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ROUTING AND TRANSMITTAL SLIP

Date 10 June 1981

TO: (Name, office symbol, room number)	Initials	Date
1. [Redacted]		
2. [Redacted] / <i>Tom Swann</i>	<i>[Signature]</i>	<i>6/4</i>
3.		
4.		
5.		

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Coordination	Justify	

REMARKS

I spoke to [Redacted] about the attached. He said that the DDCI is aware of the issues involved and suggests that he decide how we should go about responding.

Please let me know.

Thanks.

Not referred to OSD - On file
OSD release instructions

*regarding DDCI's position
States of
Magyar's ELM. Decisions
attends
Personnel
to [Redacted]*

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FROM: (Name, org. symbol, Agency/Post)

[Redacted] / *D/ Executive Secretary*

Room No. - Bldg. *[Redacted]*

Phone No. *[Redacted]*

4369
Executive Registry
81-7490

THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

JUN 8 1991



MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Personnel Security

This is to inform you of a critical situation the Department of Defense is facing--concerning personnel security investigations--and actions we are taking to bring about a prompt and positive resolution.

In 1976 the Defense Investigative Service (DIS) suffered a 40% congressionally-directed resource cut; subsequently, personnel security investigative requests have increased by 27%.

Consequently, completion times for background investigations have gone from 60 days to over 155 days. They are estimated at 171 days by the end of this fiscal year. Moreover, the DIS investigative backlog at that time will approach 100,000 cases. For the past year DIS has opened 1,000 cases more per week than they closed.

Under these circumstances the overburdened investigative system simply cannot deliver a product of the required quality, and the number of personnel, including industrial contractor employees, who cannot be utilized productively in programs at all levels of sensitivity--for lack of clearance over extended periods of time--continues to increase. The resultant impact upon DoD operational readiness/mission accomplishment is simply unacceptable.

Last year OSD effected a very sizeable augmentation of DIS and, additionally, made a number of policy readjustments designed to insure a more efficient investigative effort; however, this has not proved to be sufficient. I have found it necessary to take further measures.

Accordingly, the following actions are being implemented this date to continue until the situation is brought into proper balance:

- o A moratorium has been placed on all Periodic Reinvestigations.
- o Background Investigations of persons requiring only Secret access are to be discontinued.

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- o Background/Special Background Investigations will be discontinued for summer hires. (Access will be limited to Secret.)
- o The Personal Interview-Oriented Background Investigation will be conducted in lieu of the BI.
- o Heads of DoD components are to make heightened efforts to upgrade the effectiveness of command internal security programs (including those required by DCID 1/14).

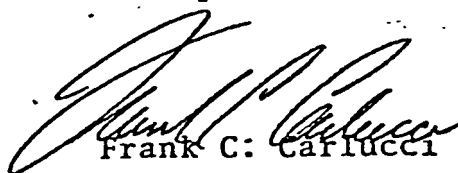
The measures outlined above do represent a departure from routine practices. But we believe they are necessary for more effective use of our investigative resources. Moreover, implementation of the Personal Interview-Oriented Background Investigation will significantly improve the quality of our investigative effort. This, combined with increased emphasis upon command security programs, should have the net effect of overall enhanced personnel security.

There is a way in which you might help us. Within the body of sensitive compartmented information, there is information of varying sensitivity. We would like you to assist us by addressing the extent to which the amount of compartmented information might be reduced, thereby reducing the requirements of personnel for such access. If such a reduction cannot be accomplished, the pressure on DIS resources will be compounded; moreover, we will be faced with an ever increasing number of personnel "cleared" above the level which their duty functions actually require, thus potentially exposing intelligence sources and methods to unnecessary risks.

Moreover, consideration is being given to utilizing the new type BI (described above) in lieu of the present SBI. I have asked the Deputy Under Secretary of Defense for Policy to obtain comments from the heads of DoD Components affected and give me his recommendation on this proposal within thirty days.

Finally, in order to increase the capability of DIS to meet the greatly expanding workload, we are taking several emergency actions. First, the Military Departments are being requested to provide investigative personnel to DIS on a temporary detail basis. Second, we intend to enter into personal service contracts with retired Federal investigators. This pool of experienced talent can provide some quick assistance in clearing out the DIS investigative backlog. Third, I am directing a significant augmentation in DIS resources for FY 1982.

I wanted you to be aware of this situation and will certainly keep you posted on developments.


Frank C. Carlucci