Statement of Susan A. Ordakowski
KeyPoint Government Solutions
Vice President, Contracts and Compliance
Acting Program Executive for OPM Program
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Good morning, Chairman Issa, Ranking Member Cummings, and Members of the Committee. Thank you for the opportunity to be here today to discuss the federal security clearance process. My name is Sue Ordakowski. I am the Chief Contracts and Compliance Officer of KeyPoint Government Solutions ("KeyPoint"), and I am also the Acting Program Executive for the KeyPoint OPM Background Investigation Program. I have been a Vice President of the company since March 2004, and have been involved with our Office of Personnel Management ("OPM") contract from the beginning. I joined KeyPoint shortly after the company won its first government contract, and my role is to make sure the company does things the right way. I have worked for government contractors for over 30 years, and I have served as a contracts executive for the past 20 years for both large and small government contractors.

The Committee initially invited KeyPoint's President, Jeff Schlanger, to testify, and he is here today, but, as we discussed with your staff, he recently availed himself of an opportunity to return to public service as the Chief of Staff to the Manhattan District Attorney. Although Jeff stepped down from his role as President on January 30, 2014, he remains on KeyPoint's board and is a key advisor to the company.

KeyPoint History

Fourteen years ago, Kroll Government Services, a wholly-owned subsidiary of Kroll, Inc., was started to provide consulting and independent investigation services to local, state and federal agencies. The company's goal was to bring some of the best practices of the private sector to government contracts. KeyPoint quickly captured various types of federal background investigation contracts, including contracts for the Transportation Security Agency, Customs and Border Protection, and Immigration and Customs Enforcement . In 2004, OPM expanded its contractor pool from just USIS, and KeyPoint competed for and was awarded a position on the IDIQ contract for background investigations. In May 2009, Kroll Government Services was spun off from Kroll and became a stand-alone company, renamed KeyPoint Government Solutions.

Over time, KeyPoint has built a high-quality, well-trained network of experienced investigators and a culture of zero tolerance for any lapses of integrity. In large part, KeyPoint's success can be attributed to the fact that our company's focus was and is providing high-quality, fairly priced background investigations to OPM and other government agencies. Today, KeyPoint performs approximately 25 percent of the fieldwork conducted by contractors for OPM's background investigations, and we are working very hard to achieve parity with our major competitor on the contract.

As this Committee assesses the security clearance process, from data collection to final adjudication, it undoubtedly will compare and contrast the responsibilities and results of both private enterprises and the government. That comparison is important and, we believe, will be helpful in achieving our collective goal of protecting our nation's secrets to the greatest extent

possible. Contractors and government employees bring strong capabilities to the overall background investigations process but, while this hearing is highlighting problems with a certain contractor, both have experienced their share of problems with a process that requires consistent vigilance, integrity and improvement.

KeyPoint prides itself on providing high-quality products, including background investigations, at a competitive price to the U.S. government. We are constantly striving to improve our processes and procedures and to provide better and more cost-effective service to our customers.

To that end, we have collaborated with various government agencies, including OPM, to improve the background investigation process through initiatives focused on increasing the use of technology. An example of this is our "Investigator of the Future" initiative through which we are working collaboratively with OPM to develop a tablet-based tool for collecting field data and providing reference resources directly to investigators in the field. We believe the tool will increase quality and efficiency and protect the large amounts of Personally Identifiable Information that we collect and utilize.

OPM contract requirements are rigorous and complex. We invest extensively in training and mentoring in order to ensure that we meet or exceed OPM standards. Because of our solid performance on the OPM contract, KeyPoint has been encouraged by OPM to grow its capacity and we have done so. Throughout the years, our primary focus always has been on the quality of our case work. We have implemented a comprehensive quality review system to ensure independent review of each case before submission to OPM. We have never wavered from this focus on quality and never intend to do so.

Improving the Security Clearance Investigation Process

It is our understanding that the primary purpose of this hearing is to explore ideas for improving the background investigation process. A few key areas where improvements could be made include: (1) consistency between the requirements set by OPM versus those set by agencies with delegated authority; (2) the use of technology; (3) the use of new sources of information; (4) continuous evaluations; (5) the contracting process; and (6) increased cooperation from state and local authorities.

Consistent Standards: KeyPoint believes that OPM's qualifications for and required training of investigators are wholly appropriate. That said, there are some significant discrepancies between requirements set by OPM and those set by agencies with delegated authority. The system would benefit from a common standard for investigator qualifications and training, which we understand is currently under consideration by government working groups. Similarly, the standards for investigations themselves, as well as report formats and content specifications, differ between OPM and the agencies with delegated authority. Reconciliation of those standards will facilitate consistent adjudication and reciprocity.

Use of Technology: We also believe that the investigative process could be improved through expanded use of technology that could promote quality, timeliness and efficiency, and we are working with OPM on facilitating such improvements. For instance, there are automated systems that would allow us to compare various identity checks and data with the answers subjects provide in the SF86 Security Clearance Questionnaire, which could help identify false or omitted information.

Sources of Information: Currently, investigators do not review subjects' social media or traditional media records. Those sources of information should be reviewed in appropriate circumstances to conduct more thorough investigations. It is important, however, that the utilization of such sources be balanced against a person's right to privacy.

Continuous Evaluation: KeyPoint believes that implementing a continuous evaluation process of security clearance holders would improve the process tremendously, provided that OPM and agencies with delegated authority develop consistent standards for such evaluations. We are mindful that cost, also, must be factored into this equation.

Contracting Process: Some delegated authority agencies use "Low Cost, Technically Qualified" as the evaluation for awards for their fieldwork contractors. These contracts should be "Best Value" procurements. Currently, bidders who understand that ensuring quality comes with significant costs cannot prevail. Of course price should be a factor, but it should not be the only factor for such a critical function, even after technical qualification is determined.

State and Local Authorities: Federal mandates that require law enforcement agencies, both state and local, to cooperate with security clearance investigations by providing full details of arrests and investigations would greatly improve the ability to evaluate whether a particular incident should be disqualifying.

Conclusion

In conclusion, I am very proud of the service that KeyPoint has provided to the United States Government over the past fourteen years and look forward to continued growth. KeyPoint will continue its work to constantly improve the security clearance investigation process and will

continue our tradition of providing the highest quality clearance investigations at fair prices to our client agencies and to taxpayers. I appreciate the opportunity to testify before you today. I am glad to answer your questions.