

A One Year Update on DoD's Struggling Background Check System Statement for the Record

DEFENSE COUNTERINTELLIGENCE AND SECURITY AGENCY

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Introduction:

Good morning, Chairman Sessions, Ranking Member Mfume, and members of the Subcommittee. Thank you for the opportunity to appear before you today. It has been fifteen months since I last testified regarding the National Background Investigation Services (NBIS) program, and I am pleased to report significant progress since I was last here. What was once a program facing serious challenges is now on a much more solid path.

When I appeared before you in June 2024, I was forthright about the critical issues plaguing NBIS. Today, I testify before you to demonstrate that we have taken decisive action to address those issues to set the conditions to transform not only NBIS but also the entire Defense Counterintelligence and Security Agency (DCSA).

I'll briefly outline where we were, what we did, and where we stand today. Beyond NBIS, I'll highlight how the lessons learned from this intensive reform effort are now being applied across DCSA, resulting in substantial and foundational improvements in DCSA's performance and its ability to serve as a high-performing, customer-focused service provider.

NBIS Program in June 2024: Facing Significant Headwinds

At the direction of the Under Secretary for Defense for Intelligence and Security (USDD(I&S)), DCSA actively collaborated with DoD stakeholders to address fundamental shortcomings in the NBIS program. For 150 days, beginning in April 2024, we embarked on an intensive effort to correct errors across program governance, acquisition, management, and leadership. At that previous hearing, I committed to taking specific actions to correct the program's challenges, and I personally accepted accountability for ensuring those actions were executed.

Key challenges included:

- **Lack of Governance and Documentation:** NBIS lacked proper governance structures, foundational documentation, and well-defined processes essential for a large Agile IT development program.
- **Misaligned Resources and Requirements Management:** Resources were not aligned with clearly defined requirements, and requirements management was inadequate.
- **Premature Placement in the Working Capital Fund:** Funding for NBIS was initially placed into the DCSA Working Capital Fund (WCF), which would have forced customers to pay for a system still under development once reserve funds within the DCSA WCF were exhausted.
- **Leadership Deficiencies:** The program suffered from a lack of leadership with the appropriate technical expertise and program management experience.
- **Outdated Cybersecurity Controls:** A Government Accountability Office (GAO) report identified outdated cybersecurity protocols that needed immediate attention.
- **Acquisition and Contracting Issues:** NBIS's acquisition strategy and contracting processes were in disarray.
- **Missing Life Cycle Cost Estimate:** DCSA lacked a comprehensive lifecycle cost estimate for the NBIS program.
- **Unrealistic Decommissioning Schedule:** DCSA did not have the capacity to decommission legacy IT systems in the proscribed timeline, leading to continued costs and inefficiencies.



NBIS Program Today: A Comprehensive Turnaround

I am pleased to report the Department has taken great strides to address the challenges that NBIS faced in June 2024. Stakeholders from the Office of the USD(I&S), USD for Acquisition and Sustainment (A&S), and the Office of the Chief Digital and Artificial Intelligence Office (CDAO) provided valuable oversight, demonstrating a DoD-wide commitment to NBIS success. The USD(A&S), as the Milestone Decision Authority (MDA) for the NBIS program, recognizes NBIS as an Acquisition Category 1 Special Interest Program, which warrants the highest level of support from the Department.

While the program has faced significant challenges since its inception, recent reforms and leadership changes have set NBIS on a path toward success. Over the past year, we have taken critical actions that changed the culture of the program, and our Agency established a solid foundation and created significant momentum for the program. Today, the NBIS program:

- **Has Returned to the Execution Phase:** In August 2024, USD(A&S) made the decision to return NBIS to the planning phase, allowing the program time to finalize acquisition documentation and establish the requirements governance process to ensure the program was on a solid foundation for success. Beginning this May, DCSA secured approval to return the program to the Execution Phase.
- **Implemented a Reformed Acquisition and Contracting Strategy:** DCSA built consensus and secured approval for a new acquisition strategy with a modular contracting approach and a new product roadmap, collaborating with key DoD stakeholders, including USD(I&S), USD(A&S), DOD CIO, CDAO, and the USD(Comptroller)/Chief Financial Officer. This strategy integrates Agile practices and flexible acquisition methods that revolutionize how federal software is developed and delivered—not just for the NBIS program but also across DoD.
- **Has a Product Roadmap:** DCSA is working with key stakeholders to iterate on an NBIS Product Roadmap that will drive operational delivery and align with Trusted Workforce (TW) 2.0 implementation for the DCSA personnel vetting mission and our federal customers.
- **Has Implemented a Migration and Modernization Strategy:** The NBIS program has shifted from a costly, new-build approach to a migration and modernization strategy, leveraging existing systems to achieve faster results with a more cost-effective solution. To this end, DCSA is migrating all current vetting systems to the Joint Warfighting Cloud Capability (JWCC) and modernizing the code for these systems in the cloud, allowing for Agile development and enabling machine learning and artificial intelligence capabilities. This strategy is moving ahead of schedule and already resulting in cost savings for the program.
- **Has Robust Governance and Requirements Management:** NBIS now has a proper governance structure, with USD(I&S) as the program sponsor and USD(A&S) providing support as the MDA. The program is governed by a robust charter and clear documentation. NBIS requirements and accompanying updates to the product roadmap are now governed by decisions made by the NBIS Requirements Governance Board in conjunction with DCSA. The resource profile is built directly from those decisions.
- **Is Removed from the Working Capital Fund:** The NBIS program will transfer from the DCSA Working Capital Fund to appropriated funding in fiscal year (FY) 2026 pending final passage of an FY 2026 funding bill, ensuring that DoD and other federal customers are not charged for a product that is not yet ready for operational use. NBIS will remain in appropriated funding until fully operational and termination of all legacy systems is complete.



- **Benefits from Strong Leadership:** We have hired experienced leadership, to include an Executive Program Manager for NBIS and a DCSA Program Executive Officer. We have also hired a Senior Executive Product Manager and Chief Architect, both of whom came to DCSA with deep technical expertise along with other talented personnel who lead and manage the program.
- **Has a Highly Skilled Workforce:** We have upskilled and transformed our workforce and provided them with the technical and programmatic training necessary for a program of this technical complexity. Furthermore I, as the Director and DCSA Component Acquisition Executive, have become Agile-certified and am one test away from becoming certified as a Scaled Agile Framework (SAFe) Agilist and recommend the same type of training for future DCSA leadership.
- **Addressed Cybersecurity Concerns:** DCSA has closed out all of the recommendations made by the GAO regarding updating NBIS's cybersecurity protocols. We are also in the process of migrating all systems to the JWCC, which will provide enhanced cybersecurity protection to our vetting systems.
- **Developed a Life Cycle Cost Estimate:** DCSA developed a comprehensive independent Life Cycle Cost Estimate and a Program Office Estimate (POE) to determine the full costs of the program, in accordance with cost estimating and GAO best practices. DCSA coordinated its independent cost estimate and POE with the DoD Office of Cost Assessment and Program Evaluation (CAPE), which conducted its own independent cost estimate. CAPE supports the cost estimate, which was within 5 percent of its own estimations for the NBIS program's lifetime costs and is lower than prior cost estimates. The comparison was also approved as part of the NBIS Execution Phase decision. Through the application of all the aforementioned work, the NBIS team is actively driving costs down while meeting production obligations.

While we have made significant progress, I want to be clear that this work is ongoing, and technical and programmatic challenges will inevitably occur. Earlier this year, DCSA introduced an enterprise service for multi-factor authentication to NBIS per DoD requirements. The transition and rollout had technical flaws, which led to some users being locked out of the eApp portal. We were rightly criticized for this error. DCSA has learned from this incident and will continue to improve customer experience and technology operations support.

The rollout created significant business and mission impact for customers. We used a data-driven approach to identify the technical issues affecting users and, based off on those findings, we implemented a number of critical measures, to include: increased manpower and approved overtime for critical help desk personnel, created a resource page for users, held large-scale virtual help sessions, and designed and distributed job aids to enable self-help. We also launched an inquiry into this situation to learn what changes we must adopt to prevent such a situation from happening again. Based off of those findings, we've already implemented changes to the way we approve, validate, and roll out new features—now with a strong focus on customer participation and testing earlier in the process.

A recent example is the migration of several legacy systems—the Defense Information System for Security, Mirador, and Secure Web Fingerprint Transmission—to the cloud in early September. The migration was initially slated for early August, but we made the decision to delay it a month as testing leading up to the migration did not give us confidence that it could occur without impacting users. We did more user testing to ensure the best possible transition for our customers. The migration was not perfect—users experienced latency issues for two days—but by the third day user experience had returned to normal. As a service provider, we will continue to learn, change, and improve our service approach with each new roll-out of services.



We continue to welcome scrutiny and will continue to work with GAO on current and future assessments to ensure we are taking appropriate action on findings that effect the performance and security of NBIS. As of July 17, 2025, all of GAO's cybersecurity recommendations issued in its 2024 report, GAO-24-106179, have been closed out.

DCSA is also in the midst of a personnel vetting mission transformation to update its process and procedures to support the implementation of TW 2.0. It is critical that DCSA align these transformation efforts with the NBIS program deliveries and with the TW 2.0 milestones, working with stakeholders to mitigate any conflicts between the three areas.

NBIS Program Tomorrow: Working to Operationalize by End of FY 2027

The NBIS product team is using the established product roadmap to drive toward delivery, with technical capabilities delivered in FY 2027 and full implementation in FY 2028. This delivery is being done in alignment with the Executive Branch's TW 2.0 and will allow for implementation of personnel vetting reforms throughout the Executive Branch. Operational delivery of NBIS includes not only technical delivery of capabilities but also preparing customers for those capabilities and assisting them with the adoption to include technical updates, process changes, and budgetary implications.

To ensure DCSA is able to deliver NBIS in accordance with the roadmap and to meet the needs of our customers, DCSA has adopted Agile methodologies, which enable the program to respond quickly to changing requirements, prioritize emerging needs, and deliver high-quality solutions in a rapid and iterative manner. As part of this process, customers are engaged regularly through meetings, working groups, councils, and committees—like the National Industrial Security Program Policy Advisory Committee and the Performance Accountability Council—to identify issues so problems can be addressed and solutions implemented prior to delivery of new products. We started with the Personnel Vetting Questionnaire and are working with early adopters as we roll out this capability. Our NBIS team also recently hosted NBIS Product Days with our customers, focused on capturing issues and working collaboratively toward solutions.

After being approved to move from planning to execution in May, we began moving more quickly toward delivering the NBIS capability, as well as making progress against several other areas of focus in the first two quarters of FY 2025:

- **New Digital Personnel Vetting Questionnaire Launched:** NBIS deployed the first version of a modernized security questionnaire—the Personnel Vetting Questionnaire—that simplifies the paperwork required to initiate the clearance process. Early adopter agencies are testing it now, with continuous improvements based on user feedback prior to broader rollout.
- **Massive Data Consolidation Success:** Successfully migrated 12 million security records into a unified system, eliminating data silos and creating a stronger foundation for faster, more efficient clearance processing.
- **Expanded Continuous Vetting:** Enhanced the system's ability to enroll more federal agencies in continuous vetting, increasing our capacity to detect risks across the government workforce.

We are executing against several key milestones this year as we continue our progress toward full operational deployment. We are focused on the following areas this quarter:



- **Cloud Migration:** We successfully migrated several legacy systems—the Defense Information System for Security, Mirador, and Secure Web Fingerprint Transmission—to the cloud. Users experienced latency issues for two days, but by the third day user experience had returned to normal.
- **Personnel Vetting Management:** We will complete the transition to a unified, secure database that handles the new three-tier security system, providing agencies with faster access to clearance decisions and stronger data protection.
- **Continuous Vetting Management:** We will deploy additional technology upgrades to continue enhancing continuous vetting capabilities.
- **Individual Engagement:** We began to develop the Individual Engagement Portal capabilities. When fully implemented, the portal will allow individuals to log in and track their personnel vetting status in real-time, ending the frustrating "black box" experience, accelerating processing times, and support self-reporting.

In short, I anticipate the fourth quarter of FY 2025 will deliver several major capabilities that make security clearances faster, more transparent, and more secure—directly addressing government hiring challenges while strengthening national security. And these goals are top of mind as we drive toward full operational delivery of NBIS.

Impacts of NBIS on DCSA: A Catalyst for Transformation

The improvements made to the NBIS program have had a profound impact on the broader DCSA organization. As I committed to in my June 2024 testimony, while we worked diligently to overhaul the NBIS program, we have also ensured that the Agency has remained focused on delivering on all of its missions. To that end, we have sought to make reforms and process improvements throughout the Agency fueled by lessons learned from our experience with the NBIS program and following guidance received from the Department. As a result, DCSA has sought to transform the entire agency into a high-performing, customer-focused service provider.

At DCSA, we don't just execute a mission; we earn the resources to sustain it. We function much like a mission-driven business, and we have embraced that identity. With roughly 65% of our budget flowing through a Working Capital Fund, we must focus on quality, customer engagement, and cost effectiveness. Drawing on business and public administration best practices, and the lessons learned from the NBIS reform, I prioritized cost effectiveness, quality, and customer experience as foundational principles. To operationalize these principles, I established a Business Transformation Office, led by an Agile expert with deep DCSA and DoD performance leadership experience.

This capability has powered targeted initiatives, most notably a Personnel Vetting Performance Tiger Team that identified opportunities to improve end-to-end business processes. The Tiger Team tackled our personnel vetting mission using Agile principles and continuous improvement methods. The implementation of efficiencies drawn from the work of this team will improve how DCSA performs its personnel vetting mission and its utilization of NBIS with streamlined and improved processes. The team has already implemented process efficiencies that have led to:

- A 30 percent reduction in our background investigation case inventory.
- An approximately 10 percent improvement in case timeliness.
- Organizational redesigns and workflow improvements across the mission area.
- A 78 percent reduction in the processing time of enrolling personnel into continuous vetting through the deployment of automation. This reduces human error and enables DCSA personnel to focus on more critical tasks.



- Considerable gains due to the early integration of TW 2.0 in the personnel vetting process: as of July 14, 2025, DCSA was able to cancel roughly 40,000 field items, allowing those resources to be reallocated to other priority efforts.

Most notably, these outcomes were achieved despite a 13 percent reduction in DCSA's workforce since January, and there are more to come as the team continues to implement identified solutions. This speaks volumes about the talent, dedication, and capacity of the DCSA workforce.

Efforts to improve processes and streamline DCSA's personnel vetting mission have resulted in impacts beyond inventory and timeliness. We have been able to pass cost savings on to our customers. We had anticipated a 10 percent rate increase in FY 2027 for our vetting products, but efficiencies have led to customer prices remaining consistent from FY 2026 to FY 2027.

Applying Lessons Learned to the Agency as a Whole

In March of 2025, the then-Department of Defense launched the *Workforce Acceleration and Recapitalization Initiative Organization Review*, an effort to enhance the organizational design and allocation of manpower to boost readiness, capability, and efficiency across the DoD. This proved to be an opportunity to build on the changes we have already made within the agency to reform and refine our processes and business practices regarding NBIS and our personnel vetting mission. DCSA has a solid foundation as we reorganize the agency to increase our efficiency and apply the lessons we have learned to our other primary missions, overseeing the defense industrial base's safeguarding of classified information, providing counterintelligence and insider threat support, and providing security training to DoD, industry, other federal customers, and covered entities in the private sector. The agency will further capitalize on these lessons as our mission expands to inform acquisition decisions far more broadly across the DoD supply chain, through assessments for foreign ownership, control, and influence.

Every decision in the reorganization was made to stabilize the Agency, streamline operations, and provide a strong, sustainable foundation for the future. We have centered those decisions around the following five key initiatives:

- Integrating acquisition and technology functions into a single directorate, aligning with the Enterprise SAFe Operating Model.
- Creating a customer experience nexus point through a centralized communications and customer engagement organization.
- Centralizing transformation and strategy components into a single organization.
- Consolidating governance, policy, and executive support functions into a single corporate business operations entity.
- Introducing Regional Cross-Mission Directors into our field operations to streamline operations.

This reorganization names responsible parties, sets deadlines, and codifies governance; it will become operational on October 5, 2025. Some may ask whether this locks in my vision or burdens my successor. The goal wasn't to lock anyone in; it was to lock chaos out. These changes stabilize the Agency, streamline operations, and give the next Director a strong, sustainable, foundation.

We have also sought to incorporate the lessons learned from reforming NBIS to the non-personnel vetting organizations within DCSA.

Industrial Security: The implementation processes for the National Industrial Security Program are ripe for modernization. This program was initiated in 1993 and came at the urging of industry seeking a



unified process for clearing facilities that house classified work. DCSA believes we can also apply the lessons from NBIS to reform our procurement of the National Industrial Security System, which will strengthen protection of classified work in cleared industry.

Counterintelligence: DCSA holds data that we apply to threats from adversaries around the world. We can use what we have learned from the NBIS process to see how we can improve our processes to identify threats to cleared industry and better protect the defense industrial base.

Security Training: Process discipline and Agile development can modernize curriculum delivery and responsiveness to stakeholder needs. DCSA, through the Center for Development of Security Excellence, has already expanded online training offerings and certifications to keep pace with new policy changes and threats.

DCSA has proven we can do more with less, but there are limits. Continued improvement requires a sustainable base of manpower, financial resources, process improvements, and technology enhancements. Without these, gains may erode over time.

Conclusion

I am confident these changes have positioned DCSA to continue the success realized with the NBIS program since I last testified before this Subcommittee, and for continued mission success and operational excellence. On the eve of my retirement from DCSA and from federal service, I am confident that the process of continuous improvement, innovation, and drive to success will continue with the exceptional team that makes up the DCSA workforce. The momentum we have today reflects the dedication of this team who came together and did the hard work to set the agency on the right track. I respectfully urge the Subcommittee to view this transformation as a cultural reset and structural foundation for a stronger, faster, and more responsive DCSA.