" As previously stated:

- a. The OPM Travel Policy is published on the agency intranet, THEO, for employee access. The policy is currently being updated in conjunction of the OPM Financial Management Manual (FMM) to reference internal system and point of contact changes. The Travel chapter provides guidance to be followed by OPM employees who travel on official government business. This guidance is directly associated with the FTR, published by the General Services Administration (GSA) and also provides procedures specific to OPM such as preparation and approval of travel authorizations/vouchers, the payment process, travel card and rental vehicle use, foreign and local travel, and miscellaneous transportation expenses reimbursement.
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  - i. Coach-class accommodations not being within 24 hours of the proposed departure time, or scheduled to arrive within 24 hours of the proposed arrival time
  - ii. Accommodating a medical disability or other special need that is certified annually in writing, or a one-time certification statement if it is associated with lifelong condition
  - iii. Exceptional security circumstances as determined by OPM
  - iv. An agency mission requirement that is consistent with OPM's internal procedures



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 20 2020

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Connolly and Ranking Member Meadows:

Thank you for your letter, dated November 25, 2019, requesting an update to the U.S. Office of Personnel Management's (OPM) implementation of the Modernizing Government Technology (MGT) Act.

To assist the Committee on Oversight and Reform, OPM provides the following responses to your questions.

1. Has the agency established a working capital fund as authorized by the MGT Act?

**Response:** OPM has not established a working capital fund as authorized by the MGT Act due to a lack of transfer authorities.

- a. If so, please describe the implementation of the fund, including how funding decisions are made and the role of the Chief Information Officer; and
- b. If not, does your agency plan to establish a working capital fund in fiscal year 2020 or fiscal year 2021? Please explain your agency's plans, including the role of the Chief Financial Officer.

**Response:** OPM is considering the establishment of a working capital fund if the United States Congress enacts legislation that provides OPM with transfer authorities that are necessary to finance the fund.

2. Has your agency taken other steps to meet the intent of the MGT Act? If so, please describe those steps.

**Response:** As specified in our July 2019 response, OPM is still unable to take steps to meet the intent of the MGT Act until legislation is enacted that provides OPM with transfer authorities that are necessary to finance the fund.

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**Response:** As noted above, the major impediment to establishing an IT working capital fund at OPM is the lack of transfer authorities from OPM's other accounts that would be needed to finance the fund.

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**Response:** As specified in our July 2019 response, OPM remains hopeful that Congress will enact a Government-wide General Provision, which will provide all covered agencies with transfer authority to an IT working capital fund. We stand ready to work with Congress in providing OPM with this transfer authority.

I trust this information is helpful. Should you have any additional questions or concerns, please feel free to contact Jonathan J. Blyth, Director of Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Dale Cabaniss





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 20 2020

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mark Meadows  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

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Sincerely,



Dale Cabaniss



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 28 2020

The Honorable Carolyn Maloney  
Chairwoman  
Committee on Oversight and Reform  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairwoman Maloney:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems*, GAO-19-351SU.

We provide detailed responses to GAO's recommendation in the attachment to this letter.

If you have any questions, please feel free to contact Jonathan Blyth, Chief, Congressional, Legislative, & Intergovernmental Affairs, (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Dale Cabaniss".

Dale Cabaniss  
Director

Attachment

GAO, Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems, GAO-19-351SU, OPM Response

**Recommendation #6:**

The Director of OPM should ensure that the CIO includes in the agency's modernization plans for its Enterprise IT Infrastructure, all milestones to complete the modernization, a description of all the work necessary to modernize the system, and a description of how it intends to dispose of its legacy systems.

**Management Response:**

*We concur.* Currently, the OPM Office of the Chief information Officer (OCIO) is beginning to develop an IT modernization plan. With the help of an industry-leading vendor, OPM has initiated an exploratory study to evaluate end-to-end modernization of the agency's information technology. In the next fiscal year, the OPM OCIO should have a finalized plan that includes all milestones to complete the modernization, a description of the work necessary to modernize the Enterprise IT Infrastructure, and a description of the disposition of the legacy system. At that time, OPM will continue to implement modernization of its Enterprise IT Infrastructure.

In addition to the taking further steps to fully define a comprehensive IT modernization plan as suggested by the GAO recommendation, the following modernization efforts is are already underway:

- Upgrading the agency email functionality and migrating to cloud-based Microsoft Office 365;
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- Continuing data center consolidation activities.

In addition, modernization efforts completed since responding to the draft GAO report include the following:

- In spring 2019, completed the VOIP/SIP Trunking ACD upgrade and trained Retirement Services help desk personnel on ACD;
- Procured and delivered Cisco equipment; and,
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*GAO, Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems, GAO-19-351SO, OPM Response*

As shared in the response to the draft GAO report, OPM has already accomplished modernization efforts to include the following:

- Upgraded network equipment and configurations to better align with standards;
- Reduced end-of-life equipment by 30%;
- Developed a mainframe modernization assessment of alternatives;
- Upgraded video chat and video messaging services;
- Began exploratory efforts into agency-wide IT spending; and,
- Partnered with the General Services Administration (GSA) Centers of Excellence to modernize internal retirement applications.



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

FEB 28 2020

The Honorable Nita M. Lowey  
Chairman  
House Committee on Appropriations  
Room H-307, The Capitol  
Washington, DC 20515

Dear Chairman Lowey:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems*, GAO-19-351SU.

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**Management Response:**

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 28 2020

The Honorable Ron Johnson  
Chairman  
Senate Committee on Homeland Security  
and Governmental Affairs  
340 Dirksen Senate Office Building  
Washington, DC, 20510

Dear Chairman Johnson:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems*, GAO-19-351SU.

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 28 2020

The Honorable Richard Shelby  
Chairman  
Senate Committee on Appropriations  
Room S-128, The Capitol  
Washington, D.C. 20510

Dear Chairman Shelby:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems*, GAO-19-351SU.

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

FEB 28 2020

The Honorable Patrick Leahy  
Ranking Member  
Senate Committee on Appropriations  
Room S-128, The Capitol  
Washington, D.C. 20510

Dear Ranking Member Leahy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its response to recommendations made by the U.S. Government Accountability Office (GAO) in its report *Information Technology: Agencies Need to Develop Modernization Plans for Critical Legacy Systems*, GAO-19-351SU.

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The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

MAR 13 2020

The Honorable Mark Warner  
United States Senate  
703 Hart Senate Office Building  
Washington, DC 20510

Dear Senator Warner:

Thank you for your letter dated March 11, 2020, requesting the U.S. Office of Personnel Management (OPM) issue guidance directing agencies to ensure that the Coronavirus Disease 2019 (COVID-19) does not negatively impact adjudications for security clearances or determinations of trust.

As you may be aware, under Federal Regulations Federal agencies have been directed not to make unfavorable determinations “with respect to the suitability, fitness, or qualifications of an applicant for Federal employment” due to their employment status or if they have experienced “financial difficulty through no fault” of their own, so long as the “applicant has undertaken a good-faith effort to meet his or her financial obligations.” (79 Fed. Reg. 7045, Feb. 5, 2014).

While this guidance specifically does not apply to national security eligibility determinations, Federal personnel security policy separately considers the financial challenges some employees may experience due to no fault of their own.

Security Executive Agent Directive (SEAD) 4 directs personnel security adjudicators to evaluate financial considerations “in the context of the whole person” and to consider whether “the conditions that resulted from the financial problem were largely beyond the person’s control . . . and the individual acted responsibly under the circumstances.”

If you have any further questions, please do not hesitate to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Dale Cabaniss".

Dale Cabaniss



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

MAR 13 2020

The Honorable Mark Warner  
Vice Chairman - Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner:

Thank you for your letter, dated January 7, 2020, regarding structural reforms to the Federal personnel vetting system.

During the past 18 months, members of the Trusted Workforce (TW) 2.0 Executive Steering Group co-chaired by Office of the Director of National Intelligence and U.S. Office of Personnel Management have developed a new approach framework for Federal personnel vetting to deliver a Federal workforce which is trusted to protect people, property, information and mission. The policy revisions are specifically designed to improve safety and security through a more efficient and effective process.

The new framework will be coordinated with Federal agencies during the coming months. In addition, we are using an agile approach to begin implementing and driving early adoption of TW 2.0 reforms. Together with the Security Executive Agent, in my role as the Suitability and Credentialing Executive Agent, I recently issued guidance that will enable agencies to begin the transition away from the traditional model of periodic reinvestigations to a future model that replaces periodic reinvestigations with government-wide continuous vetting of all populations, which is a centerpiece of the new framework.

OPM will continue to work with the U.S. Congress on this important issue. If you have any additional questions or concerns, please do not hesitate to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in black ink that reads "Dale Cabaniss".

Dale Cabaniss

cc: The Honorable Richard Burr, Chairman, Senate Select Committee on Intelligence  
The Honorable Joseph Maguire, Acting Director, Office of the Director of National Intelligence  
The Honorable Margaret Weichert, Deputy Director, Office of Management and Budget  
The Honorable Joseph Kernan, Under Secretary for Intelligence and Security, Department of Defense



The Director

## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
6460 O'Neill House Office Building  
Washington, DC 20515

Dear Chairman Connolly:

Thank you for the letter, dated March 17, 2020, from you and many of your colleagues to the President of the United States urging him to issue an Executive Order mandating telework for all capable Federal employees to mitigate the impacts of Coronavirus Disease 2019 (COVID-19). I am responding to you on his behalf.

The President and U.S. Office of Personnel Management (OPM) are committed to the health and safety of our dedicated federal employees. On March 17, 2020, OPM took the unprecedented step to issue a nationwide status to maximum telework flexibilities to all current telework eligible employees, pursuant to direction from agency heads. Although OPM does not provide human resource guidance for Federal contractors, we are working to ensure that our entire Federal workforce can continue to meet the mission needs of their Federal agencies.

To date, OPM has issued 15 memoranda and fact sheets on COVID-19. OPM's memoranda strongly encourage agencies to review and update their emergency and continuity of operation plans and incorporate telework and social distancing in such plans to allow the Federal Government to continue functioning efficiently and effectively, while ensuring the health and safety of employees.

OPM has encouraged agencies to review their telework policies and eligibility criteria, sign written telework agreements with additional categories of employees where possible and take steps to provide access to agency IT systems and networks so that all eligible employees can effectively telework. In addition, on March 19, 2020, OPM released a fact sheet and frequently asked questions on the evacuation payment authority found at 5 CFR 550.409, that permits an agency to require any employee without a telework agreement to work from home. All OPM COVID-19 guidance is available at [www.opm.gov/Coronavirus](http://www.opm.gov/Coronavirus).

OPM's COVID-19 webpage also provides links to guidance issued by the Centers for Disease Control and Prevention, the Occupational Safety and Health Administration, Department of State-Bureau of Consular Affairs, Federal Emergency Management Agency, and the Office of Workers' Compensation Programs. OPM has been closely coordinating with these and other key

policy agencies to provide up-to-date information to assist Federal agencies and employees. As this is an evolving situation, OPM will continue to update its guidance. Any updates will be posted at [www.opm.gov/Coronavirus](http://www.opm.gov/Coronavirus).

Additionally, the Acting Director of the Office of Management and Budget has issued three memoranda (<https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-13.pdf>, <https://www.whitehouse.gov/wp-content/uploads/2020/03/M20-15-Telework-Guidance-OMB.pdf>, and <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-16.pdf>) which include the maximization of telework in response to COVID-19.

OPM is committed to serving the Federal workforce and we are working hard to assist agencies in monitoring, preparing and adapting to this situation. If you have any further questions, please do not hesitate to contact Mr. Jonathan J. Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Michael J. Rigas  
Acting Director

Cc:

The Honorable A. Donald McEachin	The Honorable Ed Perlmutter
The Honorable Adriano Espaillat	The Honorable Eleanor Holmes Norton
The Honorable Alan Lowenthal	The Honorable Eliot L. Engel
The Honorable Alcee L. Hastings	The Honorable Harley Rouda
The Honorable Andre Carson	The Honorable Jahana Hayes
The Honorable Andy Kim	The Honorable Jamie Raskin
The Honorable Andy Levin	The Honorable Jennifer Wexton
The Honorable Ann McLane Kuster	The Honorable Jimmy Gomez
The Honorable Anna G. Eshoo	The Honorable Joe Courtney
The Honorable Anthony G. Brown	The Honorable John Garamendi
The Honorable Ayanna Pressley	The Honorable John P. Sarbanes
The Honorable Barbara Lee	The Honorable Kathleen M. Rice
The Honorable Bill Pascrell, Jr.	The Honorable Katie Porter
The Honorable Bonnie Watson Coleman	The Honorable Linda T. Sanchez
The Honorable Brendan F. Boyle	The Honorable Lori Trahan
The Honorable C.A. Dutch Ruppersberger	The Honorable Mark Pocan
The Honorable Chris Pappas	The Honorable Mike Doyle
The Honorable Danny K. Davis	The Honorable Peter A. DeFazio
The Honorable David N. Cicilline	The Honorable Raul M. Grijalva
The Honorable David Price	The Honorable Rick Larsen

The Honorable David Trone  
The Honorable Deb Haaland  
The Honorable Denny Heck  
The Honorable Derek Kilmer  
The Honorable Diana DeGette  
The Honorable Donald S. Beyer Jr.  
The Honorable Donna E. Shalala  
The Honorable Derek Kilmer  
The Honorable Denny Heck  
The Honorable Joe Neguse

The Honorable Robert C. "Bobby" Scott  
The Honorable Steny H. Hoyer  
The Honorable Stephen F. Lynch  
The Honorable Susan Wild  
The Honorable Suzan K. DelBene  
The Honorable Terence John "TJ" Cox  
The Honorable Tony Cardenas  
The Honorable Wm. Lacy Clay  
The Honorable Matt Cartwright



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 06 2020

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its written statement on the actions taken and planned in response to the recommendation issued by the U.S. Government Accountability Office (GAO) in the report entitled, *Information Technology (IT) Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129. (See enclosure).

If you have any questions, please feel free to contact Andrew J. Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Michael Rigas".

Michael J. Rigas  
Acting Director

Enclosure:

OPM Written Statement on Actions Taken  
and Planned in Response to *Information Technology (IT)*  
*Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 06 2020

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

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*Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 06 2020

The Honorable Mike Quigley  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States House of Representatives  
2000 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Quigley:

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

MAY 06 2020

The Director

The Honorable Richard C. Shelby  
Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Shelby:

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

MAY 06 2020

The Director

The Honorable Patrick J. Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Vice Chairman Leahy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its written statement on the actions taken and planned in response to the recommendation issued by the U.S. Government Accountability Office (GAO) in the report entitled, *Information Technology (IT) Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129. (See enclosure).

If you have any questions, please feel free to contact Andrew J. Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Michael Rigas".

Michael J. Rigas  
Acting Director

Enclosure:

OPM Written Statement on Actions Taken  
and Planned in Response to *Information Technology (IT)*  
*Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 06 2020

The Honorable Nita M. Lowey  
Chairwoman  
Committee on Appropriations  
United States House of Representatives  
H-307 The Capitol  
Washington, DC 20515

Dear Chairwoman Lowey:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its written statement on the actions taken and planned in response to the recommendation issued by the U.S. Government Accountability Office (GAO) in the report entitled, *Information Technology (IT) Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129. (See enclosure).

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Sincerely,

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Michael J. Rigas  
Acting Director

Enclosure:

OPM Written Statement on Actions Taken  
and Planned in Response to *Information Technology (IT)*  
*Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 06 2020

The Honorable John N. Kennedy  
Chairman  
Subcommittee on Financial Services  
and General Government  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Kennedy:

In accordance with 31 U.S.C. § 720, the U.S. Office of Personnel Management hereby submits its written statement on the actions taken and planned in response to the recommendation issued by the U.S. Government Accountability Office (GAO) in the report entitled, *Information Technology (IT) Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129. (See enclosure).

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Sincerely,

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Michael J. Rigas  
Acting Director

Enclosure:

OPM Written Statement on Actions Taken  
and Planned in Response to *Information Technology (IT)*  
*Agencies Need to Fully Implement Key Workforce Planning Activities*, GAO-20-129



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 21 2020

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with the Edward "Ted" Kaufman and Michael Leavitt Presidential Transitions Improvement Act of 2015, the U.S. Office of Personnel Management (OPM) is submitting a report on political appointees appointed to nonpolitical permanent positions for the period of January 1, 2019, to December 31, 2019.

Specifically, the Presidential Transitions Act requires OPM to report annually on agency requests to appoint political appointees or former political appointees to covered civil service positions. The Presidential Transitions Act also requires OPM to report quarterly during the last year of a Presidential term or during the second consecutive term. The enclosed report identifies the cases OPM reviewed during the time period, and the outcome of each review.

OPM appreciates the opportunity to provide you information on our efforts to safeguard the merit system principles. If you have any further questions, please do not hesitate to contact Andrew Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink that reads "Michael J. Rigas".

Michael J. Rigas  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

MAY 21 2020

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

Dear Chairwoman Maloney:

In accordance with the Edward "Ted" Kaufman and Michael Leavitt Presidential Transitions Improvement Act of 2015, the U.S. Office of Personnel Management (OPM) is submitting a report on political appointees appointed to nonpolitical permanent positions for the period of January 1, 2019, to December 31, 2019.

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Sincerely,

A handwritten signature in blue ink that reads "Michael Rigas".

Michael J. Rigas  
Acting Director

Enclosure





UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

May 21, 2020

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with the Edward "Ted" Kaufman and Michael Leavitt Presidential Transitions Improvement Act of 2015, the U.S. Office of Personnel Management (OPM) is submitting a report on political appointees appointed to nonpolitical permanent positions for the period of January 1, 2020, to March 31, 2020.

Specifically, the Presidential Transitions Act requires OPM to report annually on agency requests to appoint political appointees or former political appointees to covered civil service positions. The Presidential Transitions Act also requires OPM to report quarterly during the last year of a Presidential term or the second consecutive term. The enclosed report identifies the cases OPM reviewed during the first quarter of calendar year 2020, the last year of the current Presidential term, and the outcome of each review.

OPM appreciates the opportunity to provide you information on our efforts to safeguard the merit system principles. If you have any further questions, please do not hesitate to contact Andrew Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

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Michael J. Rigas  
Acting Director

Enclosure



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

May 21, 2020

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight  
and Government Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

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Sincerely,

A handwritten signature in black ink that reads "Michael Rigas".

Michael J. Rigas  
Acting Director

Enclosure



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

JUN 10 2020

The Honorable Mark Warner  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner,

Thank you for your letter, dated April 30, 2020, regarding perpetuating the robustness of the background investigative capacity to support the security clearance process during the current Coronavirus Disease 2019 (COVID-19) pandemic.

In my dual roles as the Suitability/Credentialing Executive Agent and Chairman of the Performance Accountability Council, I agree that it is critical that departments, agencies, and their industry partners continue to submit background investigation requests on hired personnel to reduce risk.

While agencies continue to onboard personnel, particularly for mission-critical functions, many Federal and local offices that take fingerprints are temporarily closed due to measures associated with COVID-19. As a result, Federal agencies are experiencing challenges collecting fingerprints to meet existing requirements for a fingerprint check of the Federal Bureau of Investigation's (FBI) criminal history records ("FBI fingerprint check") as part of vetting new hires (including for waivers of pre-appointment investigative requirements) and contractors.

On March 25, 2020, the U.S. Office of Personnel Management (OPM) issued a memorandum titled, "Temporary Procedures for Personnel Vetting and Appointment of New Employees during Maximum Telework Period due to Coronavirus COVID-19." This memorandum provides guidance to agencies to permit continued onboarding and vetting of Federal and contract personnel when fingerprinting is not immediately available.

This memorandum is available online at: <https://www.opm.gov/policy-data-oversight/covid-19/temporary-procedures-for-personnel-vetting-and-appointment-of-new-employees-during-maximum-telework-period-due-to-coronavirus-covid-19/>. This memorandum and other guidance that has been shared with Chief Human Capital Officers (CHCOs) and other agency stakeholders on Human Resource and flexibilities and authorities related to COVID-19 is available at <https://www.opm.gov/Coronavirus>.

OPM will continue to work with this the U.S. Congress on this important issue. If you have any additional questions or concerns, please do not hesitate to contact Andrew Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Michael J. Rigas  
Acting Director

Cc:

The Honorable Marco Rubio

Acting Chairman, Senate Select Committee on Intelligence

The Honorable John L. Ratcliffe

Director, Office of the Director of National Intelligence

The Honorable Joseph Kernan

Under Secretary for Intelligence and Security, U.S. Department of Defense



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

June 11, 2020

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson:

In accordance with the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2019, section 573(d), the U.S. Office of Personnel Management (OPM) submits the FY 2019 Report on the Noncompetitive Hiring of Certain Military Spouses. Specifically, Congress requested OPM report on the use and effectiveness of this noncompetitive hiring authority.

As you know, the Trump Administration has put a very high priority on helping military spouses find employment. At a White House celebration of military mothers and spouses, Donald Trump stated, "Your support is essential to making our military the mightiest fighting force in the world and getting stronger all the time." Military spouses accompany their husbands and wives around the country and world on deployment which makes it very difficult to stay continuously employed. To that end, President Trump signed an Executive Order enhancing noncompetitive hiring authority to military spouses on May 9, 2018.

On September 27, 2019, OPM notified executive branch agencies to report on their hiring of military spouses under the noncompetitive authority not later than December 31, 2019. In addition, OPM issued a directive to Chief Human Capital Officers (CHCO) and Human Resources Directors on March 2019 advising agencies of their responsibilities under the NDAA and Executive Order 13832. We also issued an official Call Memo in September 2019 to CHCOs and HR Directors, requiring agency data to be submitted to OPM by December 31, 2019. Seventy agencies were required to submit a report. OPM received reports from 35 agencies. Seventeen Federal agencies reported utilizing the noncompetitive authority to appoint 2,172 military spouses into the Federal workforce. These hires represent 0.93 percent of Federal new hires in FY 2019 and accounted for a 1.3 percent increase in military spouses hired over FY 2018.

These numbers likely do not fully reflect all the new military spouses that have joined the civil service in the last year. This report only notes those military spouses hired under the noncompetitive hiring procedures available to them. Military spouses who did not utilize these special benefits will not be captured in this data. Further, several agencies noted an inability to track applicant flow data regarding military spouses due to agency staffing system functionality and expressed a desire to improve data collection and reporting. We continue to work with these

agencies to assure more complete reporting and will append our statistics as we receive more data.

The enclosed chart of military spouse hires concentrates on Chief Financial Officer (CFO) Act agencies as they account for approximately 98 percent of the Federal workforce as well as the bulk of military spouses hired under the noncompetitive authority. As shown, the U.S. Department of Defense (DoD) is the largest employer of military spouses under this authority with 2,010 military spouses hired as reported. The U.S. Department of Veterans Affairs reports hiring 55; the Social Security Administration reports hiring 34, and the U.S. Department of Homeland Security reports hiring 27.

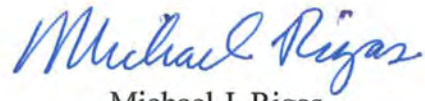
Seventeen agencies reported the military spouse noncompetitive hiring authority is an effective and valuable flexibility that expanded access to another pool of qualified applicants. For example, the U.S. Department of Homeland Security (DHS) reported the United States Coast Guard doubled their military spouse hiring, increasing from nine hires in FY 2018 to 18 in FY 2019. The National Science Foundation (NSF) reported referring 123 highly qualified and eligible candidates to hiring officials in comparison to 76 candidates in FY 2018. Military Spouse applicants at the U.S. Department of Labor (DOL) increased from 417 to 886 and DOL referred 322 for selection consideration. This resulted in a referral rate increase of 36.3 percent. Generally, agencies reported an increase in military spouse applicants and new hires in various positions. Of the 2,172 military spouses hired, 61 percent were hired into clerical category occupations, while 23 percent were hired into administrative category occupation positions.

OPM will continue to support government-wide utilization of the special hiring authorities extended by the Trump Administration to all agencies. However, some agencies have noted some challenges with making use of these non-competitive appointments. The United States Agency for International Development (USAID), Federal Election Commission (FEC), Institute of Museum and Library Services (IMLS), and the U.S. Access Board noted that the small size of their agencies combined with a large number of highly specialized positions limited the use of this hiring authority. These agencies had limited or no positions available in FY 2019 and did not receive any military spouse applications for the opportunities that were available.

Other agencies have made many positions available to non-competitively appointed military spouses but have received few applicants. For instance, the General Services Administration (GSA), National Archives and Records Administration (NARA), and the Surface Transportation Board (STB), where 732 positions were made available for military spouses but only three applications were received. With non-permanent hiring, including temporary seasonal hiring, representing 79 percent of the hiring during FY 2019 it was a challenge attracting military spouses to these non-career type positions. Additionally, hiring in remote locations such as Yellowstone National Park and Grand Coulee Dam made it difficult to find applicants under the hiring authority.

Many of the agencies reporting stated that there were ongoing efforts to expand and tailor outreach and recruiting to educate and train human resources staff and update internal policies.

Sincerely,



Michael J. Rigas  
Acting Director

Enclosure



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

June 11, 2020

The Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

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Sincerely,

A handwritten signature in blue ink that reads "Michael Rigas". The signature is written in a cursive style with a large, prominent "M" and "R".

Michael J. Rigas  
Acting Director

Enclosure



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

JUN 24 2020

The Honorable Gerald E. Connolly  
Chairman  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2471 Rayburn House Office Building  
Washington, DC 20515

The Honorable Jody B. Hice  
Ranking Member  
Subcommittee on Government Operations  
Committee on Oversight and Reform  
United States House of Representatives  
2157 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Connolly and Ranking Member Hice:

Thank you for your letter, dated May 22, 2020, requesting an update to the U.S. Office of Personnel Management's (OPM) implementation of the Modernizing Government Technology (MGT) Act.

To assist the Committee on Oversight and Reform, OPM provides the following responses to your questions.

1. Has the agency established a working capital fund as authorized by the MGT Act?

**Response:** OPM has not established a working capital fund as authorized by the MGT Act due to a lack of transfer authorities.

- a. If so, please describe the implementation of the fund, including how funding decisions are made and the role of the Chief Information Officer; and
- b. If not, does your agency plan to establish a working capital fund in fiscal year 2020 or fiscal year 2021? Please explain your agency's plans, including the role of the Chief Financial Officer.

**Response:** The President's FY 2021 Budget suggests appropriation language for OPM that would provide the necessary transfer authority. OPM intends to establish an IT working capital fund once transfers are authorized by Congress.

2. Has your agency taken other steps to meet the intent of the MGT Act? If so, please describe those steps.

**Response:** As specified in our February 2020 response, OPM is still unable to take steps to meet the intent of the MGT Act until legislation is enacted that provides OPM with transfer authorities that are necessary to finance the fund.

3. Are there any obstacles to your agency's implementation of the MGT Act? If so, please describe those obstacles.

**Response:** As noted above, OPM does not have the authority to transfer funds from any of our sources of funding, including our Salaries & Expenses appropriation, Revolving Fund, or any of our three earned benefit trust funds to an IT working capital fund. Without this authority, OPM cannot provide any resources to a working capital fund.

4. If your agency does not have sufficient authority to transfer funds into this working capital fund, what steps have been taken to obtain the needed authority?

**Response:** As specified in our February 2020 response, OPM remains hopeful that Congress will enact a Government-wide General Provision, which will provide all covered agencies with transfer authority to an IT working capital fund. We stand ready to work with Congress in providing OPM with this transfer authority.

I trust this information is helpful. Should you have any additional questions or concerns, please feel free to contact Andrew J. Moore, Acting Director of Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Michael J. Rigas  
Acting Director



The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

**JUL 23 2020**

The Honorable Mark Warner  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
211 Hart Senate Office Building  
Washington, DC 20510

Dear Vice Chairman Warner:

Thank you for your letter, dated June 29, 2020, regarding issuance of guidance to implement the pillars of the interagency Trusted Workforce 2.0 initiative, to ensure the highest caliber of personnel supporting important government missions.

Executive Order 13467, Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees, and Eligibility for Access to Classified National Security Information (June 30, 2008), as amended established the DNI as the Security Executive Agent and the Director of OPM as the Suitability & Credentialing Executive Agent. ODNI and OPM are the primary entities responsible for policy and oversight of the Federal Government's personnel vetting process.

In March 2018, ODNI and OPM launched the "Trusted Workforce 2.0" (TW 2.0) effort with partner agencies across the U.S. Government to fundamentally overhaul the Federal personnel vetting process. The effort was organized into two phases. Phase One was designed to reduce and eliminate the background investigation inventory, while Phase Two sought to establish a new Government-wide approach from the ground up.

The ODNI and OPM are preparing to issue a Federal Personnel Vetting Core Doctrine. This general statement of policy will serve to inform Federal agencies and the public of a new framework designed to guide the fundamental transformation of the Federal Government's personnel vetting process.

Following issuance of the Core Doctrine, the next steps involve consulting with Federal agencies through interagency processes to refine and begin issuing and implementing the policies across the Federal Government to bring about change. In the coming months, ODNI and OPM anticipate several Executive Branch policies to be issued that will provide high-level direction, establish an aggressive path forward, and outline immediate steps to bridge to the future state. Public participation will be provided through applicable statutory procedures, such as notice-and-comment rulemaking under the Administrative Procedure Act for substantive rules, and 60-day and 30-day notices under the Paperwork Reduction Act for information collections.

OPM will continue to work with the U.S. Congress on this important issue. If you have any additional questions or concerns, please do not hesitate to contact Andrew Moore, Acting Director, Congressional, Legislative, and Intergovernmental Affairs at (202) 606-1300.

Sincerely,



Michael J. Rigas  
Acting Director

Cc:

The Honorable Marco Rubio  
Acting Chairman, Senate Select Committee on Intelligence  
The Honorable John L. Ratcliffe  
Director, Office of the Director of National Intelligence